

A woman with long blonde hair is in the foreground, holding a pair of scissors in her right hand and a comb in her left. She is looking directly at the camera. Behind her, another woman with long dark hair is visible, looking slightly to the side. The background is dark and out of focus.

SALON STUDIOS[®]
beauty mall

A PLACE WHERE
ARTISTRY MEETS OPPORTUNITY!

FRANCHISE INFORMATION
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www.salonstudiosfranchise.com

The image shows the exterior of a Salon Studios Beauty Mall. The building features a large, curved glass facade with a dark metal frame. The words "SALON STUDIOS" are mounted on the glass in large, dark, three-dimensional letters, with "beauty mall" in smaller, gold-colored letters below them. To the left, a tree with green leaves and pink flowers is partially visible. The sky is clear and blue. A semi-transparent yellow banner covers the bottom half of the image, containing white text.

SALON STUDIOS
beauty mall

SALON STUDIOS BEAUTY MALL FRANCHISE

SEMI-ABSENTEE/ LIFESTYLE BUSINESS MODEL!

CULTIVATE A COMMUNITY OF THE MOST TALENTED ARTISTS IN THE SALON AND SPA INDUSTRY TO DELIVER A 5-STAR SALON EXPERIENCE. WE PROVIDE THE LEADERSHIP, RESOURCES AND OPPORTUNITY TO ASPIRING ENTREPRENEURS TO ACHIEVE THE HIGHEST LEVEL OF SUCCESS.

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Vision

Salon Studios Beauty Mall® is A Place Where Artistry Meets Opportunity!

The Salon Studios Beauty Mall vision is an industry-revolutionizing concept unlike any other salon suite business in franchising today.

The Salon Studio's mission is to bring together the most talented artists in the beauty industry as entrepreneurial business owners with you, our local curator, providing the opportunity, stewardship and resources to deliver a luxurious, pampered experience.

Our philosophy is simple, yet rare in today's society – Salon Studios Beauty Mall is a place where every person that walks through the door is treated with an upscale five-star experience at affordable prices delivered through uniquely diverse and personally owned salon businesses.

At the same time, Salon Studios is passionate about helping our studio owners fulfill their dreams, excel in their career and achieve their personal and financial goals without the heavy up-front costs and complexities of owning their own location.



Artistry

At a Salon Studios Beauty Mall®, we cultivate an atmosphere that delivers a luxurious five-star beauty experience. Salon Studios Beauty Mall® offers a convenient “all-in-one” destination for today's busy consumer seeking high-end salon services such as hair stylists, massage therapists, estheticians, nail technicians, and more.

Here, clients are encouraged to leave the hectic to-dos of daily life behind for a while to enjoy a five-star salon experience provided by friends that are the most gifted artists in the beauty industry. We believe that a day at the salon is not just about getting a great hairstyle, massage or manicure, but more about a love for people and we strive to show that love in the way we run our business and help guide our artists to do the same.

As Peter Bright, Founder and CEO of Salon Studios Beauty Mall® says, “Our clients are busy people that want some “me time” being pampered by caring, trusted friends that are the industry's most talented artists, while needing the convenience provided by our Beauty Mall format. We know that our artists trust in our ability to select the most gifted salon and spa professionals as partners, so we have a professional screening process to ensure that each artist's business is enhanced by their neighbor's services and talents to deliver the best experience in the salon and spa industry at an all-in-one destination.”

OPPORTUNITY

At Salon Studios Beauty Mall®, our Founders successfully own and operate 4 company owned Salon Studios Beauty Malls® with plans for additional development. As a result, they have first-hand knowledge of what it takes to be successful and have a deep passion for the salon industry by helping salon and spa professionals who aspire to own their own business without the heavy upfront costs and complexities of opening their own location.

We have a true caring for every salon professional that is part of the Salon Studios Beauty Mall® family and we are committed to providing our salon partners with the guidance, coaching, resources and opportunity to excel in their career to achieve their personal and professional goals through business ownership.

At Salon Studios Beauty Mall®, we have taken the booth rental salon business to the next level. Specifically, we are a collection of individual salons all under one roof – similar to a mall. As a result, we create an all-in-one “destination” for salon and spa services providing the best experience in the beauty industry coupled with convenience and value.

As a Salon Studios Beauty Mall franchise owner, you are more than a landlord – you are our local ‘curator’ charged with cultivating a community of creative minded artists who are vested in the success of their own business – and yours!



ABOUT US

THE SALON STUDIO STORY

A PLACE WHERE ARTISTRY MEETS OPPORTUNITY

Proud Company History and Culture of Excellence---The first Salon Studios – Beauty Mall® opened in 2001 in Roswell, GA a suburb of Atlanta with 15 Studios, the concept proved so successful they quickly expanded from 15 studios to 40 studios.

In late 2012, the company was acquired by a new management team led by Peter and Beth Bright. Peter and Beth are successful entrepreneurs that realized the great business opportunity in this highly fragmented but rapidly growing industry. They had a vision and a goal of developing a business with 3 primary objectives: a better work/life balance to spend more time with family, a model with low labor requirements that allows for semi-absentee ownership and the potential of strong unit economics and recurring revenue streams. They quickly introduced a host of innovations as well as enhanced and perfected the business model through their ownership and direct involvement in their company operated locations. Their dedication and commitment has enabled them to offer this great lifestyle business model nationwide through franchising under the new trademark Salon Studios Beauty Mall.

Today the company headquarters is located in Woodstock, GA north of Atlanta. There are currently a totally of six Salon Studio locations including 2 franchised locations. We currently have over 50 locations identified in key metropolitan areas across the US!

Through our years of owning, building and operating successful Salon Studio Beauty Malls® our franchise owners have the benefit of learning from our established systems and processes while enjoying a great lifestyle. We have perfected a low labor less complex business model with recurring revenue streams vs other labor driven businesses such as restaurants and other salon and spa franchises.



ADVANTAGES TO STUDIO OWNERS INCLUDE

- ✓ **On-site Concierge** – ensures 5-Star customer experience and consistent, best in class professional service
- ✓ **Earn 40-50% more than traditional salon**
- ✓ **Fully customized, private Salon Studio** – fully equipped private salons that can be customized to reflect artist's style, brand identity and personality
- ✓ **Creative Culture** – each artist's business is enhanced through wide range of services delivered by a "community" of talented spa and salon professionals
- ✓ **Screening Process** – prospective Studio Owners are evaluated based on fit and compliment to services provided.
- ✓ **24/7 Access** – provides safe, secure access for studio owners and after-hours guests
- ✓ **100% Commission** – artists choose what products they sell and earn 100% of commission vs. being 'captive' in a traditional salon and earning 10% or less
- ✓ **Private Salon Studio** – personalized keypad lock and climate control thermostat
- ✓ **Community Amenities** – on site break room, laundry, WiFi internet, Cable TV
- ✓ **Highest Standards** – emphasis on quality with only the most talented beauty artists
- ✓ **Flexibility of Schedule**
- ✓ **Elegant and Functional** – world class design to promote relaxing, luxurious setting

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**ON-SITE CONCIERGE ENSURES
A CONSISTENT 5-STAR
CUSTOMER EXPERIENCE!**

**Provides best-in-class service to
Studio Owners and their guests**



JOIN A GROWING, PROVEN FRANCHISE

WHY SALON STUDIOS

Our business model eliminates the headaches and challenges of owning a hair, nail, massage, tanning, or esthetics business. No more employees, inventory and long daily hours. We make it simple! You become a landlord renting studios to entrepreneurial salon professionals that want to own their own business without all of the up-front costs and limitations of working for someone else.

However, unlike other salon suite models where you are simply an absentee landlord, you will become our local curator and join a special group of partners, managers and trusted advisors to promote the success of talented artists who are personally vested in the success of their own business – and yours!

At Salon Studios®, we have taken the booth rental salon to the next level, creating an upscale environment without the upscale price. Specifically, we are a collection of individual salons all under one roof, similar to a mall. Each salon professional has their own separate salon studio, with a locking entrance and everything they need to run their own successful salon business. Each studio can be customized by each artisan to reflect their own creativity and style to deliver a personalized experience unlike any other.

In addition, we offer business and marketing support for you and your local artists that you won't find anywhere else – from the launch of the business and for the lifetime of your Salon Studios® business; while our on-site concierge/business manager makes sure that our artists' clients are pampered via impeccable front-desk service to ensure a consistent five-star salon experience.

AVERAGE OCCUPANCY RATE OF 90% OR HIGHER!- # 1 KEY PERFORMANCE INDICATOR IN THE SALON SUITES INDUSTRY!

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WE CONSISTENTLY ACHIEVE AND MAINTAIN AN AVERAGE OCCUPANCY RATE OF 90% OR HIGHER!

In real estate, the emphasis is on 'location, location, location.' In the salon studios industry, the #1 indicator of success (KPI) is your Average Occupancy Rate.

- ✓ Stable Recurring Revenue Streams – benefit from a simple revenue stream, creating a stable foundation for recurring revenue.
- ✓ Your artist/studio owners are long-term tenants that are vested in their own success and the success of your business.

GROWING, RECESSION- RESISTANT INDUSTRY

The beauty business is a \$60 Billion Industry*(as quoted by Market Research IBIS World) and growing with over 1,229,000 Salon Professionals– and the salon studios concept is the fastest growing sector in this recession resilient industry.

Unlike many industries that have declined or even disappeared, the salon industry continues to outpace the overall economy with over 3800 new locations opening in the last 3 years (- Professional Beauty Association 2014 Economic Snapshot Report.) Of that, “independent business entities within the salon industry account for 83% of all establishments and 93% of total salon revenues.”

The bottom line is that women will always care about their appearance, whether it is an up or down economy. The Salon Studios Beauty Mall® is ideally positioned to capture a greater market share of today's beauty consumer by delivering a wide range of luxurious salon and spa services at an all-in-one convenient location.

Owning a Salon Studios Beauty Mall® is a solid investment in a rapidly growing industry that is not prone to economic fluctuations, changes in technology or the fickle demands of customers moving from one fad to another. Beauty will always be in demand and the services provided by our highly skilled artists cannot be outsourced or replaced by technology as salon and spa customers will always demand the personal touch provided by our talented partners.

BEST CONCEPT AT THE BEST TIME

Unlike traditional deep-discount or hair-cut only salons, where stylists work with clients in an open space with several stations, each stylist has her or his own studio, giving our studio owners exclusivity, privacy and luxury. Stylists still benefit from the synergy gained from working in close proximity to other beauty professionals but are free of the drama of a traditional salon.

Franchising opportunities continue to evolve in the recession resilient beauty industry. The industry has been dominated by haircut-only chains like Great Clips, Supercuts and Sports Clips all of which offers substantial discounts in the crowded discount haircut industry segment.

In the higher-end salon segment, there is very little chain competition. The market is dominated by independent salons who generally do not have the training, marketing sophistication or systems and processes of an established franchise brand. We approach this highly fragmented business with a proven business model to help our studio owners and franchise partners achieve their financial, lifestyle and career goals. Our mantra is “A Place Where Artistry Meets Opportunity.”

Salon Studios represents a very rare opportunity to be a part of one of the fastest growing segments in franchising.

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BEAUTY MALL CONCEPT CREATES “DESTINATION” FOR SALON AND SPA SERVICES

Our world-class design creates a sense of being in a luxury resort or a fashionable boulevard, while our Beauty Mall concept creates a “destination” for salon and spa services. Architectural highlights include elegant hallways, high ceilings, detailed trim-work and soothing, upscale lighting while providing the sense of privacy preferred by our customers. As a destination location, we can take advantage of less costly real estate such as second story locations since we do not have to rely on the heavy foot traffic of more expensive sites.

In addition, each Studio Owner’s business is enhanced by the overall synergy created by complimentary services in one destination.

EASY TO OWN – EASY TO OPERATE

- ✓ **Semi-absentee ownership – set your own schedule and enjoy a very attractive lifestyle**
- ✓ **Simple Operations and Labor requirements - Few to no employees – requires only 1-2 “Beauty Mall Property Managers”**
- ✓ **No salon experience required – we are looking for franchise owners that are passionate about helping artists succeed through business ownership and we will teach you everything you need to know!**
- ✓ **Quick ramp-up and easy to learn. Franchise owners can grow rapidly into multiple locations with predictable revenue streams**
- ✓ **Work-life balance. Strong unit level economics and “manage-the-manager” business model allows franchise owners to make money without the headaches of day-to-day operations**



CULTIVATE A FUN, CREATIVE CULTURE OF ARTISTS AND ENTREPRENEURS

Cultivate a fun and dynamic community of talented artists vested in the success of their own business – and yours!

You make money by helping others achieve their dreams by surrounding yourself with passionate, artistic minded partners to create a stimulating sense of community within your Beauty Mall.

As a Salon Studios Beauty Mall owner, you will be empowering artists to achieve their dream of business ownership by building their personal “brand” through turnkey, fully customized suites that reflect their own style and personality:

- ✓ **Freedom to conduct business in the fashion that best promotes their own sense of style**
- ✓ **Flexibility to choose their work hours to accommodate their own schedule and meet the needs of their busy customers through our 24-hour security access system**
- ✓ **Full-time Salon Concierge**
- ✓ **Marketing and Business Guidance**



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HIGHLIGHTS OF A SALON STUDIOS BUSINESS

- ✓ \$60 Billion industry – property management franchise opportunity in the salon industry's fastest growing segment.
- ✓ Recession Resistant – Salon services are always in demand and growing as time starved consumers seek talented professionals.
- ✓ Huge demand by salon professionals
- ✓ Semi-absentee business – Great executive model that allows you to control your schedule and lifestyle with highly predictable cash flow
- ✓ Ground Floor Executive Model Franchise Opportunity offering Single, Multi-Unit, Conversion Opportunities and Area/Master Development programs – best locations and territories still available.
- ✓ Industry leading support – We are your partners in every aspect of your business and understand what it takes to be successful as we have been there and done that.
- ✓ Available financing for qualified franchise candidates
- ✓ Our CEO is passionate about providing our franchise owners and artists/studio owners with the best business opportunity in the salon and spa industry to help them achieve their personal and financial goals.
- ✓ Sophisticated design – hybrid approach providing best of class personalized services at a competitive price in a sleek, world-class design. Best on the block Beauty Mall with on-site concierge/property manager creates centralized demand for services in all-in-one location

FUNDING AND INVESTMENT COSTS

We are committed to helping you understand the investment costs and your funding options.

A franchise owner's initial investment will range between \$274,000 - \$786,000 primarily depending upon the size of the space and certain market area factors.

There are many variables to your total initial investment such as number of locations you build, their size and build-out costs, configuration, the market you are in and landlord requirements.

Equally important, you also need to understand and factor in the amount and terms of financing your Salon Studios Franchise as well as working capital to launch your business the right way. Based on your net-worth and credit score qualifications, we can help you understand your funding options and introduce you to our approved financing partners. Of course, you have the option of using your own methods of funding your Salon Studios Beauty Mall Franchise.

Minimum Financial Qualifications

It is critically important that all of our candidates for consideration are well capitalized and it also helps to have a good financial and business acumen. Our goal and focus is to establish long-term and sustainable relationships with well capitalized franchise partners and area developers...One of the primary reasons many businesses fail including franchises is because they were undercapitalized.

Our minimum financial qualifications for consideration:

✓ Minimum of \$200,000 Liquid Capital

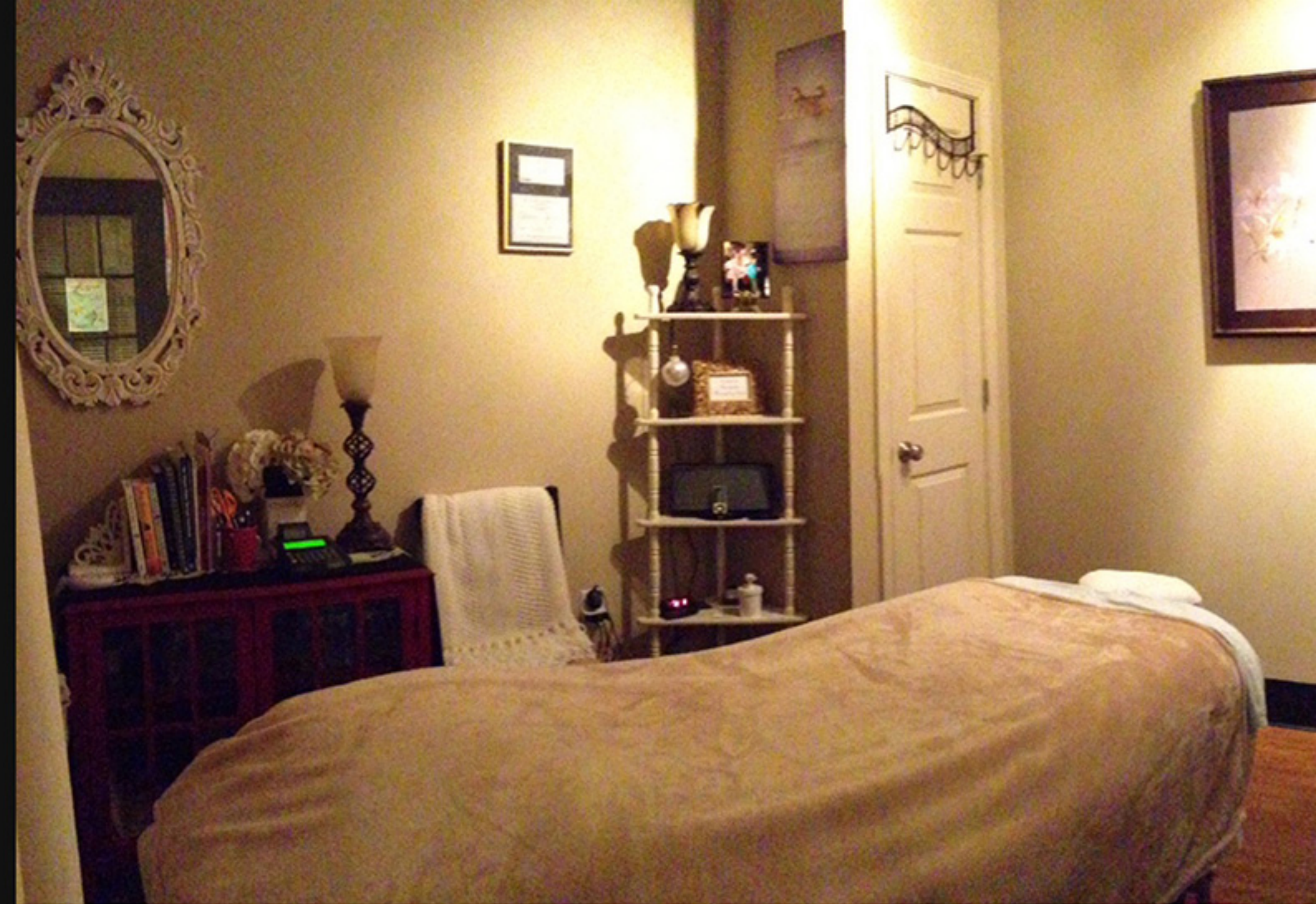
✓ Minimum Net Worth of \$500,000

✓ Minimum Credit Score- 680

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WHAT MAKES US DIFFERENT?

- ✓ **Company Culture and Experience-** Our Founders own and operate 4 successful Salon Studios Beauty Malls with additional locations under development. They have a deep passion for the salon industry and have first-hand knowledge and experience on every aspect of the business!
- ✓ **90% or higher average occupancy rate –** Primary key indicator of success in the salon studio business. We consistently achieve and maintain an average occupancy rate of 90% or higher!
- ✓ **Unique Flat-Rate Royalties-** Compared to other similar concepts we have a unique flat-rate Royalty Fee. Our Royalties are lower during the first few months after opening to help our franchisees get through the “start-up phases of the business cycle”. After month 10 of opening, franchisees have an established flat-rate fee so as your business grows your Royalties stay the same.
- ✓ **Lower or No Fees!** Your success is our priority, we leverage economy of scale for furniture, fixtures and equipment to help our franchisees and their salon artists get set up for success. We do not require you to purchase Furniture, Fixtures, Equipment and Products from us. Our goal is to help franchisees by leveraging our established vendor networks, not create another profit center for us.
- ✓ **Access to more real estate locations-** In addition to our extensive real-estate resources, we have partnered with Newark/ Grubb/ Knight/ Frank (NGKF). NGKF is one of the world’s leading commercial real estate advisory firms with over 12,000 professionals that operate from more than 330 offices in established and emerging property markets on six continents!



FOCUSED AND DEDICATED FRANCHISEE SUPPORT AND TRAINING!

Through our first-hand knowledge and experience of understanding every aspect of the business, we are here to help you every step of the way – from the launch of your business and for the lifetime of your business we will provide:

- ✓ **Comprehensive 2-weeks training which includes training at our Headquarters as well as at your location prior to opening.**
- ✓ **Real Estate Site Selection Assistance**
- ✓ **Cost Efficient Design and Construction Assistance**
- ✓ **Grand Opening, Marketing, PR and Sales Support**
- ✓ **Proven Operations Tools, Systems and Processes**
- ✓ **On-going educational training and support**

Current Salon Studio – Beauty Mall® owners come from all different professional backgrounds: owners of other franchises, IT professionals, investment advisors, etc.

Very few of our operators have any salon experience whatsoever. We understand that you are probably in the same situation and we pledge to be there every step of the way to aid you in opening and operating your Salon Studio – Beauty Mall® location.

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SALON (STUDIOS beauty mall

GET STARTED ON YOUR JOURNEY TO SUCCESS!

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