



JIM'S PLUMBING

COUNTRY FRANCHISE INFORMATION DOCUMENT

www.jimsplumbing.net.au/franchise

ABN: 123 456 789

National Head Office: PO Box 6090

Halifax Street SA 5000

PH: 1300 133 509

FAX: 1300 550 970



Special Arrangements

In country areas it is sometimes difficult to achieve the same levels of turnover as is possible in the city. Issues such as distance to travel to each job, rates which can be charged and even opportunity to promote can make business a little more difficult.

Never the less a Jim's Plumbing franchise still offers substantial benefits to "going it alone". In fact all the things which are true about the benefits in the city are still true in the country, so read up on the information in the franchise information document to see what we can do for you.

We currently define "country" as any franchise which is not within the following locations: Adelaide, Brisbane & The Gold Coast, Canberra, Melbourne & Geelong, Perth and Sydney.

Please read this document in conjunction with the Franchise Information Document but not the following differences.

A different fee structure applies in the country:

- **Monthly Base Fee of \$984.50 incl GST (\$895 plus GST)**
 - The fee is \$62.97 (incl GST) higher if you are not compliant with the expectations of the franchise.
- **Monthly Advertising Fee of \$275 incl GST (\$250 plus GST)**
 - This is your contribution to our advertising fund. All advertising contributions are guaranteed by contract to be used only for advertising and other ways to gain new clients. We will aim to use this resource as best we can to benefit your local area.
- **Monthly Lead Fees made up of:**
 - \$22 incl GST (\$20 plus GST) for every lead we send you where the customer is a new customer looking for a quote or a plumber to attend to assess the work required. If the call is from one of your existing customers you will not be charged this fee. You will also only be charged for 80% of these leads as we know you won't win every job.
 - \$44 incl GST (\$40 plus GST) for every confirmed job with pre-negotiated and confirmed rates. As we will already have committed to send a plumber to these customers it is essential that you attend in the time frame we specify. These jobs are always quoted at standard rates but no time commitments are made.
 - \$60.50 incl GST (\$55 plus GST) for every confirmed after hours job with pre-negotiated and confirmed rates. As we will already have committed to send a plumber to these customers it is essential that you attend in the time frame we specify. These jobs are always quoted at standard rates but no time commitments are made.
- Total monthly fees are likely to be around should be around 8% of turnover or \$1,500 (incl GST) per month.
- Fees are subject to an annual CPI increase.



FRANCHISEE PROFIT MODEL

Taking a conservative, but realistic view of anticipated ranges of turnover for a franchisee in a country area we have the below models.

Jim's Plumbing anticipate Gross earnings for an average Franchise Owner who has been working for at least 6 months may be around \$3,500 a week.

Since the Jim's Plumbing franchise is in its launch phase we are unable to give you figures from Jim's Plumbing franchisees. However the income in the figures below represent 3 examples of potential income using realistic expenses which reflect the likely cost of running each franchise.

	<i>Base Sales</i>	<i>Mid Range Sales</i>	<i>Sales Equal To Current Business</i>
Hours Billed	32	35	39
Billing Rate Per Hour	\$80	\$85	\$95
Sales	168,000	192,000	240,000
Material Cost	36,960	42,240	52,800
Base Fee	10,740	10,740	10,740
Advertising Fee	3,000	3,000	3,000
Lead Fee	3,120	5,200	8,060
Vehicle & PIMS Lease	12,600	12,600	12,600
Vehicle Expenses	9,600	9,600	9,600
Telephone	2,400	2,400	2,400
Insurance	1,440	1,440	1,440
Uniforms	300	300	300
Repairs	1,440	1,440	1,440
Printing & Stationery	960	960	960
Bank Fees	600	600	600
Accounting Fees	1,440	1,440	1,440
Total Costs	82,520	89,880	100,440
Profit	85,480	102,120	139,560

Expenses may vary greatly. For example some franchisees may have borrowing costs on the initial franchise fee, some may not. Some may choose to lease their vehicle, some not. Others may take more job leads etc.



INGOING COSTS

Initial Franchise Purchase \$31,900 incl GST (\$29,000 plus GST)
(This will vary depending on the households in proposed area – approximately \$3,200 per 1,000 homes or businesses).

The Fee Includes:

- An exclusive area of no less than 10,000 homes

WORK INCOME GUARANTEE

There is currently no work income guarantee in country areas.

Jim's Plumbing

