

archadeck®

Outdoor Living Brands

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ADDITIONAL INFORMATION:

[Archadeck 'Available Territories'](#) (Effective: June 2009 / click on the link to view / download the document)

Archadeck ['e-Brochure'](#) (Effective: May 2009)

[Archadeck 'May 14, 2009 – Recorded BAI Launch Webinar'](#) (Click on the Link to listen/ view the May 14, 2009 Webinar)

[Archadeck 'May 14, 2009 – Webinar presentation slides'](#) (Effective: May 14, 2009 / click on the link to view or download the slides)

FRANCHISE SALES

Single Unit: Yes

Multiple Units: Yes

Area/Master Developer: Yes (on a case by case basis)

Resale: Yes

DESCRIPTION OF FRANCHISE

Archadeck is the world's oldest and largest designer and builder of custom decks, screened porches, open porches, outdoor kitchens, fireplaces and other outdoor living spaces. Archadeck has completed over \$0.5 billion in projects for over 75,000 clients since 1980. Archadeck provides rigorous training, a proven sales methodology, in-depth franchise support and marketing systems that enable our franchisees to sell, design and install professional outdoor living environments – with unparalleled service and attention to detail. With an average project sale of approximately \$17,000 and gross profit margins of approximately 41%, Archadeck is a strong choice for franchise candidates seeking a home-based business with few employees, low overhead, design creativity and great growth potential. No construction experience is required for this design and project management business.

BACKGROUND

Established: 1980

First Franchised: 1985

Franchised Units: Approximately 75

Company Owned Units: 0

Projected New Units: 10

Registered In: Entire U.S.

Availability in Canada: Four units in Canada and many open territories
States, from which Broker Referrals **ARE NOT** being accepted: N/A**FINANCIAL/TERMS – STANDARD TERRITORY**

Cash Investment: \$50k+

Total Investment: \$80.4k - \$100.5k

Minimum Net Worth: \$250k+

Franchise Fee: \$49.5k (can be higher for larger territories)

Discounts: VetFran

VetFran Program Participant: Yes, 15% discount off initial franchise fee

Royalty: 5.5% branding/sales royalty on first \$500k sales; 4.5% on sales between \$500k - \$1.0 million; 3.5% on sales between \$1.0 million - \$2.0 million; 3.0% on sales between \$2.0 - \$4.0 million; and 2.5% on sales over \$4.0 million

Ad: 1.0% national advertising royalty (capped at \$20k)

Average # of Employees: Two (Full-time office manager; installation crew are subcontractors and design consultants are commission-based staff)

Passive Ownership Allowed: Yes, with full-time general manager

Earnings Claims: Yes, see full Item 19 disclosure in FDD. Highlights:

Sales Volume	# of Franchisees	Sales in Dollars			% of Franchisees	Years in Business	
		Minimum	Average	Maximum		Minimum	Average
Greater than \$800K	9	803,271	1,761,661	5,600,539	15.5%	4.5	11.7
Between \$300K – 800K	27	309,405	510,013	771,830	46.6%	1.1	9.4
Less than \$300K	22	38,525	196,461	294,565	37.9%	1.6	10.3
Franchisees	58		615,010		100.0%		10.2

	Contract Sales Price	# of Projects	# of Projects at or Above Average	% of Projects at or Above Average
Average Residential Project	16,690	2,112	801	37.92%
Average Builder Projects	2,757	734	263	35.83%
Average Overall Project	13,097	2,846	1,102	38.72%

	Participating ARCHADECK Franchise	Sales Under \$600,000	Sales Over \$600,000	Less than 6 Years in Business	More than 6 Years in Business
Number and % of Participating Franchisees Reporting	24/100%	13/54.17%	11/45.83%	12/50.00%	12/50.00%
Gross Profit Margin (Median)	40.8%	37.9%	41.1%	36.9%	42.8%

FINANCIAL/TERMS – LIMITED MARKET TERRITORY

Cash Investment: \$35k+

Total Investment: \$50.4k - \$85.5k

Minimum Net Worth: \$150k+

Franchise Fee: \$24.5k

Discounts: VetFran

VetFran Program Participant: Yes, 15% discount off initial franchise fee.

Royalty: Fixed monthly branding fee of \$700/month in year one; \$900/month in year two; and \$1,100/month in year three and beyond

Ad: 1.0% on sales (capped at \$20k)

Average # of Employees: Two (Full-time office manager; installation crew are subcontractors and design consultants are commission-based staff)

Passive Ownership Allowed: Yes, with a dedicated General Manager

Earnings Claims: Yes, see full Item 19 disclosure in FDD. Highlights:

Sales Volume	# of Franchisees	Sales in Dollars			% of Franchisees	Years in Business	
		Minimum	Average	Maximum		Minimum	Average
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INTERNATIONAL EXPANSION

International Opportunities: We are primarily focused on North America.

Countries, outside of United States, where the concept is currently available or plans to expand: United Kingdom

Single Unit Availability: Yes

Multiple Unit Availability: Yes

Area Development or Master Availability: Yes

Cash Investment: TBD

Total Investment: TBD

SUPPORT & TRAINING PROVIDED

Financial Assistance Provided: Outdoor Living Brands will finance 50% of franchise fee for qualified applicants

Site Selection Assistance: N/A (home based)

Lease Negotiation Assistance: N/A (home based)

Co-operative Advertising: Yes (also have co-marketing opportunities with other Outdoor Living Brands franchise concepts)

Training:

New franchisees attend our four week classroom and field training program at our Richmond, Virginia, Training Center. Training is led by our COO, but includes participation from most of the senior leadership team. Training is provided in all aspects of the business including (1) marketing and advertising; (2) sales methodology; (3) project design; (4) technology – SoftPlan (CAD-based design software), Business Manager (proprietary pricing software), and QuickBooks; (5) business and office administration systems; (6) construction basics; and (7) production management. In addition, up to a week of field training is provided in the first year at franchisee's location. Lastly, regular weekly webinar provide franchisees with ongoing training for themselves and/or new employees.

[Back to Franchisor Listings](#)