



# FRANCHISE INFORMATION PACKET



# Where Fun & Style Meet!



# WELCOME FROM WADE

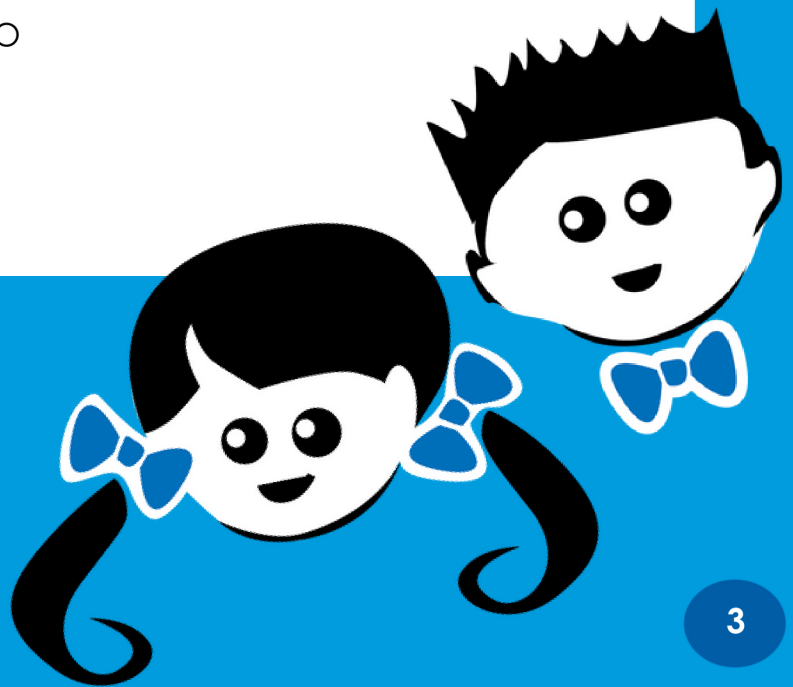


Welcome to Pigtails & Crewcuts and thank you for your interest in joining our franchise family! As a father, I realize the importance of and need for businesses that cater to children. When my own children fell in love with the idea of a hair salon just for kids, I knew I had found something special and an idea that other parents and kids would fall in love with, too. Our first location opened in 2004 and we've been growing since.

Our goal is to be the number one children's hair salon franchise in the country, and we seek owners who want to be a part of our success. However, we understand the need for a work-life balance and have built our model to allow our owners the ability to run a successful business without sacrificing family time.

We are excited about the possibility of working with you and welcoming you into our family. Please let us know if you have any questions.

Sincerely,  
Wade Brannon, President & CEO



# The Pigtails & Crewcuts Family

## The Executive Team



*Wade Brannon*

**President & CEO**

Wade Brannon has a rich history in business. He began his first enterprise in college which he later sold. He received his BA in economics from Washington and Lee University in Lexington, Virginia.

Brannon's first experience with franchising became a remarkable success story. During his time as Senior Vice President and owner of Heavenly Ham, Brannon helped lead the company from one retail store to over 230 locations across the United States. Their business acumen was noted by Entrepreneur Magazine, which ranked Heavenly Ham the No. 1 franchise in its category for 10 consecutive years before the company was sold to HoneyBaked Ham.

With more than three decades of experience in the franchise world, Brannon knows what works. He knows the importance of customer service, franchise support, brand consistency and marketing. His expertise has guided Pigtails & Crewcuts to become one of the fastest growing children's haircut franchises in the United States, with Entrepreneur Magazine naming it to the Franchise 500 list for five consecutive years. In addition, Parents Magazine named Pigtails & Crewcuts one of the top 10 chains for kid birthday parties.

**"We've got a great concept and I am excited about growth opportunities for our future."**

- Wade Brannon



## Michelle Holliman

### Vice President of Franchise Development

Michelle Holliman has extensive experience in the franchise arena. Since 1997, she has worked for the parent companies of brands such as Heavenly Ham, HoneyBaked Ham, Moe's Southwest Grill, Planet Smoothie, and P.J.'s Coffee.

Holliman was Pigtails & Crewcuts' Director of Franchise Development and was promoted to Vice President of Franchise Development. She works closely with franchise owners, walking them through the business development process and providing training in areas such as accounting, operations, and vendor relations and distribution. In addition, Holliman evaluates prospective franchisees to determine if Pigtails & Crewcuts ownership is the right investment for them.



## Theresa Vona

### Vice President of Franchise Support

Theresa Vona has more than 25 years of experience in the childcare and franchise industries. Her areas of expertise include business management and franchise support. Prior to joining Pigtails & Crewcuts, she served as the Director of Franchise Support and Operations for a childcare franchising company, where she assisted franchise owners with business, operations, marketing, and personnel issues.

As the Vice President of Franchise Support at Pigtails & Crewcuts, Vona works directly with franchisees across the country to ensure consistency throughout the Brand. In addition to providing operational and retail support and training, she also helps salon owners develop local strategies and improve customer service.

# Disney Jr. Marketing Partner Campaign Sample



# Current Marketing Samples

Pigtails & Crewcuts  
haircuts for kids

Stylish, stress-free  
**haircuts**  
for **KIDS**

[pigtailsandcrewcuts.com/buckhead](http://pigtailsandcrewcuts.com/buckhead)



Pigtails & Crewcuts  
haircuts for kids

Chill out  
with a **Cool**  
**Summer**  
**style**

[pigtailsandcrewcuts.com/buckhead](http://pigtailsandcrewcuts.com/buckhead)

Pigtails & Crewcuts  
haircuts for kids

**\$2.00 off**  
**all Family**  
**HAIRCUTS**

Mondays Only  
One per family. Not Valid with other offers.  
Available at Buckhead Location.  
Valid through 3/31/2017

[pigtailsandcrewcuts.com/buckhead](http://pigtailsandcrewcuts.com/buckhead)

The **ART** of a  
**child's first**  
**HAIRCUT!**

Pigtails & Crewcuts  
haircuts for kids

Pigtails & Crewcuts  
haircuts for kids

Autism Awareness Month

# The Industry

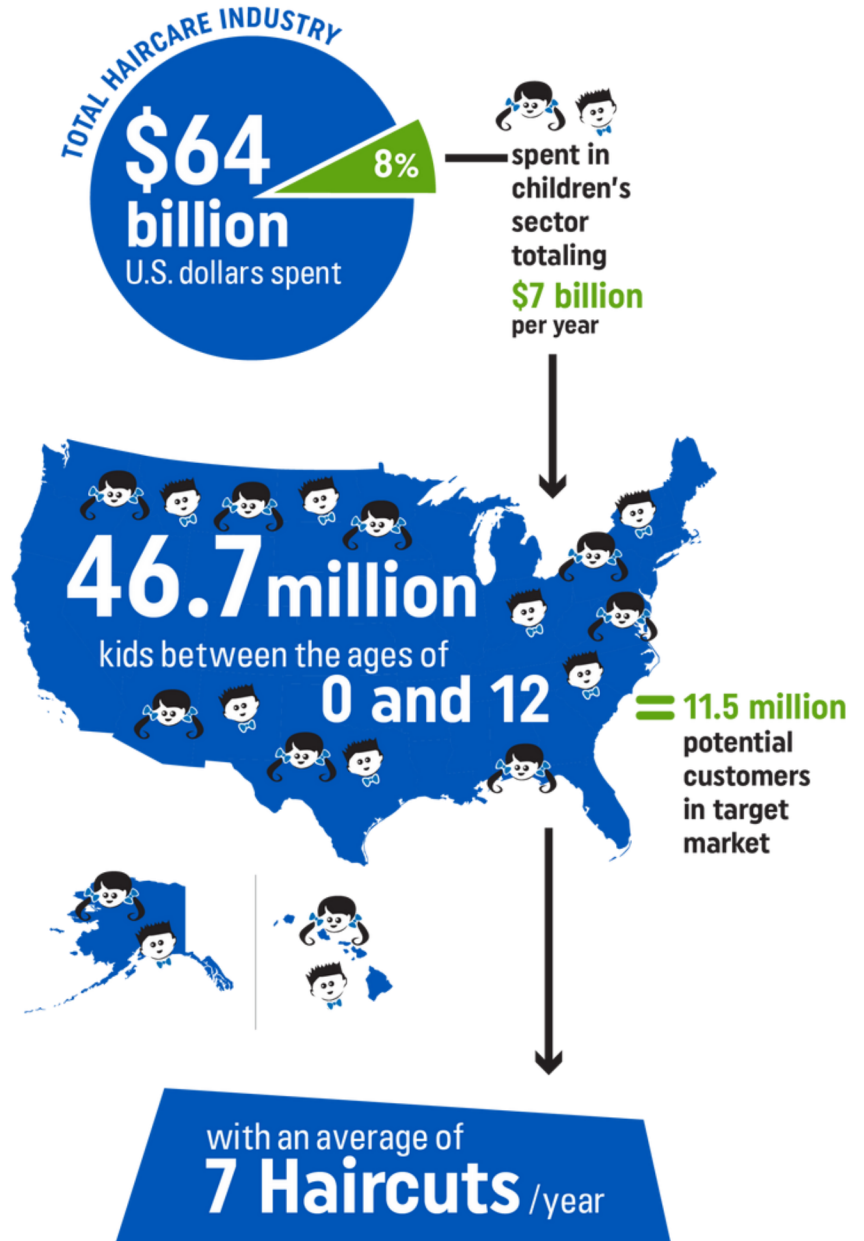
The overall hair care industry in the U.S. is estimated to exceed \$64 billion with approximately \$7 billion spent in the children's segment!

Pigtails & Crewcuts is one of the few salon concepts to expand aggressively on a national level. To add to that, there are an estimated 46.7 million kids between the ages of 0 and 12 in the United States, and our target market is children in this age range. The individual markets we are targeting have over 11.5 million customers.

Even during tough economic times, kids won't stop growing and neither will their hair. Kids typically get haircuts every six to eight weeks, and we estimate that to be seven haircuts per year. No matter how the economy is performing, parents will spend money on great haircuts even when they need to take other things away from their budgets.

While there are many locally owned salons and a couple of chains of children's salons on the market right now, none provide the scope of support services, breadth of experience, and family-friendly atmosphere available at Pigtails & Crewcuts. Our experience and support is what sets us apart. Collectively, our leadership team has over 75 years of franchising experience!

## MARKET POTENTIAL





# Our Process



**Introduction Call:** During this first contact, we'll take some time to get to know you and learn more about your background and objectives for becoming a franchisee.



**Apply:** After reading this franchise information packet, fill out the Application included in this packet and send it to Michelle Holliman, or complete the Application on our secure website. You are not obligated to do business with us by completing the Application - it simply lets us know that you are seriously interested and financially capable of undertaking this venture.



**FDD Review:** Once an Application is approved by Michelle Holliman and Wade Brannon, you will receive a copy of our Franchise Disclosure Document (FDD) to review. This legal document includes our financials as a company and a copy of the Franchise Agreement.



**Discovery Day:** After reviewing the FDD, it's time to come to Atlanta for a Discovery Day. Discovery Day is a one day visit at our franchise headquarters that typically lasts from 9:00 a.m. to 2:00 p.m. Here, you'll meet the executive team and members of the franchise HQ staff. We will give a short presentation, visit our corporate salon, eat lunch, and discuss any questions you have. Discovery Day is usually the step in the process that helps solidify the decision for whether this is the right investment for you and if we're the right people for you to do business with.



**Join the Family:** If you decide you are ready to sign on with us, we'll start the process of finalizing the paperwork. We will confirm the area(s) of interest, entity name, address and signees of the Franchise Agreement. For multi-salon owners, we'll confirm all of that information as well as determine the franchise fee, development schedule, and what the larger protected territory will be. After that, we'll determine the closing date, at which we will collect signatures on two copies of the Franchise Agreement - one for you and one for us. Both copies will receive Wade's signature, and the franchise fee check (if applicable) will be sent into Headquarters.



**Site Selection:** After the paperwork has been signed and you have identified potential locations, we will make a site selection visit to your market. We will look at different spaces over the course of a few days. After we settle on the appropriate space, we will assist with the lease negotiation.



**Pre-Opening:** Once you have signed the lease, we will begin your training, at which time the pre-opening process will also begin. The pre-opening process usually takes about 8 to 12 weeks and includes finding a contractor and beginning construction, purchasing the salon furnishings, and a soft opening prior to the grand opening. The timeline of the process may be longer, pending the time of year, municipalities, and other factors.

# Testimonials

## **Angel Putnam** Owner | **Pigtails & Crewcuts** | **Greensboro & Winter Springs, NC**

As a stay-at-home mom for five years, my world revolved around nurturing and caring for my children, especially my youngest son who detested haircuts. Frustrated by lackluster experiences at another national children's hair salon franchise, I knew there had to be a better way to blend true quality service with a child-friendly environment.

Drawing from my background as a Regional Director in retail sales, I embarked on a quest to find a franchise that aligned with my values and passion for serving families. That's when I discovered Pigtails & Crewcuts.

My journey began with a visit to the corporate office and salon in Atlanta, where I was immediately captivated by the company's core values, the warmth of the corporate team, and the wholesome atmosphere Pigtails & Crewcuts exuded. It was a moment of clarity – I knew I had found my calling.

Becoming a Pigtails & Crewcuts franchise owner not only transformed our family's life but also allowed us to impact our community in meaningful ways. From organizing coat drives to supporting local schools and non-profits, we've been able to give back and make a difference in the lives of those around us.

Every day, I am grateful for the opportunity to be part of such a remarkable company. Pigtails & Crewcuts isn't just a business; it's a platform for me to pursue my passion, connect with families, and contribute positively to the community. I couldn't imagine myself doing anything else, and I am proud to call myself a multi-store franchise owner with Pigtails & Crewcuts.





## **Dalia Wolf** Owner | Pigtales & Crewcuts | Cedar Park, TX

I took my oldest son to get his first haircut at a Pigtales & Crewcuts and it was a wonderful experience. At that time, I had a random conversation with that owner about why she did it and she told me all about Pigtales & Crewcuts and about the franchise as an organization and how much she loved it, and the kind of lifestyle that it afforded her as far as scheduling with her young children. I kind of put it in my back pocket and didn't think about it for a while.

A few years later, I had moved to a big and rapidly growing suburb full of children and was looking at returning to the workforce after having been at home with my children when they were younger. It seemed like a hole in the market. My background is working with children and families, and I wanted to do something that spoke to that and was family friendly because I have young children. I did some research online with other salons but never met with anyone. I made a phone call and talked to Michelle and it all came together. I came to Atlanta to explore the idea and went home thinking "We're going to do it."

I wanted to invest in the brand because it seemed I am my customer. I fit very well with the idea of living in the suburbs of the big city and having young children and looking for a safe place to go where I could take them, be welcomed, and have things there that were age appropriate. I also have a background in special education and liked the idea of being able to take a small thing like a haircut, which is so stressful for parents of children with disabilities, and be able to offer a space where we could help that population. My favorite thing about the Pigtales & Crewcuts brand is that it's fun. It's nice to be surrounded by ideas which come through in branding that are fun, that are colorful, and that at the end of the day, what we're doing is fun and makes people happier rather than really heavy stuff.

# FAQs

## Q. How do I know if I'm the right person to own a Pigtales & Crewcuts franchise?

A. If you enjoy working with people, especially children, and have a burning desire to be part of an exceptionally well-supported franchise system, then Pigtales & Crewcuts may be the right choice for you. While a background in business is helpful, we do not require experience specific to the hair care industry. We are seeking franchise owners and investors who want their success to reflect their efforts and who will represent our Brand in a positive, professional, and customer-focused fashion.

## Q. What does it cost to open a Pigtales & Crewcuts salon?

A. You should expect to invest somewhere between \$130,000 - \$256,000 per location to open a Pigtales & Crewcuts franchise. Franchise owners typically finance up to 80% of this amount. For more specific details, please see our Investment Estimate page.

## Q. Can I open multiple units?

A. Yes! We encourage franchisees to own more than one unit if they meet certain requirements related to business management experience and availability of investment capital. There are great benefits to owning multiple units, including:

- Substantial discounts of initial franchise fees
- Larger protected territory
- A clear development schedule
- The possibility of greater revenue multiplies per location
- The ability to run several locations without managing day-to-day operations
- Building a team of capable, self-reliant people who are able to move between locations and responsibilities as needed



## Q. What is the franchise fee?

A. For a single salon, the franchise fee is \$30,000 and is due up front. The franchise fees for multiple unit opportunities are listed below:

- Three (3) Salons - \$67,500 (\$22,500 per salon)
- Five (5) Salons - \$100,000 (\$20,000 per salon)

## Q. What locations are available?

A. We are currently seeking qualified franchisees in all areas of the U.S. where we are registered. If we are not registered in an area of interest, we will seek out registration. Please visit our Markets page on our website to see where we have locations.

## Q. Do you assist franchisees in finding a space?

A. Yes. We will do demographic research and market analysis on a market, and then fly or drive to your location and ride around with you to look at potential sites before making a final selection. As a part of joining our franchise, we will also assist with lease negotiation at no additional charge.

## Q. What is the preferred demographics for a market?

A. There are several factors we look at, including the total population, household income, and specifically, the children's population. We will plug target areas into our demographic software to help determine if a market can support our concept.

## Q. What is the territory for a salon?

A. The territory around a salon is a 3-mile radius. If you sign up for multiple units, the territory could be larger.

## Q. Do I need to run the salon myself?

A. We encourage the franchise owner to be involved in the day-to-day operations in the early stages of salon ownership. Franchisees will need to build a team of qualified and trained employees and managers to effectively represent the Pigtails & Crewcuts Brand.

## Q. How do I find stylists?

A. As a part of your training, we will assist you in finding qualified employees, as well as retaining the employees and incentivizing them. However, you will do the interview process locally. This is discussed in detail at the training in Atlanta.

## Q. How long is training?

A. Training is five days in our Atlanta office with both classroom-style and in-salon components.

## Q. What's covered in training?

A. Training covers all aspects of the business from Operations and HR to Accounting, Point of Sale, Customer Service, and Marketing. In addition, we provide ongoing training for owners and their staff.

## Q. I'm interested! What are the next steps?

A. To begin, we ask that you complete the Application on our secure website at [pigtailsandcrewcutsfranchise.com](http://pigtailsandcrewcutsfranchise.com). You can complete the Application on the following pages and return it to Michelle Holliman or Hannah Swanson - contact information is listed on page 17.

**You can call us at 770.752.6800 or visit our website at [pigtailsandcrewcutsfranchise.com](http://pigtailsandcrewcutsfranchise.com) for more information. Upon approval of your Application, we will send you a current copy of our Franchise Disclosure Document (FDD) and you will be invited to attend a Discovery Day at our office in Atlanta, Georgia.**

# The Investment

To ensure that Pigtails & Crewcuts salon owners have sufficient funds to market and support a new business in its pre-opening and initial operating stages, we require a net worth of \$250,000 and liquidity of \$150,000 for the initial salon. Financial assessment for multi-salon development agreements will be considered on a case-by-case basis.

Full Service Pigtails & Crewcuts Salon				
Item Description	Estimated Cost	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee	\$30,000	Lump Sum	Upon Signing of Franchise Agreement	Us
Real Estate & Construction	\$45,500 to \$103,000	As Arranged	Prior to Opening	Landlord, Contractors
Rent (3 months)	\$7,500 to \$18,000	As Incurred	Before Opening & Ongoing	Landlord
Travel & Living Expenses while Training	\$1,250 to \$2,500	As Incurred	During Training	Third-party Vendors (e.g. Hotels, while Training Expenses Restaurants, Airlines)
Furnishings, Equipment, & Decorating	\$18,000 to \$38,000	As Arranged	Prior to Opening	Suppliers, Contractors, Us
Exterior Signage	\$1,500 to \$11,000	As Arranged	Prior to Opening	Suppliers
Interior Graphics / Signage	\$2,000 to \$3,000	As Arranged	Prior to Opening	Us
Opening Inventory	\$5,000 to \$10,000	As Arranged	Prior to Opening	Us, Suppliers
Opening Supplies	\$3,000 to \$5,000	As Arranged	Prior to Opening	Suppliers
Initial Supply of Marketing & Promotional Materials	\$500 to \$750	Lump Sum	Prior to Opening	Us
Computer Hardware / Software	\$3,500 to \$4,000	As Arranged	Prior to Opening	Us
Grand Opening Advertising	\$3,000 to \$4,000	As Arranged	Prior to Opening & Ongoing	Suppliers
Professional Fees	\$1,000 to \$5,500 & Ongoing	As Arranged	Prior to Opening & Ongoing	Your Accountants, Attorneys, Real Estate Broker & Architect
Miscellaneous Opening Costs	\$2,000 to \$5,000	As Arranged	As Arranged	Suppliers, Utilities, Tradesmen
Additional Funds - 3 Months	\$5,000 to \$15,000	As Arranged	As Arranged	Suppliers, Employees
<b>Total Estimated Initial Investment: \$130,000 to \$256,000 (These figures are from the current FDD)</b>				

## ONGOING FEES:

Royalty Fee: 5% of gross sales

Advertising Fee: 2% of gross sales

# Application



Please print clearly and complete the Application in full. The completion of this request does not obligate the applicant to become a franchisee of Pigtails & Crewcuts. You may also complete an Application online at [pigtailsandcrewcutsfranchise.com](http://pigtailsandcrewcutsfranchise.com).

## PERSONAL DATA

Name: Last \_\_\_\_\_ First \_\_\_\_\_ Middle Initial \_\_\_\_\_  
Convenient Time to Contact You: \_\_\_\_\_  
Home Address: Street \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone: Home \_\_\_\_\_ Work \_\_\_\_\_ Cell \_\_\_\_\_ Fax \_\_\_\_\_  
Email: \_\_\_\_\_ SS# \_\_\_\_\_  
Date of Birth: \_\_\_\_\_  
Marital Status: \_\_\_\_\_  
Spouse's Name: \_\_\_\_\_ Spouse's Date of Birth: \_\_\_\_\_  
Spouse's Employer: \_\_\_\_\_ Spouse's SS#: \_\_\_\_\_  
Number & Ages of Children: \_\_\_\_\_

## HOW DID YOU BECOME AWARE OF PIGTAILS & CREWCUTS?

- Magazine
  - Internet Site
  - Referral
  - Salon Visit
  - Newspaper
  - Other
- Please Specify: \_\_\_\_\_

## EDUCATION

Please list the names and locations of the schools and/or colleges you have attended:

What is the highest level of education you have completed?

- High School
- Undergraduate
- Some College
- Post-Graduate

## WORK HISTORY

Name of Company: _____	Name of Company: _____
Contact Person: _____	Contact Person: _____
No. Years Employed: _____	No. Years Employed: _____
Position Held: _____	Position Held: _____
Address: _____	Address: _____
Telephone: _____	Telephone: _____
Reason for Leaving: _____	Reason for Leaving: _____

Please see the next page for more information.

If you have a current financial statement, please attach in lieu of the following section.

### ASSETS

- Checking & Savings: \_\_\_\_\_
- Marketable Securities\*: \_\_\_\_\_
- Non-Marketable Securities\*\*: \_\_\_\_\_
- Real Estate Owned (Home): \_\_\_\_\_
- Real Estate Owned (Other): \_\_\_\_\_
- Other Assets (Explain below): \_\_\_\_\_
- Total Assets: \_\_\_\_\_

### LIABILITIES

- Notes Payable (Banks): \_\_\_\_\_
- Notes Payable (Other): \_\_\_\_\_
- Real Estate Mortgages Payable (Home): \_\_\_\_\_
- Real Estate Mortgages Payable (Other): \_\_\_\_\_
- Total Liabilities: \_\_\_\_\_
- Net Worth: \_\_\_\_\_
- Total Liabilities & Net Worth: \_\_\_\_\_
- Other Debts: \_\_\_\_\_

\* List the assets that comprise your Marketable Securities: \_\_\_\_\_

\*\* List the assets that comprise your Non-Marketable Securities: \_\_\_\_\_

### BUSINESS & MANAGEMENT GOALS

Do you plan to operate the business yourself?  Yes  No If not, who will manage your salon? \_\_\_\_\_

Do you plan to have equity partners?  Yes  No If yes, please identify all partners and attach an Application for each

Number of salons planned: Years 1-2: \_\_\_\_\_ Years 3-4: \_\_\_\_\_ Years 5-6: \_\_\_\_\_ Total: \_\_\_\_\_

Planned date to open first salon: \_\_\_\_\_

Other Comments/Explanations: \_\_\_\_\_

### AREA OF EXPERTISE

- Finance  Real Estate/Construction
- Management  Sales
- Business Development  Other

### OTHER INFORMATION

Annual Income Present Occupation: \$ \_\_\_\_\_

Other Income Per Year: \$ \_\_\_\_\_

Source of Other Income: \_\_\_\_\_

Would this business be your sole source of income? \_\_\_\_\_

Do you have a financing source? \_\_\_\_\_

Amount available from financing source: \$ \_\_\_\_\_

Cash available for investment: \$ \_\_\_\_\_

I certify that all of the information stated herein is a true and correct representation of my personal and financial condition. I give permission to Pigtales & Crewcuts to contact credit reporting agencies to assist in verifying data. I understand that my submission of this Request for Consideration does not obligate me to become a franchisee of Pigtales & Crewcuts, nor does my submission of this request for consideration obligate Pigtales & Crewcuts to award a franchise to me.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_



# Let's Talk



**Hannah Swanson** Franchise Development Coordinator

3495 Piedmont Road  
Suite 402, Building 11  
Atlanta, GA 30305

p: 770.789.8540  
hswanson@pigtailsandcrewcuts.com



**Michelle Holliman** Vice President of Franchise Development

3495 Piedmont Road  
Suite 402, Building 11  
Atlanta, GA 30305

c: 678.642.0923  
mholliman@pigtailsandcrewcuts.com

[pigtailsandcrewcutsfranchise.com](http://pigtailsandcrewcutsfranchise.com)

