THE BUSINESS \* \* \* \*

OPPORTUNITY







# INTRODUCING TOMMY GUN'S

We set out in 2009 to change the grooming industry.

The original Barbershop had lost its shine and the tradition was being eroded by modern trends. The focus on grooming had been lost. We wanted to reintroduce the Barbershop experience and make it relevant today.

TOMMY GUN'S IS THE COMPLETE GROOMING DESTINATION.

AN ORIGINAL BARBERSHOP CONCEPT WITH MODERN LUXURIES.



# JOIN THE LEADING NATIONAL BRAND IN GROOMING

By joining Tommy Gun's and becoming a Franchisee, you are joining an elite franchise group that has over 50 years of experience in the hair care industry in Canada. Our experience and expertise in this unique and growing industry is what will take your franchise over the top and ensure longevity as the industry and market evolves and changes.

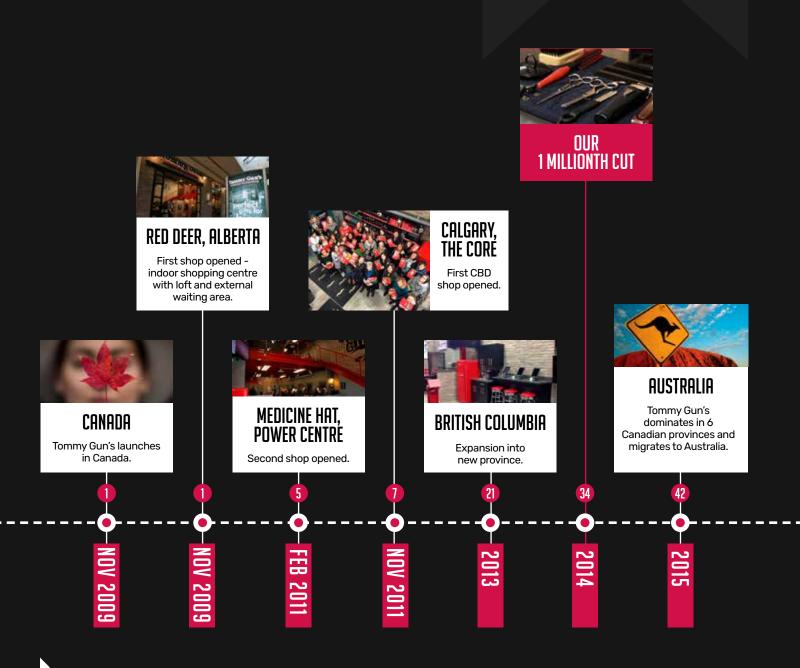
Our company will continue to strive to be the leader and innovator in our industry. This is accomplished through significant amounts of investment in time and resources to constantly develop and improve our business operations. This commitment ensures we are always steps ahead of the competition.



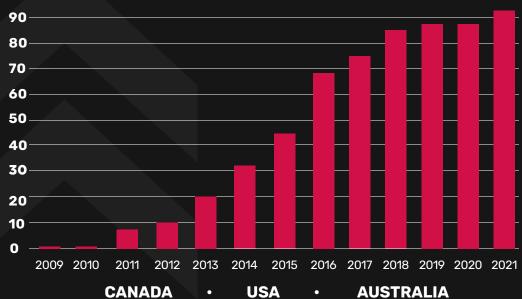


### THE JOURNEY »

Tommy Gun's is on a global journey, with rapid growth and success in Canada, Australia, and now the USA. It's been a great ride and it's only the beginning...



### TOMMY GUN'S SHOP GROWTH







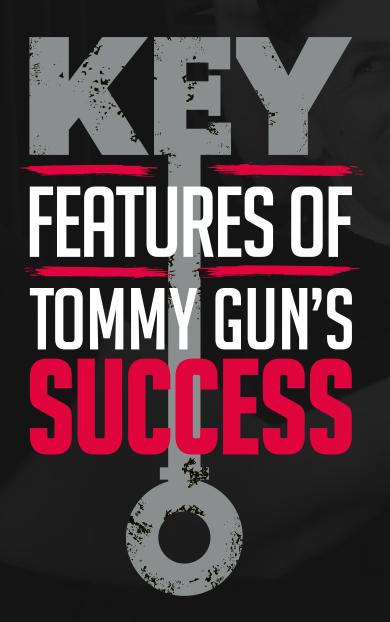
### BARBERSHOP OVERVIEW

Since our launch, Tommy Gun's has become the complete men's grooming destination by providing the Ultimate Barbershop experience to Every Guest, Every Time. It's the original Barbershop concept with modern luxuries as we continue to be the leader and innovator in our industry.

With our 50+ years' experience and a winning track record, we are a company built to dominate the sector. Be part of the journey and come join the TG Family!

WHAT'S NOT TO LOVE?





A premium bespoke experience at an affordable price. Live the Dream.

New shops are targeted in key retail areas found both close to work or close to home.

Our shops are typically open 7 days a week with exception to Christmas & New Years Day unless otherwise required by the landlord of the selected site.

The largest selection of men's grooming retail needs all in one place.

We have teams working behind the scenes providing tools, systems and training to ensure our Shops execute consistently and successfully.

Our Barbershops are busy because men typically visit their Barbers every 4 - 6 weeks and literally grow a reason to return.

Our Mobile App, in-shop and online check-in platforms make booking easy.

### S U P P O R T I N G YOUR SUCCESS







### OPERATIONAL SUPPORT

Each Barbershop in the system is paired up with one of our incredibly talented Shop Support Managers. These operation gurus are tasked with assisting owners to master the art of Barbershop operations. Your dedicated operations specialist is your go to person for any questions you might have about how to optimize your business's performance and cost controls. They are there to help you find success every step of the way.

### IN-HOUSE REAL ESTATE

One of the most important things for any business is location, location, location. At Tommy Gun's we have our very own leasing team who work diligently with our network of brokers across the country to find the very best sites in Canada. With access to all the best demographics information, our leasing team negotiate all the ins and outs of your sublease to make sure we get you the right location for the right rent price.

### MARKETING

Nothing beats the hum of a busy Barbershop and our marketing team works tirelessly to keep spreading the word about the Tommy Gun's brand from coast to coast. Our national, provincial, and local campaigns powered by our National Development Fund keeps our Barbershops top of mind in every market. This widespread knowledge of our brand and our locations drives local interest and revenue opportunities through the doors for each of our owners.

### DISTRIBUTION

We own and operate our very own Distribution Centre based in Kelowna, BC which allows us to negotiate distribution rights to incredible industry leading brands from around the world. These cultivated and long-lasting relationships offer our owners margins that can drastically exceed those found in independent shops. This in turn translates to increased profitability opportunities for our business owners as we pass along the savings. It also has the added benefit of keeping inventory costs low while providing consistency and security to keep your shelves stocked.

### E-COMMERCE

Purchase behaviours in the global market have changed and we made sure to change with them. Our omni channel approach to e-commerce leverages excellent in-shop experiences and couples it with the ability to shop for your favourite Tommy Gun's products online and engaging with the brand through our social platforms and loyalty program. Our studies have shown that when customers interact with us through multiple channels their spending increases substantially and they become even more loyal to our brand.

### IT SUPPORT

Every Barbershop in our system functions at a high level due in-part to the industry leading technology we have put in place to allow our guests to book online or by using our app while also managing the queue, storing guest service history, and ensuring our teams can take payment for each incredible service experience. Our in-house IT team is available 24/7 using our dedicated support line to help owners navigate any technical issues and keep them online and functioning.











# TOMMY GUN'S

### FROM THE COMPETITION

### The Market Opportunity

Tommy Gun's was created to fill the void that existed in men's grooming. Experience a guy's only Barbershop focusing on service, convenience and high tech extras. We've matched up the retro feel with a hasslefree, laid back environment and 5 star service standards. The décor is reminiscent of 1930's Chicago or New York with a retro Barbershop feel. Locations feature brick, steel and authentic custom made leather barber chairs.

### The Technology

For the ultimate in convenience, we designed a state-of-the-art queuing system. It's an easy to use check-in terminal that enters your name in the queue for service and is displayed on a 60 inch flat screen TV. This also shows wait times depending on the number of customers at that time present.

At check-in you'll be given timing options for notification via SMS text messages. This will alert you when you are nearing the top of the queue. This gives you the flexibility to either stay at the Barbershop or come back when your grooming specialist is available.

### THE EXPERIENCE - SECOND TO NONE.

Put that all together and you are left with the most memorable Barbershop guest experience ever.

We as a business strive to create amazing grooming experiences for every guy that walks through our doors.

### TOMMY GUN'S NETWORK





### CULTURE

A brand's culture means everything to its success and at Tommy Gun's we take fun seriously. From our barbershop staff to our incredible network of owners to the Support Office team, we all live and breathe the desire to continue making Tommy Gun's the best in the biz. Being part of this team means being part of a family of like-minded individuals who share best practice, encourage collaboration, and celebrate each others' achievements. Our people are the heart and soul of the Tommy Gun's brand, and through togetherness we create belonging.

### RECRUMNE

Barbers are often attracted to Tommy Gun's because of the quality of our brand reputation, the benefits programs, the industry leading training and the culture that comes with being part of our team. Owners can attract top talent by also posting job openings on our careers section at www.tommyguns.com and by having access to our immigration program that helps to bring top talent barbers to Canada.

### TREININE

This is one of the corner stones and difference makers that separate Tommy Gun's from the competition. Training for both business owners and their staff is of huge importance to the success of a barbershop. Mastery of all the disciplines for shop management for owners and essential skills in cutting, shaving and retail knowledge for barbers are key contributing factors to customer retention, customer growth and profitability. Our Support Office provides ongoing training through in-shop training, online courses offered through "Tommy Gun's University" platform, along with many other unique in-person training sessions like our "Barbers Edge" training event.

### COMMUNITY

Owning a Tommy Gun's gives our owners the ability to make a difference in their communities in so many more ways than just what happens in their shop's four walls. Owners can and are encouraged to get involved by supporting charities, fundraisers, community events, sports teams and so much more. Nothing feels better than giving back and the owners that invest in their communities find that their communities invest back into them.

### **PROFITABILITY**

With so many factors dictating a shop's profitability, it is impossible to pinpoint exactly what an owner will make as a return on their investment. What we can say though is our system works! We wouldn't have grown to over 90 barbershops worldwide if it didn't. Over 80% of our current Barbershops in Canada are owned by multi-unit investors and let's face it, our owners wouldn't re-invest if they weren't thrilled with their results.

























### OUR REACH IS GLOBAL



> 15+ SHOPS & COUNTING



# A SUCCESSFUL CONTRACTOR OF THE PROPERTY OF THE



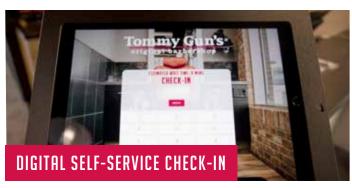
### **ENVIRONMENT**

Tommy Gun's shop designs and finishes are what sets us apart.

An environment that fuses long-lost barbershop character with millennial tech, ensuring convenience and comfort for our guests. An attractive and comfortable environment to relax in with a free beverage, our waiting area and pre-service experience is designed to increase dwell times.















### **SERVICE & SERVICES**

From the guest services through to the barbers, customer service is pivotal to Tommy Gun's success. It's the top shelf service from start to finish that builds our loyal guests and advocates.

Our barber services are unparalleled, with custom cuts, cut throat shaves and emerging tattoo and track work to name a few. All of our barbers are skilled to ensure our guests personal style is highlighted each and every visit. Our barber training is the most advanced within our industry, as we ensure our barbers are highly trained to provide the highest quality cuts while providing outstanding service.





### COMPLETE RETAIL OFFERING

Each Tommy Gun's location offers a comprehensive selection of new and innovative grooming products. Every key category is covered including:

Hair Care | Skin Care Hair Growth | Shave and Beard Care Clippers | Trimmers | Straight Razors Shave Brushes | Gifting

Sourcing brands from across the globe, many exclusive to Tommy Gun's, we retain our position at the forefront in men's grooming. With custom retail fixtures ensuring products shine on the shelf, Tommy Gun's is the ultimate go-to for men.













**BILLY JEALOUSY** 



























NIOXIN

OLAPLEX.

**Panasonic** 

PAUL MITCHELL

PERCY NOBLEMAN







SOLID STATE®





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# TOMMY GUN'S 5 STAGES TO FRANCHISE BUSINESS PARTNERSHIP



To make things simple we've developed a step-by step guide to becoming a **Tommy Gun's Business Owner** - so take the first step!

### tommyguns.com/pages/franchise

- Stage 1: Inquiry
  - Review the content on the Tommy Gun's website which is full of information about the Tommy Gun's Franchise opportunity and fill out the form under the Inquire Now tab.
- 2 Stage 2: Qualification

Once you have submitted the request for information, a Tommy Gun's franchise representative will contact you to review the Tommy Gun's Franchise opportunity, ask you additional questions and answer your franchise and business development questions.

**3** Stage 3: Interviewing

The same Tommy Gun's representative you've been talking to will further discuss the investment to the point of issuing the Franchise Disclosure Document (FDD), while explaining the next stage of validating.

Stage 4: Validating

A Discovery Day will be scheduled at our Support Office in Kelowna, BC at which time you get to meet the Tommy Gun's executive team and operational support team. This day includes site visits, a chance to meet our team and an introduction to the Tommy Gun's organization. Throughout this visit, you will find out what owning a Tommy Gun's Franchise is all about.

Stage 5: Awarding

Once Tommy Gun's Executives have been able to fully review your file you may be granted a franchise. At this stage you commit to Tommy Gun's by signing the Franchise Agreement and paying the \$40,000 Franchise Fee.



### FRANCHISE INVESTMENT OVERVIEW

### **Unencumbered capital:**

To qualify for a Tommy Gun's franchise, interested parties must have access to approximately \$150,000 in capital and access to \$100,000 in working capital. As an example, a home line of credit may be used to fund the total \$250,000 required.

### **Investment:**

Initial investment costs for locations typically averages between \$525,000 to \$625,000. We provide estimates based on quotes to Franchisees once we have finalized lease terms and inspected every location. Costs vary depending on inventory investment and local market conditions.

### **Franchise Fee:**

\$40,000.00

### **Royalties:**

6% of gross sales

### **Business Development Fee:**

3% of total gross sales

### **Multi-Unit:**

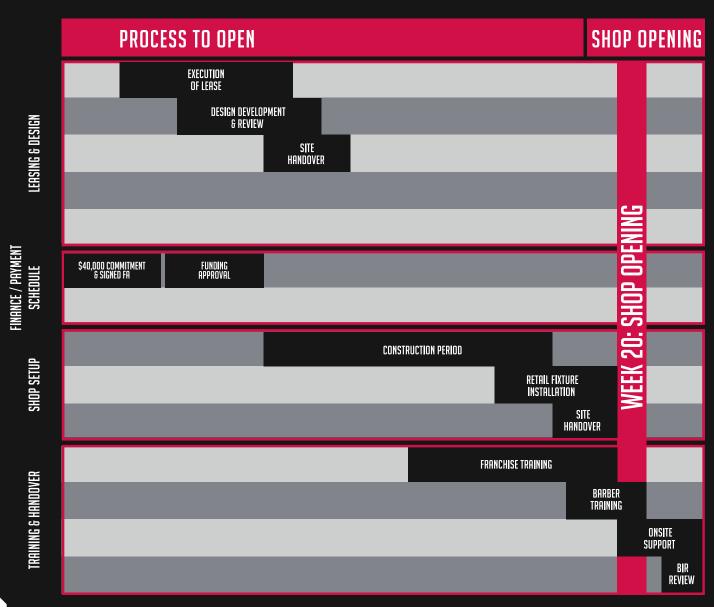
The Tommy Gun's business model was designed with multi-unit ownership in mind. We strongly support and encourage our business partners to fulfill their multi-unit aspirations under the Tommy Gun's banner. Many of our current global owners started with one shop and have continued to grow and have added new locations. Successful multiunit owners have achieved this through buying in to the Tommy Gun's business model, support structures and our industry leading National Education Programs. So whether your dream is to own one shop or to start your own empire, joining Tommy Gun's can get you there.







Once you're officially part of the team, it's time to get your site moving! The below is an indicative shop project schedule.



## FREQUENTLY ASKED QUESTIONS

① Do I need previous salon or barbershop experience?

The simple answer is no. Our Business Partners come to us from a wide range of backgrounds and industries. We look for leadership experience and a solid understanding of the importance of operational excellence. We couple that with all the tools and training you will need to succeed.

Who determines the right location?

Extensive research is completed by Tommy Gun's Franchising and Leasing department to determine the most optimal locations. The research process includes consideration of market demographics along with success of other retailers in the trading area.

Who manages the development of my shop?

Tommy Gun's support office manages the design, construction, inventory and equipment processes. It is highly important to the Tommy Gun's organization that we only work with specific vetted and approved contractors. Throughout the whole process, we continuously engage with each Franchisee, up to and including assisting with staffing and training.

- What type of locations are suitable for Tommy Gun's Original Barbershops' Tommy Gun's can operate successfully in power centre/street front and mall locations.
- What hours of business do Tommy Gun's locations follow?
  Tommy Gun's franchises located inside major regional shopping centres must follow mall hours. Franchises inside big box power centres are generally open Monday to Friday, 9am to 9pm, Saturday 9am to 6pm and Sundays from 11am to 6pm.
- 6 Are there discounts for opening multiple locations? The initial franchisee fee is reduced by 33% to \$30,000 for additional locations.
- 1 How do I apply for a franchise?

Simply complete the Inquiry Form and submit it to us. Following your application, a Tommy Gun's representative will contact you to begin the qualification process.



