

Monday  
AGRIBUSINESS

Tuesday  
ENERGY DEVELOPMENT

Wednesday  
TRAVEL, TOURISM & AVIATION

Thursday  
INFORMATION TECHNOLOGIES

Friday  
ENTREPRENEURSHIP



## US group raises new fund to back firms

NEW YORK  
Bloomberg

U.S. firm Scale Venture Partners raised a \$250 million fund to back Internet and health-care startups, saying an improving market for technology-company mergers is boosting returns.

Scale has invested \$68 million of the new fund since May, the firm said on Wednesday. That money backed e-mail marketing firm ExactTarget, marketing-software company HubSpot and Oraya Therapeutics, which makes robotically controlled devices to treat eye diseases.

An improving market for initial public offerings also may help Scale boost returns on its new fund, partner Kate Mitchell said. The Foster City, California-based firm cleared \$100 million last year from the \$1.8 billion sale of Web-marketing company Omniture to Adobe Systems and Cisco Systems' \$183 million purchase of Web security firm ScanSafe.

"It all comes down to did you deliver returns? We did and it got recognized," Mitchell said. "If you don't show the beef - companies in registration to go public or with \$100 million in sales - you won't raise money."

Fundraising by venture firms in the U.S. fell 47 percent last year to \$15.2 billion, according to the National Venture Capital Association. The 120 funds raised were the fewest since 1993. Scale's last fund, raised in 2004, totaled \$400 million. The 19 startup IPOs since 2007 mark the slowest two-year stretch since the mid-1970s, holding down venture capital returns. Scale invested in ExactTarget when the company shelved a proposed IPO last May.

# Unemployment fuels franchising in Turkey

DERYA KARAYAĞIZ  
ISTANBUL - Referans

Entrepreneurs willing to undertake investments amid the global turmoil in Turkey have largely preferred to acquire franchises, contributing to growth in the sector.

The franchising sector grew 40 percent in 2009 as many of those who lost jobs allocated their compensation to establish their own businesses. The number of companies awarding franchises last year meanwhile reached 1,500, including 250 firms from abroad.

Campaigns launched by the franchise firms that offer the chance to establish businesses with investments of between 10,000 and 1 million Turkish Liras have also played a role in the growth. Franchise firms seeking to increase their number of branches have offered delayed payments or even given money to entrepreneurs.

"The global crisis has oriented people toward working collectively to feel more secure and share risks. And the franchising system has capitalized on this," said Mustafa Aydın, chairman of the Turkish Franchising Association, or UFRAD.

The franchise sector has seen noteworthy growth in Turkey within the last 10 years, a period during which the number of the companies in the sector has risen from 150 to 1,500 and continues to increase despite the economic crisis. The sector's business volume has reached \$35 billion.

Turkish entrepreneurs generally prefer the brands awarding franchises in the restaurant and food business, said Aydın: "Food gets more attention as its investment cost is less compared to textiles, health or education."

### Brands seeking entrepreneurs

Franchise-awarding companies renew themselves according to trends, the UFRAD chairman added, noting that there has been an interest in natural products, particularly with the recent debate on genetically modified organisms. "Besides food, the jewelry industry is among the rising stars of recent years," he said. "We have started to bring out international brands in this field. The shoe sector is also shining."

Despite the global economic crisis, some 40 to 50 brands en-

**Turkey's franchising sector grows 40 percent, reaching a business volume of \$35 billion as many of those unemployed amid the crisis invest their compensation to entrepreneurial efforts. Various campaigns organized by the companies awarding franchises have also played a role in the growth of the sector**



**LOOKING FOR FRANCHISEES:** Nolte Küchen, a German kitchen-design firm founded 50 years ago, is preparing to launch 17 franchises in Turkey this year and the next. The franchising sector grew 40 percent last year in Turkey.

tered the Turkish market in 2009, according to UFRAD Secretary-General Osman Bilge, the managing director of the consulting firm Franchise&More. "Brands receive many franchise demands daily. Accordingly, hiring demands in shopping centers are on the rise," Bilge said. "The stores that were left empty due to the shopping crisis felt on Istanbul's streets have started to draw interest again."

As more foreign firms enter the market, domestic companies also raise their quality, Bilge added. "During the crisis, closures occurred; the stores became empty and rents dropped. Those that are unbranded have left the market and brand chains have replaced them," he said. "The ones that had an eye on opportunities have grown over the period, as they

could acquire the places they could not have previously."

Nolte Küchen, a German kitchen-design firm founded 50 years ago, is preparing to launch 17 franchises in Turkey this year and the next. Nolte Küchen aims to expand in the country with the concepts of Nolte Home Studio, which also sells Nolte Germersheim-branded bedroom furniture, said Sebahattin Gürel, the firm's managing director for Turkey. "We do not demand franchising fees from entrepreneurs in Turkey," he added.

### No franchising fee

FOI Accessories, which aims to award 35 franchises within the first three months of this year, does not demand a franchising fee from entrepreneurs either; in fact, the company supplies investment sup-

port of 100 liras per square meter. Kara Finn, a confectioner, provides intensive training to dealer candidates before awarding franchises. It currently has nine branches and plans to award three to four additional franchises this year.

Sampi, a pita brand that currently has 32 stores, plans to reach 100 dealers this year and has launched a campaign to provide cash support to entrepreneurs. The first 50 dealers will not be asked to pay for franchising costs.

Similarly, Nesve, a coffee and teahouse that started out in 2008 in Kayseri, does not demand royalties from its first 10 dealers, while Pizza Pizza, a restaurant chain with 160 branches in 45 Turkish cities, does not charge entrepreneurs franchising costs until one year after their business launch.



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## Making the familiar fresh

**Some of the cultural differences seem small, but knowing when to adopt a local mannerism makes all the difference in how well you get along with the people you meet. For example, the nod you make in Turkey to say 'yes' means 'no' in India**

Having lived abroad my entire adult life, I came back to Turkey in 2003. Upon returning, I felt like an expat, a foreigner in my own country. I saw everything with fresh eyes, exploring the cities as if they were new to me, and relearning my own culture and people. I got curious about my own country all over again. I felt like a child stumbling onto something new and unexpected. I felt energized, happy and excited.

When you are an expat, traveling around the world, it's like being born again over and over. Your job function might stay the same as you move from one place to another, but the environments, people, and cultures are always changing. Your mindset never stops adjusting, and you become really good at seeing the world from multiple perspectives. Since learning becomes a constant, you always stay fresh and creative. It is a challenge, but it can be incredibly energizing.

### Adopting a local mannerism

Some of the differences between cultures seem small, but picking up on them and knowing when to adopt a local mannerism makes all the difference in how well you get along with the people you meet. For example, the nod you make in Turkey to say "yes" means "no" in India. That simple nodding gesture is something you've been doing automatically for years, and changing old habits is hard. But if you take a stab at it, you'll find you quickly gain the trust of others and more smoothly slip into living and working in their culture.

And, as I learned first-hand when I returned to Istanbul, the challenges of expat life don't stop when you come back to your home country. In fact, it becomes even more complex, because you are no longer the person you were when you left, but people expect you to be. Many of the people around you have been in the same place since you last saw them, but you have moved through many different experiences. Finding common ground with those people again is a challenge all its own, requiring that you think creatively and draw deep on your emotional intelligence.

In business life, especially if you've spent a few years doing the same kind of work, you may find your curiosity levels dipping low. You may feel the excitement of your youth has died down, and that your life has grown stale and routine. Even if you are a naturally curious person, just doing the same kind of work day after day might be dampening your spirit.

### Living your life as an expat

If that's the case, consider going abroad and living life as an expat. To start seeing the benefits, you don't necessarily have to stay abroad for a long time. If you work for an international company, see if you can get a temporary assignment in another country. If your company doesn't do any business abroad, consider going to another country on your next vacation and taking a short course there, perhaps in cooking or painting. Or if you run your own business, take it abroad for a few weeks or months, and learn how to run it from there.

However you do it, the point is to get out and spend time mixing with another country. It will ignite your curiosity and help you see the world through fresh eyes. The smallest things will impress themselves upon you, like noticing that the ads in Germany look different from the ads in Turkey, or that pastry shops in the Czech Republic are laid out differently than they are here. You have no idea which small thing will release a flood of fresh new ideas. The value of an experience like this ranks right up there with going back to school, or changing jobs. It's one of the best investments you can make in your career.

And for those times in your life when you can't actually go abroad, consider joining a globally-minded group like InterNations at www.internations.org. There you will find a group of expats living and working in Turkey, sharing life, ideas, and experiences. You never know what will trigger that next burst of inspiration, but when you put yourself out there, you make yourself easy to find.

## Mobile chargers fill entrepreneur pockets

ÖZGÜR ÇETİN  
ISTANBUL - Referans

Mobile phone battery chargers launched by Turkey's biggest mobile-phone operator, Turkcell, at its centers have opened a new door for entrepreneurs.

A recharging station for all different kinds of batteries, DOQO is specially designed for mobile-phone and digital-camera batteries. Mobil Power, the Turkey representative of the stations, which recharge mobile phones in 15 minutes for 2 Turkish Liras, receives around 40 venture offers a day.

Mobil Power is seeing high demand from intercity bus-transportation firms as well as restaurants, the company's Turkey representatives said: "We receive demands from several different sectors, such as bus companies, coach stations and automation firms. A bus company has ordered 270 de-



**RECHARGE:** DOQO units, brought to Turkey in April, recently started offering services at Turkcell Communication centers.

vices to be installed at its terminals." DOQO recharging units, brought to Turkey in April, recently started offering services at Turkcell Communication Centers. DOQO charger units are currently available at 380 Turkcell centers, attracting the attention of firms that have similar service lines.

Some 2,500 people use the charger units at Turkcell centers each day, according to a representative of Mobil Power. The firm will install the devices, which yield 450 liras in average monthly turnover, at all Turkcell Communication Centers by the end of the year. Saying that DOQO products

are unique in their global field, a representative who spoke on condition of anonymity said that the firm is in talks with Vodafone and Avea, Turkey's third-largest mobile-phone company. Adding that the deal the company reached with Turkcell has created a model for all of Europe, the representa-

tive said that there are DOQO devices at 1,200 locations across Europe, and that the firm aims to bring its figure in Turkey to 1,000 by the end of the year.

DOQO mobile-charger units can recharge any lithium-ion batteries. Besides mobile phones, they can also recharge devices such as digital cameras. The units can recharge two different batteries simultaneously, and allow a user to designate separate security codes for each. The system does not harm batteries and is a licensed technology, the company representative said.

The European DOQO network began in 2008; Mobil Power Europe is the sole representative of the DOQO battery charger, brand name and concept for all European countries. The holding is located in Zurich, Switzerland, and has sales offices throughout Europe.