



THE BUSINESS BOOSTER FRANCHISING LTD

The
**Business
Booster**



EXECUTIVE BRIEFING DOCUMENT



OBJECTIVE:

The Business Booster Franchising Ltd, owned by Mr Ben Kench seeks an investment of £100k with significant equity available of 20%.

The investment to be utilised on:

• Immediate cash requirements	£24.5k
• Advertising	£8.0k
• BFA Membership	£8.5k
• Sponsorship/Events	£10.0k
• Brand Management	£18.0k
• Website Optimisation	£16.0k
• Exhibitions	<u>£15.0k</u>
TOTAL	<u>£100K</u>

An investor or investors are required, who would like to assume some active part in the development and management of the business. The profile of investor/investors would ensure gaps in the business are filled and therefore provide:

- Financial expertise, focused on the provision of long term financial planning
- Corporately and general business connections, who can 'open doors' and provide a network which would provide greater brand awareness and further potential revenue streams for the head office

A significant ROI is achievable after 3 Years of operation.

Investment required to raise the profile of the brand and market the opportunity of this Business Coaching Franchise in a more rigorous and heightened level to create lead generation which delivers a minimum of 1 new franchisee per month.

The market for business coaching is booming! It is considered to be second to the IT industry, in terms of the scale of development an annual increase in turnover.



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1.0 EXECUTIVE SUMMARY – Business Coaching Franchise

Business Booster Franchising Ltd is a provider of business coaching, targeting the SME market place. It specialises in delivering business coaching with a sales and marketing bias to directly help the business owner grow their business.

Established in mid 2007 as a franchise, as a result of the success of product delivered as Business Booster for 6 years by Mr Ben Kench, the model has been continually refined and enhanced and is now ready as a franchise to be grown aggressively. As a sole trader Mr Kench achieved turnover in excess of £350k in the third year of operation having developed, tested and delivered the Business Booster product successfully.

Business Coaching is a market which is booming. In today's environment **literally millions of business executives** are realising that they don't have all of the answers and that sharing ideas with a coach is a genuinely helpful and productive.

By entering into this rapidly growing market, Business Booster Franchising Ltd is able to capitalise upon market conditions. The Business Booster programme has already secured a respectable position with **hundreds of testimonials and endorsements** from major commercial entities and personnel – Yorkshire Bank, Alliance & Leicester, Zeppelin, British Chambers of Commerce, to name but a few.

There now exists **a rare opportunity to invest in this exciting industry** and capitalise on the substantial work already done.

The company currently has:

- **Excellent head-hunting partnerships established** that will carry us forward into 2010 and onwards aiming to bring on board at least **100 coaches over a 5 yr period**.
- To date the Business Booster Franchise has **run trials with 4 franchisees** and been able to refine and improve its model as a result.
- **An experienced and professional management team** sharing a range of skill sets and backgrounds, coupled with an internal administrative system, superior technology, products and processes, makes the proposition attractive to a franchisee.
- **A 'Guarantee'** attached uniquely to both the product and the coaching performance thereby creating important market edge. **The guarantee for franchisees** is that, if they follow the plan, and fail to recover in profit the cost of the franchise fee, in year 1, then the difference will be paid between what they earn and the initial fee.
- **A unique characteristic of the Business Booster is that it is a British product** developed for the British market by an Englishman and not imported which means that there is a flexible approach provided in an environment which is engaging and driven by passionate people.

Ben Kench the creator of the Business Booster has **recently re-written 'Selling for Dummies'** for the UK market and is committed and consumed with the goal ahead.

This is a **unique and highly attractive opportunity** for a 'value add' investor to commit additional funds, enjoy **huge personal rewards** as they are genuinely 'giving something back' and will see a **fabulous ROI** with a company value forecast to hit £3million within 5years.

FINANCIALS FORECAST

Investment Required = £100,000

Share Capital = 20%

	<u>2010</u>	<u>2011</u>
P&L	11.6K	667.6K
CASH POSITIVE	122K	688.5K

2.0 COMPANY INFORMATION

The Business Booster Franchising Limited was incorporated in 2006 (**company number 06090520**) and is solely owned by Mr Ben Kench and is trading as a limited company.

Registered Office

Gethin House
36 Bond Street
Nuneaton
Warwickshire
CV11 4DA

The Business Booster Franchising Limited Head Office

Alma Park
Woodway Lane
Claybrooke Parva
Lutterworth
Leics
LE17 5BH

The company is registered for **VAT (928641501)** and has Business & Personal Liability insurance and Professional Indemnity insurance cover

Directors

B Kench
J P Smith

Secretary

S James

Shareholder

B Kench

Bankers

Nat West Bank Plc

Accountants

Burgiss and Bullock

Gethin House
36 Bond Street
Nuneaton
Warwickshire
CV12 4DA

Management Team

The Business Booster Franchising Limited

Directors:

Mr Ben Kench – Managing Director

Mr Julian Smith – Franchise Development Director

Supported by:

Ms Stella James – Sales and Administration

Mr Simon Taylor – Senior Coach

3.0 KEY CONSIDERATIONS

- A growing market for the delivery of the business coaching programmes
- A growing franchising market place
- An already proven and respected set of business growth programmes
- A distinctive brand identity
- A product range that is in demand and will add sales revenue and ensure improved business performance to client companies
- A product range which is continually added to and refined to maintain competitive advantage
- Recruitment partnerships already established
- Excellent management team and systems for support to sustain and manage growth
- Unique systems to make success certain for franchisees
- Future expansion possible into international territories

4.0 COMPANY VISION AND MISSION STATEMENTS

4.1 Vision

To have over 100 Business Booster Coaches working in the UK business community within 5 years and to have the Business Booster brand as a household name known throughout the business community.



For franchisees to be running the most successful business growth coaching businesses in the UK as part of the largest and most reputable coaching network.

The support provided will make it as easy as possible for franchisees to achieve their goals, and the perception of Business Booster coaches will be one where the utmost quality, passion, energy and ethical service is delivered that exceeds customer expectations

4.2 Mission

To identify and work with the business owner or director who is sitting in their office, wondering where they go to next. To help those who wish to make their business life easier and happier and as a result set themselves new goals. To reach out a hand and provide inspiration and make their tomorrows better.

To change lives. If we boost a persons business and inspire them to develop further, we will change their life and of those around them.

To be the leaders in the provision of business growth support in the UK.

To be recognised in the industry as the benchmark for useful, practical advice

To create and foster a mutual respect and trust between all franchisees and us the franchisor.

5.0 PRODUCT, MARKET PLACE AND MISSION STATEMENTS

5.1 The Market Place

The main market sector The Business Booster Franchisees target is to offer business coaching services to leaders of medium sized businesses (SMEs) within an exclusive territory, to improve their vision for their business and increase sales and profits.

A Franchisee will purchase a Business Booster™ Franchise from Business Booster Franchising Ltd that will include operating procedures, product marketing and sales strategies and administration support. They will be trained to become Business Growth Specialists.

Business Coaching is here to stay. And, according to these industry experts, the profession is on the verge of exploding.

"The Executive and Business Coaching industry is growing by about 40% a year."
-The Economist. Dec. 2007

"A major research study found that 43% of CEOs and 71% of the senior executive team reported that they had worked with a coach. 92% of leaders being coached say they plan to use a coach again. Both indicators provide a strong endorsement of coaching."
- FastCompany.Com, June 2007



Business Booster Coaches are looking to develop as little as 1% to 2% of the target market within their area.

Market Statistics SMEs UK Private Sector (Business with less than 250 employees):

	<u>No of Businesses</u>	<u>Turnover</u>
Total No SMEs	4.673 m	£1.44 billion
- Expenditure on Training		£3.0 billion
Target Market (for BB Coaches) (Businesses with more than 1 and less than 250 employees)	1.200 m	£1.220 billion
Business closure rate		130 per day
SMEs that last more than 5 yrs		20%
SMEs that last up to 10 yrs of the 20%		20%

5.2 The Product

A franchisee is trained to deliver in whole or part a number of products developed by The Business Booster which include coaching workshops, seminars and one to one coaching sessions. These all have unique content and brand image:



Unique Selling Propositions

To the Franchisee

The Business Booster Franchising Ltd offer a secure guarantee to support their franchisee's during the first year (based upon visible and traceable performance criteria) and thus gives the proposition a market leading edge at pint of sale. There is no risk here as the franchisee simply cannot fail to achieve the targets mandated provided activity is carried out according to the plan.

To the Clients

The Business Booster proposition focuses on sales, marketing and leadership issues within small to medium sized businesses. It provides a guarantee to clients associated with one

to one coaching supporting the results targeted.

The Culture

The Business Booster has and intends to build a backbone of culture through the business and its network of coaches represented by:

- Warm and flexible approach style
- Team orientated qualities
- Energetic, supportive and engaging
- Creativity, empathy and vitality

The Main Event

All Business Booster coaching programmes begin with an unrivalled two day event that is empowering, invigorating and informative. Clients go away with clear goals and ways to change and drive improvements in their business. What's more; they go away needing their coach to help implement the new methods and approaches learnt.

The Academy

A monthly workshop delivered by a coach to their clients, who come together to network, support, learn and receive their monthly Business Boost.

The Brand - Modern, creative, appealing. Does what it says on the tin!

6.0 BACKGROUND

The Business Booster Coaching Franchise has been established for 2 years and provides dynamic and inspiring coaching to Small to Medium sized businesses which deliver dramatic growth and turnaround scenarios, through unique events, workshops and one to one coaching sessions.

The Business Booster brand, product and methodology for market development have been developed by Mr Ben Kench over the last 6 years as a very successful coach himself, motivational speaker and author.

Over the last 2 years the model has been finely tuned with pilot operation coaches where the mindset was 'get it absolutely right and then take the market by storm'. The refinement and development is complete and now we are ready for launch.

A Business Booster Franchised Coach is primarily responsible for selling and delivering coaching and mentoring services to the target market within an exclusive territory.

For 6 years The Business Booster has continually developed methodologies and processes specifically designed to improve business performance. The combined effect of the methodologies, processes and inspiring coaching when used in the development of small to medium sized businesses, is an increase in sales and profitability as well as an improved work/life balance for the business owner.

The Business Booster Franchise Ltd Head Office is based in leased office accommodation. **Investment in the business is required to develop the marketing plan to achieve higher levels of Lead Generation (Number of Franchisees) and achieve the companies brand awareness objectives.** Current marketing activity and recruitment resource utilised will generate approximately 1 new Franchisee per month. There are

currently 3 in the business.

6.1 What is Business Coaching?

Business coaching is an extraordinary relationship between two or more people that commit to a common goal or future.

The client is asking for guidance and support, along with some new ideas and energy input...and a coach provides both this through both a 'listening ear' and 'the teacher' role. Tangible measurable improvements are seen in the business and the client sees their business become more profitable and less stressful.

The role of the Business Booster Coach is to discover what the client is passionate about in their business and personal life. At times, the Coach will involve himself when he sees the client drifting or losing focus on their goals. The Coach is always standing in the future that the client wants to create and is totally committed to their success.

Business coaching by design creates an environment for an organisation to see its potential while not being influenced by the past. Organisations are often limited by their own self imposed limitations or fixed positions that prevent taking action or producing bottom line results.

Business Coaching can be powerful for organisations that want to have breakthroughs in areas where they have previously been stuck or experienced unsatisfactory results.

The Business Booster Coaching programs provide support to clients over a period of 12 months and are not seen as a 'quick fix' or 'course'. Business Booster coaches create sustainable results in a business by coaching the business owner into make the changes required and importantly teaching them to understand how to keep the ideas being continually implemented.

The Business Booster Coaches provide a new approach to Business Coaching that is represented by the cultural values of the company and brand:

- Flexible
- Engaging
- Energetic
- Vitality
- Warmth
- Team Orientated
- Supportive
- Empathy

Leadership, integrity, commitment, accountability and authentic communication are a few of the key distinctions that we use as a baseline for **ensuring extraordinary vs. ordinary sales and marketing** in the organisations we work with.

7.0 MARKET AND COMPETITION

7.1 Economic Background

The worldwide credit crunch is affecting many businesses in the UK with widespread re-evaluation of priorities. Business coaching may be effected by business leaders either deciding to cut back on all non-essential spending, or to actually invest in creating a business that succeeds and rides out the recession.

Business Link offers this advice for new businesses starting out during an economic downturn:-

"In an economic downturn, overall economic activity decreases. As a result, businesses could experience falling sales, cash flow problems, employment freezes or redundancies. However, potential business owners can make good use of the knowledge-based opportunities created by an economic downturn."

Business coaching is still relatively new to the SME market and the economic downturn will encourage determined business owners to seek out advice and help or to respond to proactive marketing they receive. Therefore, considerable opportunities exist for the Business Booster Franchise to identify new Coaches and a buoyant market exists for coaching.

In the past business owners were able to receive advice on their business' operation from their **bank manager**, however with the changes in banking policy the business owner has been forced to seek advice from other avenues. As business is becoming more and more complicated the business owner finds that external advice is a prerequisite to building a profitable and sustainable business.

Accountants have long been providing advice on the financial aspects of business; however this has generally been in the form of tax compliance. Again, business is more complicated and can not generally prosper on just tax compliance advice. This has given rise to the need for business advisors outside the banking and accounting fields.

Consulting firms have been able to provide a good quality service to the business owner, however there is a limitation in the delivery of general consulting. The business owner becomes reliant on the consultant and when they are no longer engaged the business can slip back to its pre-consultative state.

Mentoring or coaching services are more likely to produce a result for the business owner as the Coach directs strategies for the business. This way the business owner completes the tasks at hand and at the same time learns the methods of improvement and reason behind any amendments. This has a longer lasting effect on the business and fosters healthier business. This is the future direction of business consulting for the small to medium business sector.

7.2 Direct Competitors

The UK has no significant market leading franchisor for the provision of business consultancy and coaching services to the SME market. There are some established businesses outlined below.

Major competitors are as follows: -

Independent Business Coaches

As the market for coaching grows, independent coaches provide an alternative to the larger, more established coaching firms. However, they rely heavily on personal referral and generally lack a brand image or widespread reputation. Most will align themselves to specific areas of expertise. Many 'life' or 'personal' coaches are now extending their service provision to companies.

A Google search of "Business Coaching" or "Business Coaches" reveals a number of small, independent businesses without identifying a clear leader in the field.

Coach Training Companies (See Bibliography 10.1 for further detail)

Through which 'licenses' can be achieved, but **the Business Coaching industry is unregulated.**

E.G. Blackford Institute of Business Coaching – Diploma in Business Coaching

CoachU

The Coaching Academy

PBCoaching – Post Grad in Business Coaching

Coaching Consultancy

Coaching Capability

Barefoot Coaching

The major qualification and most recognised certificate in coaching is achieved through the ICF. (International Coaching Federation).

Franchised Business Coaching/Training Organisations (See Bibliography 10.2 for further detail)

Ology Coaching - www.ologybusiness.com

- Ology was established in July 2003 (Ex Action Coach Franchisees)

Sandler Training - www.uk.sandler.com www.sandlerfranchising.co.uk

- David H. Sandler, founder of the Sandler Sales Institute in the USA, began sales training and development of the 7 step Sandler Selling System in the late 1960s and early 1970s. 1983 Sandler Sales Institute established.

Action Coach – www.actioncoach.com

- Action Coach claims to be the world's number 1 coaching firm and was created by Brad Sugar in 1994.
- £1500.00 Monthly MSF and 5% Monthly Marketing Royalty

Alchemy Network – www.Alchemy-Network.com

- Business Consulting established internationally over 8 years by David Abingdon.
- Original business was called Quantum. Alchemy Network is newer version.

8.0 MARKETING STRATEGY

8.1 Brand Proposition

We provide through our franchisees the skills and expertise to help businesses grow their turnover and profit by applying our well proven methods through exhilarating events and on-going one-to-one coaching backed by a money back guarantee.

8.2 Brand Personality

Helping others to succeed, inspiration, leadership, flexible, engaging, energy, fun.

8.3 Brand Identity

Other peoples' success is our success

8.4 Brand Differentiators

- Brand Image
- Specific Lead Generation tools provided within Platinum and Gold Franchise Packages
- The team culture and support structure throughout the franchisee network
- A model that is both a mix of selling and coaching
- Specific character profile of franchisees
- No set MSF per month
- Exclusive Territory
- No Franchise Agreement renewal fee after 5 years
- The Main Event

8.5 Marketing the Business Booster Franchise

During the last two years and in particular 2009 various methods to identify prospective franchisees have been utilised. No one specific approach has worked better than another. Experience suggests that a combination of marketing tactics must be engaged and reviewed over time.

The key is to create momentum through investment now to generate the leads which then provide further opportunity for referral and additional investment in marketing. Competitor analysis shows that those (Action Coach) who commit to extensive marketing achieve results whereas those that don't (Ology) will not.

To achieve the objective of becoming 'the most recognised and well known brand in business coaching by 2012' requires investment now so that the perception and image of the Business Booster Franchise is perceived as that now.



A communications and lead generation programme would be developed to include the following: -

- Online Franchise specific Portal Advertising
- Franchisee specific Recruitment Partners e.g FRS Ltd and FDS Ltd
- Business Opportunity Seminars
- Newspaper Advertising
- Exhibitions
- BFA Membership
- Sponsorship/Events
- Website optimisation
- Recruitment of Creative Partner business on a retained basis
- Recruitment of a Marketing Assistant to support brand management, communications, marketing, franchisee support strategies



9.0 Financial Information

PROFIT & LOSS ACCOUNT

		2010		2011	
	£	£	£	£	
TURNOVER					
Sales		633,100		1,565,200	
COST OF SALES					
Direct costs	49,500		99,000		
		(49,500)		(99,000)	
GROSS PROFIT	92.18%	583,600	93.67%	1,466,200	
ADMINISTRATIVE EXPENSES					
Wages and salaries	167,418		351,320		
Recruitment costs	136,000		176,000		
Premises expenses	24,000		36,000		
Printing, postage and stationary	3,400		5,100		
Exhibitions and events	95,380		190,820		
Advertising	94,000		114,000		
Motor and travelling	4,000		6,500		
Accountancy	1,200		1,200		
Bank charges	60		60		
Sundries	20,200		2,400		
Subscriptions	8,500		-		
Design and brand management	18,000		24,000		
		(572,158)		(907,400)	
OPERATING PROFIT		11,442		558,800	
PROFIT BEFORE TAXATION	1.81%	11,442	35.70%	558,800	

CASH FLOW FORECAST

TOTALS	2010	2011	2012	GRAND TOTAL
RECEIPTS				
Franchise sales	387,500	550,000	700,000	1,637,500
Main event	122,400	423,600	780,000	1,326,000
Commissions from franchisees	123,200	591,600	1,156,000	1,870,800
Investor income	100,000	-	-	100,000
Output vat	95,622	204,157	343,826	643,604
	828,722	1,769,357	2,979,826	5,577,904
PAYMENTS				
Main events	44,880	155,320	286,000	486,200
Taster events	49,500	99,000	117,000	265,500
Recruitment costs	136,000	176,000	224,000	536,000
Exhibitions	32,500	17,500	20,000	70,000
Web promos & data purchase	48,000	24,000	24,000	96,000
Wages	156,750	324,250	410,500	891,500
Employers national insurance	10,668	27,070	33,496	71,234
Rent, rates, light & heat	24,000	36,000	36,000	96,000
PPS	3,400	5,100	6,000	14,500
Motor & travelling expenses	4,000	6,500	6,600	17,100
Accountancy	1,200	1,200	1,200	3,600
Bank charges	60	60	60	180
Sundries	20,200	2,400	2,400	25,000
Press advertising	34,000	78,000	78,000	190,000
Opportunity seminars	13,000	12,000	12,000	37,000
BFA membership	8,500	-	12,000	20,500
Sponsorship and events	5,000	6,000	6,000	17,000
Design / brand management	18,000	24,000	24,000	66,000
Web marketing / SEO	12,000	12,000	12,000	36,000
Input vat	56,110	80,742	108,417	245,270
VAT paid to HMC&E	27,389	108,292	215,444	351,125
	705,158	1,195,433	1,635,117	3,535,708
NET CASH FLOW	123,564	573,923	1,344,709	2,042,196
OPENING BANK	-	123,564	697,487	-
CLOSING BANK	123,564	697,487	2,042,196	2,042,196

10.0 **BIBLIOGRAPHY**

10.1 **Websites of Coach Training Providers**

www.coachinc.com

www.coachingacademy.com

www.pbcoaching.com

www.coachingconsultancy.com

www.noguru.net/coachingcapability

www.barefootcoaching.co.uk

10.2 **Franchised Business Coaching/Training Organisations**

Ology Coaching - www.ologybusiness.com

- Ology was established in July 2003 (Ex Action Coach Franchisees)
- Business was remodelled end 2008 after liquidating parent company
- LICENSE deal with opening investment of £15000, £250.00 pcm MSF and £2500 license renewal end year 1 with no requirement at this level to operate under the Ology brand.
- Licensees can add through further investment other modules and training up to an investment level of £45,000 pa
- Licensee is only signing up to a rolling yearly license not a franchise agreement (blatantly appearing to care only about selling licenses!).
- Currently have 8 Franchisees and are targeting a further 17 in 2009, and 25 in UK/Ireland 2010.

Sandler Training - www.uk.sandler.com www.sandlerfranchising.co.uk

- David H. Sandler, founder of the Sandler Sales Institute in the USA, began sales training and development of the 7 step Sandler Selling System in the late 1960s and early 1970s. 1983 Sandler Sales Institute established.
- Specific sales training programs for SME businesses and larger corporate delivered for the majority of the time as 'Re-enforcement packages' through 'President Clubs' and 'Strategic Sales Management Clubs'. 80% of franchisees revenue driven this way.
- £800.00 for a two day Workshop up to £6000.00 per person for 12 months
- Established in UK with Shaun Thomson, Master Franchisee, in 2003
- 15 Franchisees in UK
- Considered a Sales Training Franchise BUT shifting towards coaching.
- Target market is SMEs for 'public training' and corporate for on site training.
- Initial Franchise investment is £38,000(plus WC), 10% MSF monthly and £200.00 monthly marketing royalty.

Action Coach – www.actioncoach.com

- Action Coach claims to be the world's number 1 coaching firm and was created by Brad Sugar in 1994.
- 175 franchisees in the UK with the aim of 100% increase in 18 months!
- 1100 franchisees internationally in 127 countries
- The highest profile and brand recognition of a coaching franchisor business
- Head Office in Las Vegas, USA where all Training takes place
- Country License, Area Master Licensor and Franchise packages available
- Coaching delivered through group workshops and one to one sessions; Growth Clubs, Profit Clubs, Sales Rich Clubs, and other Workshops.
- Minimum client investment £1295.00 pcm
- Franchise Agreement for 7 years
- Franchise Fee £40,000 and £17,500 Training
- £1500.00 Monthly MSF and 5% Monthly Marketing Royalty

Alchemy Network – www.Alchemy-Network.com

- Business Consulting established internationally over 8 years by David Abingdon.
- Original business was called Quantum. Alchemy Network is newer version.
- Target market is SMEs
- 40 UK 'Licensees' but these are considered loose figures as these will also include Quantum franchisees
- £20,000 initial Franchise Fee and £400.00 monthly MSF purchasing the 7 Step Alchemy Business Acceleration System
- Franchisee income driven by price per deal of between £2,000 to £4,500 per month and 'Profit Share' over a long term business consultancy program.
- 6 day business development and consultant training programme marketed as 'changing your life' supported by a 100% Money Back Guarantee!
- Major focus on training and business start up
- 15 Alchemy Manuals, Step by Step 'sales methods', Suite of Templates, Presentations, DVDs and materials to learn and deliver.
- Post Training 3 month support package 'The Alchemy Fast-Track Programme' and Annual Refresher Training.
- Lead Generation available at 10 per month for a cost, Website, Newsletters, CRM System, Alchemy brand