

CLEANBUCKS RESOURCE

License vs Franchise Decision Matrix

Score each model 1–5 on the dimensions that matter to you. Higher total = better fit. Use with any cleaning brand.

Scoring matrix

Dimension (weight 1–5)	Weight	Franchise score (1–5)	License score (1–5)
Upfront capital required			
Lifetime cost / royalty load			
Brand pull in my market			
Operational freedom (pricing, hiring)			
Quality of operations playbook			
Software / tech stack included			
Territory protection			
Marketing & lead generation			
Exit / transfer flexibility			
Lender financing availability			
TOTAL (weight × score)			

Red flags in either model

- Refusal to share FDD Item 19 (financial performance) on request.
- Royalty applies to gross revenue, not net — even in unprofitable months.
- Required vendor markup on equipment, software, or supplies.
- Renewal fee triggers re-negotiation of territory or royalty.
- Vague answer about who owns the customer list at exit.
- High franchisee turnover in last 3 years (FDD Item 20).

Final question

If your business hits \$500K–\$700K gross in year 3, will the brand still be worth what you're paying? If the answer is "no," the license model usually wins.