



This FANmail is brought to you by: Michaela Mendelsohn

"All of my employees, and my transgender employees in particular, are able to look and see that you can be transgender, and you can succeed at the highest levels in a franchise small business like mine."

-- Michaela Mendelsohn, multi unit El Pollo Loco franchise owner in Southern California

IFA President and CEO Provides a Post Election Analysis



IFA's President and CEO Robert Cresanti provides an update on the results of the 2018 midterm elections. In wake of a new Congress, Robert discusses how IFA continues to advocate for a pro-franchise regulatory agenda. Read Robert's analysis [here](#).

Join the IFA Government Relations team and outside experts in an exclusive webinar on the outcome of the midterm elections, and what the next two years in congress will look like and how it will impact franchising. The webinar will be on **Thursday, November 15** at

12:30 pm EST. An RSVP is required, so if you plan to participate, please email IFA's [Patrick Pitts](#).

IFA's 2018 Midterm Elections Scorecard

IFA's political action committee, FranPAC, supports pro-franchise, pro-business candidates for U.S. Congress. FranPAC released a [scorecard](#) showing financial support of federal candidates in the 2018 elections and indicating the election results for those candidates. During the 2018 cycle, FranPAC made inroads with new members of Congress and helped franchise champions stay in office. The scorecard is based on official results available at the time of publication.

The scorecard can accessed [here](#).

Did You Run for Office? We Want to Tell Your Story!

As the elections come to an end, IFA would like to highlight stories of FANs that ran for office - at any level of government.

We are proud to report that Oklahoma FAN, Kevin Hern, was elected to the House of Representatives for Oklahoma's 1st congressional district. Hern's franchise career took off in 1999 as a multi-unit McDonald's franchisee in Muskogee. As the owner of KTAK Corporation, Kevin also led the operations of an organization that owns 10 McDonald's restaurants. To learn more about Kevin, click [here](#).

If you, or your close family member, were candidates in the recent elections, please email IFA's [Patrick Pitts](#) for an opportunity to tell your story!

FASB Issues Franchise Examples for Revenue Recognition Rules in a Major Win for Franchise Businesses

On Monday, in a major victory for franchise businesses, the Financial Accounting Standards Board (FASB) [issued a memo with educational examples of revenue recognition](#) and set a precedent by which franchises handle initial payments made by a franchisee to a franchisor. According to [research](#) conducted by FranDATA, the recognition rules would have dramatically impacted franchise businesses.

"IFA commends the FASB for working with our members to issue educational resources that illustrate how franchise brands should recognize revenue related to initial franchise fees," said IFA President and CEO Robert Cresanti. "This educational material will help accountants accurately apply the standard and contribute to the financial stability of franchise companies."

Read IFA's press release [here](#).

NLRB Extends Joint Employer Comment Period

Last week, the National Labor Relations Board (NLRB) pushed back the deadline for public feedback on its proposed rule for analyzing whether two businesses jointly employ workers. The deadline to submit comments on the proposed rulemaking is now **December 13, 2018**. IFA still will submit comprehensive comments. To ensure all franchise voices are heard, please text **RULEMAKING** to **52886** or click [here](#) to submit predrafted comments.

Chairman Steve Chabot (R-OH) Speaks Franchise Business Network in Ohio



Last week, U.S. House Small Business Committee Chairman Steve Chabot (R-OH) addressed franchise business owners at the Franchise Business Network in Cincinnati, Ohio. Chairman Chabot discussed how the joint employer issue remains an unnecessary hurdle for franchise businesses. "That's why Rep. Cuellar (D-TX) and I introduced H.R. 6695, the Trademark Licensing Protection Act of 2018, this August to

clarify that controlling and protecting a trademark license does not create a joint-employer relationship under state or federal law. As the largest vocational training industry in America, it's important franchises continue to flourish and have access to the resources they need to grow their business and create jobs.”

Read more [here](#).

Transgender Business Owner Pens Op-ed on the Positive Impact of Franchising

On Friday, CEO of Pollo West Corp., Michaela Mendelsohn, penned an op-ed in the *Washington Blade*. As a multi-unit franchise owner of El Pollo Loco in California, and a transgender leader of a company, Mendelsohn notes how the franchise business model creates opportunities for the transgender community to excel as entrepreneurs.



Read the op-ed [here](#).

IFA's Senior Vice President Discusses Midterm Elections in an Exclusive Episode on *Social Geek Radio*



Ahead of Election Day, IFA's Senior Vice President of Government Relations and Public Affairs, Matt Haller, joined Jack Monson on the Social Geek Radio for an exclusive podcast episode. The duo discussed the 2018 midterm elections, including predictions, and how the outcome would affect small businesses.

Tune in [here](#) to hear how the elections could shape critical regulatory issues.

In the News

[Displaced Workers Could Benefit From Apprenticeships, but for One Labor Regulation in the Way](#), *Inside Sources*

[Incumbents who were shown the door](#), *Politico*

[FASB offers rev rec guidance for franchisors](#), *Accounting Today*

[President Trump's top economic adviser: 'A federal minimum wage is a terrible idea. A terrible idea.'](#), *Washington Post*

[NLRB refuses to hold public hearings on joint-employer issue](#), *Business Insurance*

[Seattle's Fake Free Lunch](#), *The Wall Street Journal*

[Franchise Performance Makes Debt Capital A Path To Scale Without Diluting Founder Equity](#), *Forbes*

['Joint Employer' Comment Period Extended by Labor Board](#), *Bloomberg*

[NLRB Dodging Questions on 'Joint Employer' Rule, Democrats Say](#), *Bloomberg*

[Managing Labor Risk: Avoid Joint Employer and Vicarious Liability](#), *Franchising*

[St. Paul City Council OKs amendment to slow rollout of \\$15 minimum wage](#), *Twin Cities*

[True or False: 'Joint Employer' Plan Based on Economics](#), *Bloomberg*

Tweets of the Week:

[As the dust settles from the midterms, @TreyKovacsCEI of @ceidotorg urges Democrats and Republicans to take action on Joint Employer so that companies can offer apprenticeships + workforce development, and workers can get a head start in the 21st century.](#)

[Big win for #franchising! We worked with FASB to establish revenue recognition educational materials to benefit your franchise. Find out more: <https://www.franchise.org/were-working-for-you-fasb> ...](#)

[Today, Chairman @RepSteveChabot joined local members of the Ohio Franchise Business Network in Cincinnati today to update members on legislation affecting small business franchises. More here:](#)

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Featured FAN: Michaela Mendelsohn



Michaela Ivri Mendelsohn is a transgender activist, public speaker, and businesswoman with over forty years of entrepreneurial leadership experience. She is currently the CEO of Pollo West Corp, one of the larger franchise groups for El Pollo Loco restaurants in the Western Region of the United States and was recently chosen as the 2018 Nation's "Face of Diversity" for the restaurant industry and led this year's LA Pride Parade as the Grand Marshall.

Michaela founded the organization TransCanWork Program whose mission is: Building a culture nationwide for transgender people to thrive in the workplace. Her personal mission is to help trans women find employment, social acceptance and encouragement on the path to raise families of their own (if that is a part of their life goal).

She was the first transgender contestant in the Ms. Senior California Pageant and worked with Jenji Kohan as a consultant on Orange is the New Black in the development of Laverne Cox's character.

Michaela speaks all over the nation on LGBTQ issues to create awareness and foster change. She currently serves as a vice chair of the Trevor Project whose mission is to eradicate suicide in LGBT youth. Michaela was also appointed by Los Angeles Mayor Eric Garcetti to serve on his Workforce Development Board.

She was born in New York City, and moved to Southern California as a child, where she has lived since. She was married for over thirty years and is the proud parent of three, grown children. In 2008, she legally changed her name to Michaela Irvi Mendelsohn and her gender to female. She now lives with her partner, Carmel and their four-year old son, Isadore.

Franchising Facts - Did You Know?

A reported 70% of all high school students want to start a business, and one in twenty-five people has already begun their journey.

