



REPUBLIC OF THE PHILIPPINES

PHILIPPINE CONSULATE GENERAL

LOS ANGELES, CALIFORNIA



Press Release  
AASC-073-2020

## PHL FRANCHISING SECTOR: PIVOTING TO ITS GOLDEN AGE BY 2021



(Screenshot photos were taken during the virtual conference. Above Photo: DTI Secretary Ramon Lopez delivering his keynote message)

22 September 2020, Los Angeles – The Philippine Consulate General in Los Angeles attended the opening of the five-day virtual conference on franchising dubbed, “*Virtual Conference 2020, Pivoting Towards the Golden Age of Franchising*,” which was jointly organized by Franchise Asia Philippines and the Philippine Franchise Association (PFA).



PFA Chairperson, Mr. Richard V. Sanz; and PFA President, Sherill R. Quintana and PFA Founder and Chairman Emeritus, Dr. Samie Lim, in their opening messages, announced that Philippine franchising is set to enter its golden age by 2021 through 2025. The Conference is aimed at helping Philippine franchise brands pivot to this golden age as the country bounces back from CoViD-19 pandemic disruption. (Photos left)



A recent survey by a U.S.-based franchise think tank, Edwards Global Services ranked Philippines at 2.1, with 1 being the highest, as among the world’s best destination for franchising. The country scored high on economic factors and ease of international brand entry, and fairly high on projected 2020 GDP growth, market size, legal concerns for international brand, political situation, long-term investment level risk political situation and projected CoViD-19 recovery. The Philippines has “*always been among those on top. In fact, among ASEAN, we were always on top*,” according to Mr. Sanz



In 2019, the sector contributed 7.2% to the GDP, which is equivalent to Ph₱1.4 trillion pesos, and 2.7% to the gross national income (GNI) which is equivalent to P51 billion. “*When the economy is good, franchising is good. When the economy is bad, franchising*

*emerges better,*” according to Dr. Lim. He also added that CoViD-19 has opened many opportunities for a new breed of franchisers with some of the most creative ideas embracing the new consumer lifestyle. PHL Franchising’s golden age will see more “mompreneurs” and Overseas Filipinos entering the field.

PFA President Sherill Quintana encouraged the new generation of franchisers to stick to their vision. *“If things do not go well, change the plan but not the vision, for the vision remains true,”* according to her.

A keynote message was delivered by the Department of Trade and Industry (DTI) Secretary, Ramon Lopez, who underscored the PHL Government’s commitment to help the sector pivot to its golden age. *“The DTI will continue to support the franchising sector by espousing the continued reopening of the economy,”* he said. In fact, the DTI, through its Philippine Trade and Investment Centers overseas has served as the sector’s arm in catapulting PHL franchise brands to the global market.

The PHL Government has taken concrete action to help businesses during the pandemic, particularly small and medium enterprises (SMEs), with the ratification of two laws namely RA 11469, also known as The Bayanihan to Heal as One Act; and RA 11494 also known as The Bayanihan to Recover as One Act.

Both legislations provide regulatory relief to businesses such as residential and commercial rent relief, providing a 60-day grace period and even extensions for those who have loans with zero interest and zero charges, utilities moratorium, among others.

The PHL Government has also recently launched the CoViD-19 Assistance to Restart Enterprises (CARES) CARES program, with a budget allocation of Ph₱1 billion, providing loans for microenterprises, including cooperatives and returning jobless OFS.

As the Philippine economy continues to reopen, only about 6% of the 2,000 companies surveyed in April remain not fully operational. When the survey was initially conducted in April 2020, 38% were closed and 50% were partially operating. The country’s unemployment rate also gives added optimism as it decreased from 17.7% in April to 10% in July 2020. Full economic recovery is expected by 2021, according to Secretary Lopez.

Joining over two hundred participants across the globe were Consul Rea G. Oreta, Trade Commissioner Eric C. Elnar and Information Officer Mary Grace D. Leaño of the Consulate General’s economic diplomacy team.

Virtual Conference 2020 started on 21 September 2020 (20 September 2020 PDT) and will run until 25 September 2020 (24 September 2020 PDT). Interested participants in the Virtual Conference 2020 may still register at:

<https://franchiseasiaph.com/virtualconference/register/>

Information on the Conference’s program is available at:

<https://franchiseasiaph.com/virtualconference/schedule/>. END.