

A Touch of Love  [®]
~ Day Spaw For Pets! ~

*Reward Your Pet With
The Complete Spaw Experience*



Franchise Kit
© 2007 A Touch of Love Inc.



It's a dog's life!

We pamper them...

We treat them as family...

We send them to Spaws...

We surprise them with something new on birthdays and special occasions...

They are our pets!

Recent research by the American Pet Products Manufacturers Association (APPMA) found that, while other market sectors have shrunk over the past decade, more than \$2.7 billion dollars was spent on pet services in 2006, which is forecasted to grow at approximately 8% for 2007. By 2010, pet spending could top \$50 billion dollars according to the APPMA study.

A first-ever study from the University of Guelph reveals that Canadian pet owners spend nearly \$3 billion annually on food, veterinary care, supplies and services for their companion animals — almost \$1 billion in Ontario alone!

North Americans' love affair with pets is confirmed!

Clearly, the bond shared between pet owners and their beloved pets is one that is strong and long lasting. The bottom line is clear. The growth of the pet industry is not just a "trend". It is a lifestyle shift that has resulted in the creation of a healthy and energetic industry catering to our beloved animals. More and more families understand and value the relationships they have with their animal family members. 83% of dog owners consider their dog as family and refer to themselves as their pets' moms or dads.

Consumer's devotion to their pets has created a range of new market trends.

With respect to grooming and salon services the pet industry is in a growth trend that has yet to see its upper limit.



The Opportunity

Do you have a passion for pets? Would you like to bring A Touch of Love® to pets in your area? This is your immediate opportunity to capitalize on a dynamic and fast growing marketplace and operate A Touch of Love Day Spaw for Pets™ franchise, which offers services for pets such as grooming and styling, daycare, overnight care along with house sitting services. A Touch of Love®'s unique product line is for retail sale within the Spaw, offering a combination for pet and parent that is second to none! You will also have the added advantage of distribution rights along with the opportunity to recruit students to the Grooming Academies.

A Touch of Love Day Spaw for Pets™ has the experience, the proven concept, the operating system, the core programs and the desire to partner with people who share the same passion and commitment.

Combine the hottest trend in North America with the unique value of A Touch of Love Day Spaw for Pets™ business and you've got...a dog's life!

**A Touch of Love Day Spaw for Pets™
– Allow us to Reward your Pet with the Total Spaw Experience!**

“Until one has loved an animal, a part of one's soul remains unawakened.” ~ Anatole France



What does A Touch of Love Day Spaw for Pets™ offer?

A unique and proven model

The first of its kind, A Touch of Love Day Spaw for Pets™ locations not only provides four legged clientele with the complete Spaw experience in a beautiful cage free environment, it is complemented by A Touch of Love's complete line of products offered for sale within the Spaw. This unique combination is unparalleled within the industry!

Drawing on his years of professional styling experience, Shane Carr, an expert in his field, is the first in the world to create and develop such a comprehensive offering of Spaw products for pets. With lines of Professional Spaw treatments, Spaw Accessories – Signature Collection and the latest Therapeutic Spaw line to accompany the Spaw and daycare services, as owners drop their pets off to relax and play for the day, they will be wishing they could do the same! A Touch of Love Day Spaw for Pets™ locations are places where pets are valued as family – environments promoting socialization and complete relaxation with unique Spaw treatments designed to uphold our value proposition – Healing Your Pet's Body, Mind & Spirit™.



A Touch of Love Day Spaw for Pets™ offers a unique and proven model. We utilize a consistent and proven start-up and operations system that keep our locations similar in look, style, ambiance and most importantly... customer experience. Employing a relationship marketing philosophy in all that we do, we place tremendous emphasis on building long-term relationships with customers rather than rely on individual transactions. We have a thorough understanding of our customer's needs and continuously strive to create new and mutual value.

Operational Support



Shane Carr
President

At A Touch of Love Day Spaw for Pets™, our goal is to help our franchisees succeed in building and maintaining an extensive client base and maximizing their profit potential. We recognize that our franchise owners are, in fact, our customers and we are committed to giving them every competitive advantage. At A Touch of Love Day Spaw for Pets™ our goal is to see that you are successful in operating your franchise. When you become a franchisee, we become your most valuable business resource. We are committed to giving you all the operational, marketing and training support you need. You can count on us at all times!



Carl Milson
Vice President

As part of our franchise package, we will work with new franchisees to assess and lease suitable site locations and assist in preparing for the grand opening of each A Touch of Love Day Spaw for Pets™ franchise business.

"The most affectionate creature in the world is a wet dog" – Ambrose Bierce

Multiple Profit Streams

As a franchisee, you have the ability to earn income from three different revenue streams – the Spaw services offered (grooming and styling, daycare, overnight care, and house sitting services), the sale of A Touch of Love® products as well as recruitment of students to A Touch of Love® Grooming Academies.

Capitalize on the vast range of services offered!

As a franchisee, you will be able to capitalize on both the vast and unique range of services offered at your A Touch of Love Day Spaw for Pets™ franchise location and the retail sale of A Touch of Love® products. We estimate that, within a 6 month period, a franchise will groom, on average 6 dogs per day (average price of a grooming package valued at \$75.00) and 4 to 5 clients will request daily daycare services (daycare packages average \$25.00/day/dog). As a result of better-than-average profit margins for franchisees on A Touch of Love® products, there is also tremendous income opportunity for the sale of A Touch of Love® products from regular grooming and daycare service customers as well as walk-ins.



“Dogs laugh, but they laugh with their tails” – Max Eastman

Distribution Rights

As A Touch of Love Day Spaw for Pets™ franchisee, you will receive distributor rights for A Touch of Love® product lines. This again offers tremendous revenue opportunities as you have the ability to sell the product line to other establishments.

Become an Educator

Having participated in A Touch of Love® Grooming Academy, as a franchisee, you will have the opportunity to recruit students into the Training Program. For those students that you recruited and who successfully obtain their certification, you will receive remuneration.

Training

A Touch of Love Day Spaw for Pets™ offers comprehensive training that comes from 20 years of learning and experience. Our training programs are extensive and on going to keep you up on the latest trends. A fully developed operating system complete with hands-on training and manuals will provide you a unique competitive advantage from day one.

Dynamic Buying Power

A Touch of Love® has established strong working relationships with our suppliers. You can count on us to be your connection to quality suppliers who have proven track records. You can also be assured that we are continually negotiating the best possible values on products and supplies. Our sheer volume buying and purchasing power directly benefits your bottom line.

Dedication to Safety and Quality

We understand the importance to pet owners that their furry friends are safe, healthy and happy when they visit all of our locations. Our focus on safety and consistency among locations is what puts A Touch of Love Day Spaw for Pets™ heads and wagging tails above the rest! We know our customers can count on the same high standards every time they send their loved one to the Spaw – and we'll help you maintain that high standard.

Research and Development

We pride ourselves on continually researching our markets to ensure that we continue to provide leading edge services and products to our clients. There are always innovative services and products in the works in order to expand A Touch of Love's offering and maintain our position in the marketplace.

Brand Commitment and Development

Our expertise, experience, and innovative approach to the pet service industry distinguish A Touch of Love Day Spaw for Pets™ throughout the market. At A Touch of Love®, we recognize that in order to build customer loyalty and continually expand our customer base, we must consistently promote our brand. The A Touch of Love Day Spaw for Pets™ name and reputation is an important part of your business. We are proud of the consumer reputation that we have earned and, as a franchisee, you will enjoy significant benefits in comparison with independent competitors.

As a franchisee, you will reap the benefits of our exposure in the industry through the use of A Touch of Love® nationally and internationally recognized trademark and brand name. Our marketing team works with Corporate and franchise locations to maintain and develop the brand image of A Touch of Love Day Spaw for Pets™ on a national and local level. Franchisees will have access to a broad range of professionally designed marketing materials for use at their business, such as brochures, print advertisements, press releases, and print publications all developed at the corporate level. A corporate website also features the franchise location information. As it is vital to maintain a consistent branding campaign across the entire franchise system, all marketing materials must be ordered through the corporate office.

A Touch of Love[®]
~ *Healing Your Pet's Body, Mind & Spirit*[™] ~

"We can judge the heart of a man by his treatment of animals." ~ Immanuel Kant

The Process

A Touch of Love Day Spaw for Pets™ franchising is a strategic partnership focused not only on Healing Your Pet's Body Mind and Spirit™, but also on building a profitable business driven by ethics and integrity. Awarding franchises to candidates who believe in and promote the mission of the company is critical.

Steps to Acquiring A Touch of Love Day Spaw for Pets™ franchise

In response to your interest in A Touch of Love Day Spaw for Pets™, you will receive an Initial Interest Questionnaire. This provides us with some information about you as well as what you are looking for in a franchise.

Once we review this, a member of the A Touch of Love® team will contact you to set up an introductory meeting so that we can get to know each other. This is an opportunity for you to ask any questions that you may have about A Touch of Love Day Spaw for Pets™ franchises. You can also expect that we will ask questions to determine your suitability as a potential A Touch of Love Day Spaw for Pets™ franchisee.

Following the initial meeting and assuming both parties mutually agree to move forward, you will receive a Confidentiality Agreement to sign. At this point, A Touch of Love® presents you with the Franchise Agreement and Disclosure documents for your review.

“An animal's eyes have the power to speak a great language.” ~ Martin Buber





Frequently Asked Questions

How much is the franchise fee?

A one-time charge of \$25,000.00. A Touch of Love Inc., will finance 10,000.00 over 5yrs. Initial investment for Franchise Fee is 15,000.00

How much are ongoing royalties?

Royalty fees are 6% of gross sales. The royalty fee is reduced once a gross sale target has been reached.

Is there an advertising fee?

Each franchisee is required to participate in our national and applicable regional advertising and marketing promotions. The advertising fee is 1% of gross sales per calendar month.

What does the advertising fee cover?

Advertising and marketing campaigns are at the forefront of A Touch of Love® in terms of both the product line as well as the Day Spaw for Pets™ franchises.

At A Touch of Love®, we recognize that in order to build customer loyalty and continually expand our customer base, we must consistently advertise to promote our brand. The A Touch of Love Day Spaw for Pet™ name and reputation is an important part of your business. Franchisees will enjoy significant benefits in comparison with independent competitors. Franchisees will have access to a broad range of professionally designed marketing materials for use at their business, such as brochures, print advertisements, press releases, and print publications all developed at the corporate level. A corporate website also features the franchise location information. As it is vital to maintain a consistent branding campaign across the entire franchise system, all marketing materials must be ordered through the corporate office.

What are the costs of opening A Touch of Love Day Spaw for Pets™ franchise?

Costs vary based on several factors such as inventory requirements, leasehold improvements, equipment, leases, rentals and other requirements in order to establish the franchise. Due to the buying power of A Touch of Love®, we are able to pass on our corporate pricing structures to our franchisees in order to assist you with some of these outlays. Please contact the A Touch of Love Day Spaw for Pets™ franchise department for a further discussion surrounding specific investment costs.

Do I need prior experience?

Although related experience is helpful, prior experience is not mandatory. As a franchisee, you become a representative of A Touch of Love® and we require all franchisees to participate in, and satisfactorily complete, A Touch of Love® Grooming Training Program (the cost of this program is not included in your franchise fee) as well as our pre-opening training program (includes comprehensive product training) through our A Touch of Love® Grooming Academy. The A Touch of Love® Grooming Training Program is designed and overseen by President and award winning stylist, Shane Carr, and ensures that all franchisees maintain and promote the high standards established by A Touch of Love Day Spaw for Pets™.

Am I expected to be involved in the day-to-day operations of the franchise?

As a franchisee, your success is dependent upon hands-on management, a commitment to customer service and a continued development of the brand within your target area. Although we are behind you 100% - our success is dependent upon your success – this is your business and it is important for you to be a part of the operational aspects of your business.



Gravenhurst Banner

Bracebridge
EXAMINER

Web2.0



Front TV

Global

CTV NEWSNET



TORONTO LIFE

TORONTO STAR

AM900
HAMILTON'S NEWS TALK LEADER
CHML

Los Angeles Times

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A Touch of Love Inc.
2072 Queen Street East,
Toronto, Ontario M4E 1E1
info@atouchoflove.ca