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By Nancy Weingartner

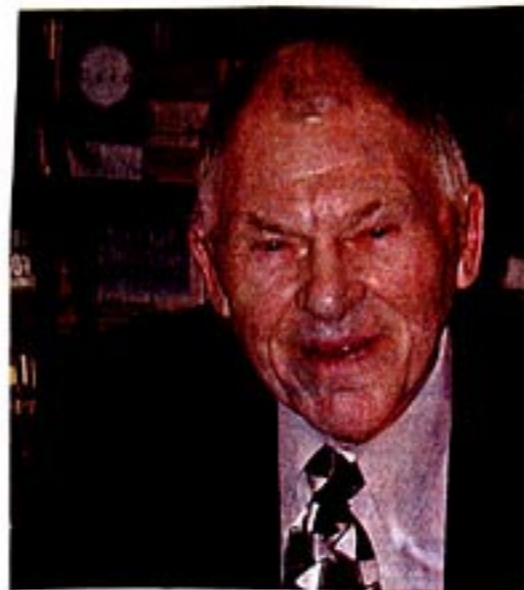
William Rosenberg was 84 years old and tired of being a chapter in other people's books. So the founder of Dunkin' Donuts decided to write his own book.

Earlier in his life—the 1960s, to be exact—Rosenberg was asked by author Mario Puzo if he could pen his life story when the two met at a weight-loss clinic. Rosenberg, who was busy growing his business at the time, politely declined. Puzo went on to write the "The Godfather." Rosenberg went on to build Dunkin' Donuts into an American icon, breed race horses, become a multiple cancer survivor and create the International Franchise Association. So, in retrospect, since Puzo would have had only half of Rosenberg's life to work with, maybe it was the best decision after all.

While Rosenberg has no regrets about refusing the best-selling author's offer, turning down Jim McLamore's offer of half his 19-cent burger shops' business for \$150,000 still eats at him. Rosenberg decided Florida, where the burger chain was getting started, was too far away and might interrupt his doughnut business. So instead, McLamore found another partner for less than half that amount. "I would have owned 50 percent of Burger King for \$150,000—no, \$80,000—and I turned it down," he says, sighing.

But Rosenberg doesn't have time to dwell on what might have been. He's too busy enjoying what was, and is. His journey has been pretty amazing.

As did many of the early franchising giants, Rosenberg left school in the eighth grade. It was during the depression and earning money became much more important than getting good grades. Rosenberg had a



Dollars for Donuts

Name: Bill Rosenberg

Book: "Time to Make the Donuts," with Jessica Brilliant Keener

Book highlight: When Rosenberg decided to move his son, Robert, into more of a leadership role at the company, he told him, "I don't care if you don't know how to make the coffee or the doughnuts—though you should learn how to do it—You must know how they should taste and what our standards are."

His son replied, "I don't drink coffee, Dad. ...I

drink milk."

And, if that wasn't enough for the coffee and doughnut guru to bear, the next words out of his grown son's mouth were: "I like Hostess donuts."

But even with that auspicious start, Robert Rosenberg not only followed in his father's footsteps at Dunkin' Donuts, but he was also the chairman of IFA, eight years after his father's reign.

Headline in first franchise brochure: "Dollars for donuts"

COVER

12 Franchise Winners

Steven Siegel, 2002 IFA chairman

William Rosenberg, Dunkin' Donuts founder

Joe Vitrano, J&B Restaurants

Don Newcomb, McAlister's Deli founder



BILL ROSENBERG

"You want to know what the secret to success is?" Rosenberg asks. "The secret to success is the right attitude. PMA, positive mental attitude versus negative mental attitude. Positive is result oriented, negative is counterproductive."

This is how it works, Rosenberg explains: "Say you have a lawn and a guy comes around to do your lawn. You ask, 'Why is my lawn brown?' The negative person would give you a thousand excuses...But the positive person will go ask the people with green lawns how they did it."

Rosenberg didn't want to find out how to make his lawn green, but he did want to find out how to make the inside of his wallet green by building more doughnut shops. "Howard Johnson was the most successful chain out there and they were franchising," he says. "If he can do it, why can't I?"

The doughnut chain grew out of Rosenberg's successful catering business. He saw that "coffee and doughnuts are like husband and wife." By marrying the two into a retail shop, he found a partnership that could be franchised. The original name of the shops was the Open Kettle, and like Howard Johnson's 28 varieties of ice cream, Rosenberg came up with a plan to have as many varieties of filled doughnuts as there were weeks in a year. "That way we could run a different special every week," he says in his book, "Time to Make the Donuts."

When it came time to expand, Rosenberg decided he didn't like the Open Kettle name, so he called his staff in to brainstorm on a new moniker. It was the impatient architect who finally named the chain in exasperation. "What the hell do you do with a donut? You pick a chicken, you pluck a chicken, you dunk a donut..." Rosenberg quotes him as saying.

Rosenberg was so enamored with the new name, he even had a doughnut cutter designed that had a "handle," so the doughnut could be dunked. There also was a little show business involved—a window to the production room allowed hungry doughnut-eaters to view the

multitude of jobs from selling ice cream from a box to shining shoes, but whatever he did, he did it a little bit better than the other guy. At Western Union he learned the faster you pedaled, the more deliveries you could make, and the more you smiled, the better tips you made. But while Rosenberg wasn't adverse to hard work, he always found a better, more efficient way of doing it—such as grabbing onto the back of trucks so his bike traveled at the speed of cars.

Rosenberg may have come from "modest" means, but he had what he describes in his book as "a fire in my belly, a determination to succeed." He, like many of his generation, also possessed a curiosity that caused them to look at what the other guy was doing. Imitation was indeed the best form of flattery. "If you left school in the eighth grade, and were ambitious...you realize that you don't know anything," he says. And because they weren't afraid of appearing stupid, "We asked better questions."

Maybe Rosenberg is part of a generation who had so few luxuries growing up, they never had the luxury of blaming their childhoods for their failures, so there was no excuse not to succeed.

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confections being made.

Just as Rosenberg's franchise was off and running, so were quite a few other businesses. "In the early '50s and '60s, franchising was the dot-coms of today," he says. "A lot of people got into it and they failed." Celebrities like Minnie Pearl and Johnny Carson were loaning their names to endeavors without being involved, and in some cases, unscrupulous franchisors were taking advantage of investors's naivete. And,

in other cases they were just feeling their way through uncharted waters and taking their unlucky crews down with them.

At the first Start Your Own Business Show in Chicago, all the scrupulous franchisors were grumbling about the bad apples. They were also complaining about the lack of advertising and the low attendance, but they were especially worried about the legislation being passed to regulate franchising and the Federal Trade Commission's role in it, he says.

"I never heard so much complaining. I said, 'What we need here is an association to protect the good ones,'" Rosenberg says.

A meeting was called the next day to discuss a plan of forming an association dedicated to franchising. At one point to get things moving, Rosenberg says he stood up and slapped a \$100 bill on the table. "Everyone who agrees with me put



Robert Rosenberg with his father. Notice the handle on Bill Rosenberg's doughnut.

"If Bill Rosenberg were to be parachuted into the middle of the Mojave Desert with a gallon of water and \$50, he'd have a successful business up and operating in 30 days."

—William Cherkasky, former president of the International Franchise Association

in \$100 to get this thing going," he reports saying. No one moved. Finally, Al Tunick of Chicken Delight, who later became the first president of the association, whispered to Rosenberg that \$100 was a lot of

money, maybe he should try \$10. That proved to be the lucky number, and with a total of around \$1,900 collected that day, the IFA was born.

Rosenberg says he originally had planned to call it the National Franchise Association, but one of the board members was thinking global, not locally, and the title was scratched in favor of "International." Today, IFA is still going strong. And the formula that worked for IFA also worked for another group Rosenberg was actively involved with, horse owners.

"Bill Rosenberg provided the vision that gave birth to IFA," says Don DeBolt, president of the Washington, D.C.-based trade group. "His tenacity is unusual. He doesn't finish until he's across the finish line. No coffee breaks for him even though he made a living selling coffee. He'd be his own worst customer."

"He's the best," agrees C. Stephen

Lynn, a former IFA chairman. "He's been an overachiever at everything he's done, from sports—I've heard he's a scratch golfer—to horses to the founding father of what franchising really is."

Rosenberg also has been credited with being generous with his advice, some of which has helped grow chains like Subway and the Great American Chocolate Chip Cookie Company.

"He symbolizes the spirit of giving other franchisors the (secrets of) how to solve their challenges," Lynn says.

While Rosenberg's secret of success

includes a positive attitude, it also focuses on making success a habit. Rosenberg is the first to admit that some of his bad habits—smoking, for instance, led to losing part of his lung to cancer—have also shaped

his life. But, it's his success habit that has taken him to the heights he's achieved.

"Without really knowing it, I got into the habit of thinking like a winner. I'd ask myself: Can I do this? Sure I can do it. If someone else can do it, I can do it, too."

If you want the whole story, you'll have to read the book. But I can assure you that even though Rosenberg's story involves racehorses, you won't find a reference to a horse's head found at the foot of the bed, like you might if Mario Puzo had penned the story. **[FT]**