#EmergingFranchisors2016

EMERGING FRANCHISOR CONFERENCE

NOVEMBER 16-18, 2016 | NEW ORLEANS, LA

International Franchise Association

Building local businesses, one opportunity at a time.
Building a Rock Star Team

Untold secrets of how to grow a rock star team while balancing short-term and long-term profitability.
Leveraging your values to lead an industry

Improving Lives, Improving Communities
The Journey

GROWTH

Value

1 Location
15 Locations
50 Locations
100 ++ Locations
# The Journey

Our Roots

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<tr>
<th>The Business</th>
<th>The Customers</th>
<th>The Employees</th>
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<td>Great Story</td>
<td>Responsiveness</td>
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<td>Industry Professionals</td>
<td>Business–Like</td>
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<td>Documented Best Practices</td>
<td>Consistency</td>
<td>Loyal to the Boss</td>
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The Journey

A Dream

“Our goal, within a brief period of time, maybe three to five years, is to have the largest landscaping company in the nation through our franchise operation.”
The Journey

Secure an Investor with Resources

Location

1
The Journey

By it’s very nature, the Franchise business model creates an interdependence between the Franchisor and the Franchisee.
The Journey

Field a team fully committed to the brand.
The Journey

A Plan

50 to 100++ Locations

PROGRESSIVE INTERNAL GROWTH

An Accelerated Market Density Plan
Prepared By: Ken Mounton
June 1, 2009

CONFIDENTIAL
U.S. Lawns Strategic Plan
ENVIRONMENTAL INDUSTRIES INC.
June 2009

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NOVEMBER 16-18, 2016
JW MARRIOT NEW ORLEANS
NEW ORLEANS, LA

#EmergingFranchisors2016
IFAFranchising
Building local businesses, one opportunity at a time.
Progressive Internal Growth

Operating Profit / Loss

Comparison


Time Period

Current Plan Continued Growth Plateau Program

June 1, 2000

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The Journey

"They were all on the same page. That gave me the confidence to buy a U.S. Lawns franchise." - Quote from Ray Rome, USL / Tampa

The seamless integration of these three components is crucial to growth.

Business Management
Franchise Support
Sales

June 1, 2000

101

June 1, 2000

100
Franchisee Revenue vs Cost to Support

Time

$ 

Initial Franchise Fee

Breakeven Point

Income from Franchisee

Cost to Support Franchisee

The Journey
The Journey

Franchisor Performance

Average Net Income

Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8

$0 | $0 | $0 | $0 | $0 | $0 | $0 | $0

$200,000 | $400,000 | $600,000 | $800,000 | $1,000,000 | $1,200,000

-$0 | -$200,000 | -$400,000 | $0 | $0 | $0 | $0

Data courtesy of FranData
The Journey

Franchisor Performance

Recurring Revenue Self-Sufficiency Gap

Data courtesy of FranData
The Journey

It’s Bigger Than Just Us.
The Journey

Who are you?

Franchisee Operations
Brand Vision: 100% Client Retention

Brand Promise:
To be there, be responsive, and be a friend.

Franchisor Operations
Brand Vision: 100% Franchisee Satisfaction

Brand Emotion:
Pride and loyalty that comes from being part of something bigger than yourself.
Right Players

The Journey
The Journey

Responsive Organization

U.S. Lawns -
Primary Focus Areas
- There is no significance to the placement of circles.
  - Senior Leadership Team
  - Primary Focus, Promotions
  - Primary Focus, Operations
  - Primary Focus, Business Management

Promotions
- Adam
- Amanda
- Carol
- Guillermo

Operations
- Elazar
- Matt
- Greg
- John
- Justin

Business Management
- Mark
- Melina
- MIK
- Deors
- Tiffany

Responsive Organization
The Journey

Functional Work Groups

Diagram showing U.S. Lawns' Functional Work Group with roles such as Senior Leadership Team, Primary Focus, Sales Support, and specific names like Amanda, Steven, Randy, Ret, Brian, and others.
It’s Bigger Than Just Us.
Four Principles That Can Help Us Change Lives

1. Brand Leader, Brand Adopters.
“The keys to brand success are self-definition, transparency, authenticity and accountability.” - Simon Mainwaring
- Great companies have brands that others want to follow. These are not built from the outside, but expressed from within; it’s in their DNA.
- Do you think of our brand as our logo? Or is it our way of life? What lies in the DNA of our company that sets us apart, and might truly inspire others to follow our example?

2. Economic Interdependence.
“Interdependence is and ought to be as much the ideal of man as self-sufficiency.” - Mohandas K. Gandhi
- The more collaborative you can be with everyone who does business with you, the more you are creating a mutual respect, rather than a top-down relationship.
- How can you shift our current culture to emphasize collaboration with our business partners? Can you improve our bottom line by creating more inclusive relationships?

3. Abide by the Same Rules and Standards Toward the Same Goal.
“The only thing worse than being blind is having sight but no vision.” - Helen Keller
- A company without a sincere mission will fail; and you cannot fake a sincere mission.
- How can you choose goals that inspire participation from others who do business with you?

4. Individual Accountability.
“Because to take away a man’s freedom of choice, even his freedom to make the wrong choice, is to manipulate him as though he were a puppet and not a person.” - Madeleine L’Engle
- The concept of getting “buy-in” from employees or customers is important, because it reaffirms that people have a choice. It reminds us to respect the freedom and autonomy of all human beings.
- How can respecting others who don’t go along with your business model actually help strengthen your culture?
The Journey Continues