



# STARKS

BARBER COMPANY

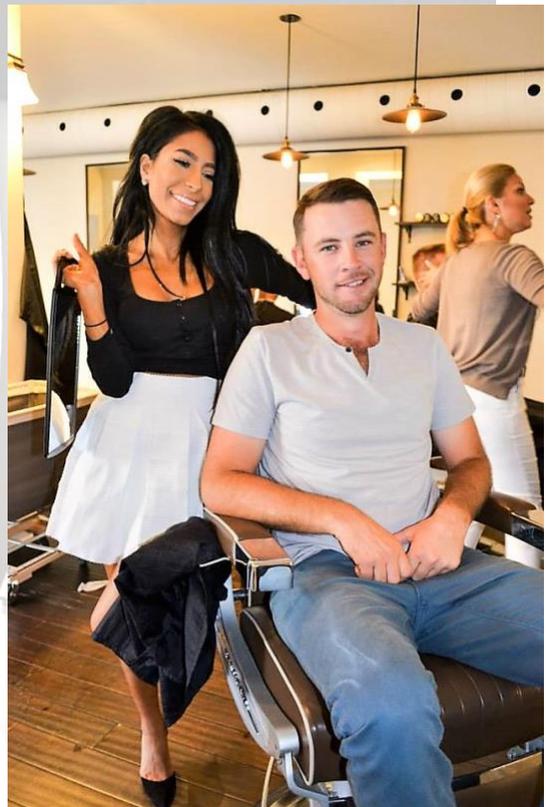
Franchise Information Package

# A Great Business Opportunity!

**As a Starks franchise owner you have a chance to redefine an industry!**

The traditional Barbershop is dying. Men are looking for a more professional service; salons would love to fill this void but can't do a good enough job catering to men while still servicing women. The other option is something commonly referred to as the "chop shop". The fast food version of a haircut.

The modern man has higher expectations and you can deliver. If you're ready to build a game changing business in your community, we can't wait to meet you!



# What is it like owning a STARKS franchise?

The short answer is **FLEXIBLE** and **FUN**. The founders of Starks are not barbers or hairstylists... They're two former corporate executives that had a great idea and a desire to be in business for themselves. Nobody knows better than us what it's like to run a business you truly don't work **IN**. We want people who want to work **ON** their business. We want you working on:

- Building a Great Culture
- Marketing
- Hiring & Training
- Goal Setting

Starks is a **FUN** environment. It's about atmosphere, great music, energy and attitude. Followed by a great haircut. We want our franchise owners having **FUN** with their journey as an entrepreneur. If you're having **FUN**, so will your staff and so will your customers!



# What makes STARKS unique?

We're pioneering a new era in men's grooming with things like:

- Convenient **Online Booking**
- Annual Haircut **Memberships**
- Our own **Product Line** engineered from years of customer feedback
- The **Cool**est and most cutting-edge store designs



# Our Stores

## Reception

First impressions are everything in the luxury market. Our reception desk features a custom design to showcase our promotional materials and point of sale products. A large weathered mirror with the brand front and center gives the customer a grand introduction.



## Lounge

One of our most unique features is our lounge. Guests receive a complimentary bottled water or coffee, along with free wifi.

There's a large TV playing sports and news throughout the day, and a great magazine collection is at the client's fingertips. Above the coffee bar hangs a unique piece in every store that is a salute to the local community. In this store it is a photo of the clock in the downtown core.

## RETAIL

Our retail area was designed to enhance the elegant look of our products. The multimedia display recessed into the millwork runs short videos featuring our products and services. The shelf-talkers educate the shopper on the benefits of each product including things like fragrance and ingredients. The 'wet bar' is our newest concept allowing customers to sample products providing an interactive shopping experience.



## CUT & STYLE

Our cutting stations are custom made for Starks. The top shelf allows us to merchandise our products during the haircut. Every station features stone countertops, a hot towel cabinet at the barber's fingertips and a pull-out tray to double counter space when needed.



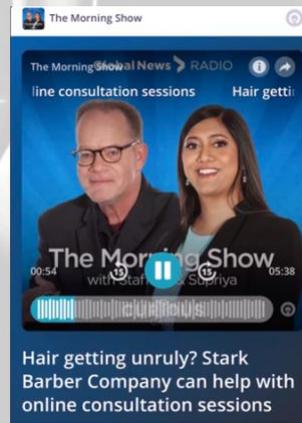
# Starks Gentlemen's Supply

Starks Gentlemen's Supply is a line of grooming products specifically engineered for men. Let's face it, men don't have easy access to quality personal care products like women do. We use all of our products in service and we spend time educating clients on their benefits. It's become part of the 'Starks Experience' and has allowed us to sell thousands and thousands of products over the years.



# Starks in The Press

PR is an important part of our brand-building strategy. Starks has appeared on radio and television a number of times including hosting several “men’s makeovers” on The Morning Show on Global. In 2020, Starks received national media attention for our “Virtual Consultation” program during Covid-19.



# The Ten Steps to Opening YOUR STARKS Franchise

Step 1 - Have an introductory call

Step 2 - Send in your application form

Step 3 - Attend a STARKS Discovery Day

Step 4 - Receive your Disclosure Document

Step 5 - Sign your Franchise Agreement

Step 6 - Site Selection

Step 7 – Financing (If Required)

Step 8 - Design and Build

Step 9 - Training

**Step 10 - Opening Day!**

# Discovery Day

Our Discovery Day is both interactive and educational. Prospects spend the morning in one of our stores and learn hands on what it's like to run a Starks business successfully. In the afternoon we take them through a presentation that talks further about our keys to success and the process moving forward.

## The Keys to Success & Skills Needed



We detail the skills needed to be successful.

We take you through things like customer acquisition and marketing strategies, customer service philosophies and management styles.

## Digital Advertising



### Social Media Targeted Advertising

Advertise to people in your geographic area that fit your customer's demographics. Show them a promotion that will stimulate interest and get them to book online.



### Search Advertising

Advertise to people searching for a haircut or barber shop in your geographical area and drive traffic to your booking page.

## Franchise Disclosure & Franchise Agreement

### Franchise Disclosure Document:

- Designed to help the franchisee make an informed decision
- By law franchisee must be in possession for 14 days
- Plain English (not 'lawyer speak')
- Not a contract

### Franchise Agreement

- Contract between franchisor and franchisee
- Expires every 5 years
- Not executed until franchisee has had disclosure doc for 14 days
- Franchise Fee due upon signing



We educate you on things like franchise disclosure, site selection, design and build and launching a store properly.

# What does it cost to get started?

75k – 125k in liquid capital. This will cover things like:

- Franchise Fee (25k)
  - Real Estate Fees
  - Legal Fees
  - Opening Inventory & Merchandising
  - Rent Deposit
  - Consumables
  - Launching / Marketing
  - Payroll
- Etc.

# What are the construction costs?

Construction costs are approx. 250k (depending on size and condition). This is covered by the Canadian Small Business Financing Program (also known as CSBFP). This is a program specifically developed for aspiring entrepreneurs in Canada.

Here is the information you need on CSBFP:

- 85% of the loan is guaranteed by the federal government. You are only responsible for guaranteeing 15% (which makes approval easy)
- There is no collateral. None of your assets or investments are tied to this loan.
- Low Interest Rate (prime + 3%)
- Low payments (amortized over 10 years)
- Approval is quick and easy (usually within 72 hours).
- The loan covers things like fixtures, equipment, signage, etc. All the things you need to start a service-based business like ours.

\*\*CSBFP rules and information are subject to change and vary from bank to bank. Consult a bank for up to date and accurate information.

# Franchise Agreement

The major terms in our franchise agreement are as follows:

\$25,000 Franchise Fee

6% of Revenue - Royalty

1% of Revenue - National Advertising

1% of Revenue - Stylist Recruitment Fee

## Let's Talk!

We'll introduce you to the next steps. For more information contact our Director of Franchise Development:

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