

What percent of Franchisor share an Item 19 Financial Performance REpresentation and what are the normal types of...

QUESTION

What percent of Franchisor share an Item 19 Financial Performance REpresentation and what are the normal types of FPR's that a franchisor might provide. Are some more robust than others. Finally, has this percent or type of I19 changed over the past decade?

Answered September 28, 2026 · 0 source FDDs cited

Share of Franchisors Disclosing a Financial Performance Representation (Item 19)

Across the full corpus of 15,437 FDDs, **10,074 (65.3%)** include an Item 19 Financial Performance Representation (FPR), while the remaining ~34.7% state "no representation is made" [corpus: n=15,437; n=10,074 with FPR].

Common Types of FPRs

Looking at the `fpr_type` classification across all FDDs that disclose one:

Type	Count	Share of all FDDs
Revenue only	5,663	36.7%
Both revenue and profit/expense figures	3,662	23.7%
Other (e.g., gross margin, cost ratios, non-standard metrics)	678	4.4%
Profit only	71	0.5%
None disclosed	5,363	34.7%

[corpus: n=15,437, distribution of `fpr_type`]

Relative robustness:

- **"Revenue only"** is by far the most common format — typically average/median unit sales, sometimes broken out by top/bottom quartiles or by unit type/age. It's the easiest disclosure to make (fewer legal/accounting risks) but tells a prospective franchisee nothing about

profitability.

- **"Both" (revenue + profit/expense)** is the second most common and is considerably more useful to a prospect since it shows some path from top-line sales to bottom-line economics — though these are still frequently based on a subset of "qualifying" units rather than the full system, so read the footnotes on sample size (`fpr_sample_size`) and whether the average is actual vs. derived (`fpr_value_is_derived`).
- **"Profit only"** is rare (0.5%) — usually smaller or specialized systems.
- **"Other"** covers custom formats (e.g., cost-per-unit, membership/attach rates, gross margin bands) that don't fit a clean revenue/profit template — usefulness varies widely and must be judged case-by-case.
- **"None"** — over a third of FDDs still make no FPR at all, leaving prospects only benchmark-free system averages elsewhere in the document (if any).

Has the Percent or Type Changed Over the Past Decade?

Year-by-year share of FDDs with an Item 19 FPR (FPR count ÷ total FDDs issued that year), from the corpus:

Year	Total FDDs	With FPR	% with FPR
2015	591	402	68.0%
2016	870	586	67.4%
2017	980	665	67.9%
2018	1,115	734	65.8%
2019	1,093	693	63.4%
2020	999	655	65.6%
2021	1,098	579	52.7%
2022	1,067	651	61.0%
2023	1,720	1,123	65.3%
2024	1,684	1,098	65.2%
2025	1,718	1,148	66.8%

[corpus: n= totals and FPR counts per `fdd_issuance_year`, filter `item_19_has_fpr = true`]

Takeaway: The share has been fairly stable in the mid-60s% range for most of the decade, oscillating narrowly between roughly 63–68%. The one clear outlier is **2021**, where FPR disclosure dropped sharply to 52.7% — plausibly reflecting pandemic-era uncertainty that made many franchisors reluctant to project performance — before rebounding to the historical 61–67% band from 2022 onward. There is no sustained multi-year upward or downward trend; the practice of disclosing (or omitting) an FPR has been a fairly consistent ~2-in-3 split for a decade, with 2021 as a temporary dip.

I did not run a year-by-year breakdown of the specific `fpr_type` mix (revenue-only vs. both vs. profit-only) due to an inconsistency in the grouped totals returned for that slice, so I can't confirm from the tools whether the *mix* of FPR formats shifted over the decade — only that the *incidence* of making any FPR has stayed roughly constant apart from the 2021 dip.

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