

THE FRANCHISE MODELS

Two franchise Models are the core to Creative by Design's growth; the Master Regional Franchise and the Local Regional Franchise.

The Master Regional Franchise

In New Zealand, Tasmania and South Australia there is currently a business opportunity for a Master Regional Franchise. All other states in Australia have established Master Regional Franchises.

This model involves establishing the core metropolitan market through a Design Studio, which combines an office and a small showroom. In the case of W.A., N.S.W. and Victoria, these Master Regional Franchises also have a manufacturing base.

In Queensland there is no manufacturing base, with that Franchise accessing product from local suppliers and other Creative by Design factories.

This is the model that would suit New Zealand, South Australia and Tasmania. The advantages being that the:

Capital investment required to establish the business is less, allowing a focus on marketing the business.

Focus of the franchise is growth through sales and marketing, not manufacturing.

Franchisee is able to focus their skill and energy on this core area of the business.

Design Studio is able to be located in the core market area rather than an industrial area.

Creative factories around Australia are able to supply other franchisees by shipping the product flat packed. This would also apply to the New Zealand



Master Franchise where the supply factory selected would be able to ship to regional franchises.

To operate a Master Regional Franchise it is essential that the candidate has management experience in sales and marketing and has a drive to grow a business. Experience in managing people is critical to success, as is the ability to invest capital into the business to employ key staff and promote the business. Staff that are needed to establish this business, besides the owner, include sales people and a Project Coordinator to manage the production outsourcing, scheduling and installation side of the business. Sub contracted installers are used to install the product.

Local Regional Franchises

Over the years we have experienced demand for the Creative by Design product that we have not been able to supply from our metropolitan franchisees. The local regional franchise model has been developed to enable Creative by Design to expand into key regional centres.

The business model selected for this is a combined sales and installation franchise. This may be an installer who has an interest in having a business where there is support to teach and coach sales and marketing.

In larger regional areas the possibility of a partnership, with one person focusing on sales/marketing and the other on production coordination/installation exists.

The product for this local regional franchise would be supplied from the centralised Creative by Design factory. This is structured as a home based business without the need for an office/showroom.

The local regional franchise best suits someone who wants to own his or her business within the larger corporate structure that Creative by Design offers. You would need to have experience as an installer or carpenter and you would be expected to attend sales and marketing training.