



An IHOP franchisee since 1998, Tom Throm originally bought two of their franchises and has since expanded to five franchises in Florida and Georgia, employing 250 staff.

BUSINESS CHALLENGE

Although he has always worked with payroll services or PEOs (employee leasing companies), Throm had a series of bad experiences with several of these firms. Understandably a little “gun shy” about similar relationships going forward, he contracted with a consultant who conducted an exhaustive bidding and vetting process. Specifications included the need for a reputable, full-service PEO with the ability to handle complex hospitality payroll, benefits, workers’ compensation insurance and related HR management services.

SOLUTION

Impressed by FrankCrum’s size and geographic reach as well as the company’s willingness to provide him with a bond to protect him, Throm selected FrankCrum. Services he uses include:

- Payroll
- Workers’ Compensation Insurance
- Drug Testing
- Consultation on personnel actions, unemployment taxes and fillings and various other HR management issues

RESULTS

Throm summarizes his opinion of PEO services by saying, “Any small business that doesn’t use a PEO is making a big mistake and should be considering it.”

More specifically about FrankCrum services, he notes the following results:

- Tip tax credit: Employers report and pay taxes on tips and Throm appreciates FrankCrum calculating this and forwarding the report to him, without charging a percentage. This has saved him approximately \$50,000 annually. Other firms he worked with did not report it to him and kept the credit themselves.
- Lower workers’ comp rates: By virtue of being in the large pool FrankCrum offers, his workers’ comp rates are lower than in the past.
- Annual fee comparison: Throm frequently receives sales calls from other PEOs and compares fees at least annually. He has stayed with FrankCrum.
- Service: Noting that he calls FrankCrum’s customer service frequently about workers’ comp cases, Throm says he has no complaints and in fact finds them very helpful on any questions he has. “They really perform,” he says.