

The Clothesline Diet Club

F.A.Q

Q: What type of experience do I need to operate a THE CLOTHESLINE DIET CLUB franchise?

A: We believe that to be a successful THE CLOTHESLINE DIET CLUB franchisee, you should have experience in dealing face to face with people. This may have been gained in the retail business in any type of industry, or you could have a Sales manager background or alternately maybe you have been working in the hospitality industry. In any event, you will also have a love for helping people achieve life goals and get fitter and healthier. Whilst being able to build rapport with customers is essential, it is equally important that you are willing and able to engage the right type of staff to work with you in the business and have a desire to grow the franchise revenue through the acquisition of new customers at every opportunity. Training and mentoring your staff is a key to success in the fitness business due to the nature of the sales process. THE CLOTHESLINE DIET CLUB has a comprehensive 2-week training course for new franchisees to undertake which covers all aspects of Operations, Sales and Customer service.

Q: Will I need to have any other specific qualifications?

A: All THE CLOTHESLINE DIET CLUB franchisee must hold the following or be able to obtain:

- (i) A National Police Clearance (available via a simple on line application)
- (ii) A Certificate IV in Personal training
- (iii) A clean drivers license

Q: What is the total cost of acquiring and opening a THE CLOTHESLINE DIET CLUB franchise?

A: A successful THE CLOTHESLINE DIET CLUB franchisee will need to cover the cost of a suitable club fit out which will vary according to size and store location, but will require an investment of \$30,000 to \$60,000 plus the franchise fee of \$49,000. Full details of all franchise costs will be provided in the Franchise Disclosure document upon application.

Q: Do I have to pay a deposit?

A: A \$2,500 plus GST deposit is payable upon application. These monies are then held in trust pending a review of your application by THE CLOTHESLINE DIET CLUB management team. Subject to your application being approved, your deposit money will be used for the legal costs for the creation of all franchise documents but is fully refundable, under the provisions of the Franchise Code, if the application does not proceed.

Q: What actual initial Franchise fees are payable?

A: • \$49,000 + GST = Initial Franchise Establishment Fee.

The Franchisor's Disclosure Document provides full details of all fees and costs in connection With the establishment of a THE CLOTHESLINE DIET CLUB franchise and is given to you at the time of application.

The Clothesline Diet Club

Q: What are the ongoing fees of the franchise?

A: All THE CLOTHESLINE DIET CLUB franchisees pay a 6% royalty on gross but pay no marketing levy. There are some equipment rental costs that will be disclosure in the franchise disclosure documents

Q: Do I need any working capital to start?

A: It is recommended that you have money available to be used as working capital and as a Minimum we would expect you to have \$20,000. This will cover, among other things, costs such as, your Accounting and Legal fees, Business and Public Liability Insurance and your initial trading period for wages and other expenses etc.

Q: Can I get any special finance?

A: THE CLOTHESLINE DIET CLUB does not provide any finance options.

Q: What is the term of a franchise?

A: Franchisees are ordinarily granted a five (5) year initial franchise term together with an option to renew for a further five (5) years. If after the first 5-year term you wish to renew, there is no additional franchise fee, the only cost being the drafting of franchise renewal documents of \$2500 plus GST which is paid to our lawyer.

Q: Do I have my own marketing territory?

A: All THE CLOTHESLINE DIET CLUB franchisees have their own marketing territory into which they can advertise and network to grow their club membership. Each THE CLOTHESLINE DIET CLUB marketing territory is large and is worked out based on a proven demographic formula which considers such things as the numbers of people, level of income and social demographics etc. to ensure each franchise territory has sufficient customer potential.

Q: Have you got any club locations ready to go?

A: We are always working on potential new club development sites and currently have a number of locations available. In order to discuss any location, you will need to submit an enquiry to become part of the discussion process. In addition to this please refer to the Franchises Available section of our website (www.theclotheslinedietclub.com.au).

Q: Are Franchisees expected to actively work in the business?

A: THE CLOTHESLINE DIET CLUB model is best suited to business professionals that can grow club membership and lead by example to their staff. Most may work in the business on a day to day basis and some will work on the business with a team led by a great club manager to support them. We would be happy to discuss all available options in regards to this.

Q: Why should I purchase a THE CLOTHESLINE DIET CLUB?

- Proven track record with a long history
- Growing market
- Low ongoing royalty
- High GP% tea product
- Instore training and ongoing support
- National integrated advertising and Promotional campaigns
- Relaxed lifestyle brand

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Q: What should I do next?

- Complete the online enquiry, download the confidentiality document and email this to THE CLOTHESLINE DIET CLUB
- Attend an information meeting with THE CLOTHESLINE DIET CLUB
- Review all information obtained during the meeting and make a decision on your preferred site/territory
- Confirm your purchasing ability with your bank and with your accountant
- submit your application.