

## **Nobody Asked Me, But... No. 39**

### **Say Goodbye To The UFOC; Dunfey Brothers To Be Honored; The Plaza Hotel Reopens After a \$400 Million Renovation; Independent Franchise Associations Form a Coalition**

**By Stanley Turkel, MHS, ISHC**

#### 1. Say Goodbye To The UFOC

After June 30, 2008, the Uniform Franchise Offering Circular will be replaced by the new Franchise Disclosure Document (FDD). The UFOC was a disclosure document created by the U.S. Federal Trade Commission in the mid 1970s because of the scams and rip-offs perpetrated by many franchise companies. The new and improved FDD disclosure requirements are mandatory on all franchise regulating states after July 1, 2008.

#### 2. Dunfey Brothers (Jack, Bob & Gerry) To Be Honored

The University of New Hampshire will grant them the 2008 Hoteliers of the Year award. In the mid 1970s when Aetna Life acquired the Dunfey Family Hotel Corporation, I was hired by Jack Dunfey for a year-long consulting assignment. At the time, Dunfey was ITT Sheraton's largest franchisee and I was the product line manager for hotels on the ITT staff. The Dunfey's are unique in their concern for guests, employees, the environment, socially-responsible positions and fulfillment of America's promise. Over a fifty-year period, the Dunfey's went from operating a clam stand in Hampton, N.H. to a hotel giant that operated the Parker House in Boston, the Berkshire Place in New York, the Biltmore Plaza in Providence, the Royal Orleans in New Orleans and the Omni Hotels Corporation. Hats off to the wonderful Dunfey family.

#### 3. The Plaza Hotel Reopens After A \$400 Million Renovation

Hopefully, these renovations will restore it to its original grandeur when it opened on October 1, 1907. The Plaza Hotel was designed by Henry Janeway Hardenbergh, who was already well known for the Dakota Apartments, one of the first luxury apartment buildings in New York. The Plaza had 800 rooms, 500 bathrooms, large private suites, 10 elevators, a two-story ballroom and the Palm Court with a Tiffany leaded glass-domed ceiling. On this same site, an earlier Plaza Hotel opened in 1890 with 400 rooms but was demolished 17 years later for the 18 story current Plaza Hotel.

The New York Landmarks Preservation Commission recently recommended the approval of a waiver that will allow 39,000 square feet of commercial space. It gave permission to make changes to the exterior of the building including adding a new entrance for the stores. The commission also bestowed landmark status on eight of the hotel's famous public rooms, adjacent corridors and vestibules, including murals, chandeliers and decorative metalwork. The rooms include the Palm Court, the setting for a scene from the movie, "The Great Gatsby", the Terrace Room, where Marilyn Monroe's dress strap once slipped off her shoulder during an interview; the Oak Bar, where Cary Grant's character was kidnapped in Alfred Hitchcock's "North by Northwest"; Walter Matthau in "Plaza Suite" and Barbra Streisand in "The Way We Were" used the Plaza as a stage set. The Plaza in 1930 was the backdrop in a scene for "No Limit", the first talking picture filmed on location in New York City. Its star was the famous "It Girl" Clara Bow.

Unfortunately, the Persian Room, a legendary nightclub at the Plaza, which presented the most talented live performers will not be reopened. It opened on April 1, 1934, four months after the repeal of Prohibition, in the southern half of the Fifth Avenue Urban with murals by Lillian Gaertner Palmedo. Until it closed in 1975, the Persian Room featured such stars as Liberace, Carol Channing, Burl Ives, Eddy Duchin, Kitty Carlisle, the Mills Brothers, Bob Fosse, Victor Borge, Marge and Gower Champion, Eddie Fisher, Xavier Cugat, the McGuire Sisters, Dinah Shore, Vic Damone, Bob Hope, Robert Goulet, Frankie Laine, Ethel Merman, Eartha Kitt, Henny Youngman and Hildegard, among others.

#### 4. Independent Franchisee Associations Form a Coalition

A handful of associations representing franchisees from some of the nation's largest franchise systems have formed the Coalition of Franchise Associations.

The coalition will focus on government affairs at the state and federal levels, along with education and training, leadership development and collective purchasing opportunities. The leaders hope they will be able to provide better services by combining their efforts. "Franchisee groups have long been mandating similar issues, which range from navigating government mandates to negotiating meeting venue contracts," said CFA Chairman Frank Capaldo, who heads the National Franchisee Association, which represents Burger King owners.

The board of directors of the coalition includes the founding members of the organization, including leaders from: the Brown Board Owners Association (MBE), the Dunkin' Donuts Independent Franchise Owners Inc., Independent Hardee's Franchisee Association, International Pizza Hut Franchise Holders Association, Meineke Dealers Association, National Association of Buffalo Wings Franchisees, National Coalition of Associations of 7-Eleven Franchisees and the National Franchisee Association of Subway Franchisees.

"The organization generously provides members vast opportunities to interact with, teach to and learn from their peers," said Steve Ellerhorst, CFA's vice chairman and executive director of the Hardee's franchise association.

#### 5. Quote of the Month

"Travel is fatal to prejudice, bigotry and narrow-mindedness."

Mark Twain

Stanley Turkel, MHS, ISHC operates his hotel consulting office as a sole practitioner specializing in franchising issues, asset management and litigation support services. If you need help in negotiating a franchise agreement or with a problem such as encroachment/impact, termination/liquidated damages or litigation support, call Stanley at 917-628-8549 or email [stanturkel@aol.com](mailto:stanturkel@aol.com).

#### Stanley Turkel's Speaking Schedule

- April 16: "Great American Hoteliers" at the New York University Osher Institute."

Stanley is also available as a featured speaker on the following subjects:

- Fair Franchising is Not an Oxymoron
- Great American Hotels and Hoteliers
- Are Exterior Corridor Hotels Obsolete?
- Impertinent Questions in Search of Pertinent Answers
- AAHOAs 12 Points of Fair Franchising