

# GOALS



## Reach and Surpass Your Goals



### Welcome to Batteries Plus Bulbs Franchising

Thank you for your interest in the Batteries Plus Bulbs franchise opportunity. As you continue exploring business ownership, we encourage you to further explore the various benefits our franchise can offer you. Our goal is to give you a more in depth understanding of our rapidly-growing needs-based franchise, the successes our franchisees are achieving, and how we're committed to helping entrepreneurs reach their goals.

—John Twist  
VP Franchise & Business Development

## Achieve your goals with Batteries Plus Bulbs

Whether you're looking to start your very first business or to diversify your current business portfolio, we can help you achieve that goal. Successful business people looking to expand their portfolios will appreciate that Batteries Plus Bulbs is a rare franchise opportunity with

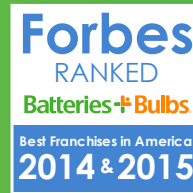
a time-tested model in a fast-growing market. We're here to work with you every step of the way to help ensure you not only reach your personal and professional goals but, surpass them.

**Batteries + Bulbs**

# SUCCESS

## Franchise Advantage:

Over the past two decades, we've been recognized as a leading franchise by several industry accredited publications including Forbes®, Entrepreneur®, and Franchise Times®.



## Proven past, trusted brand, exciting future

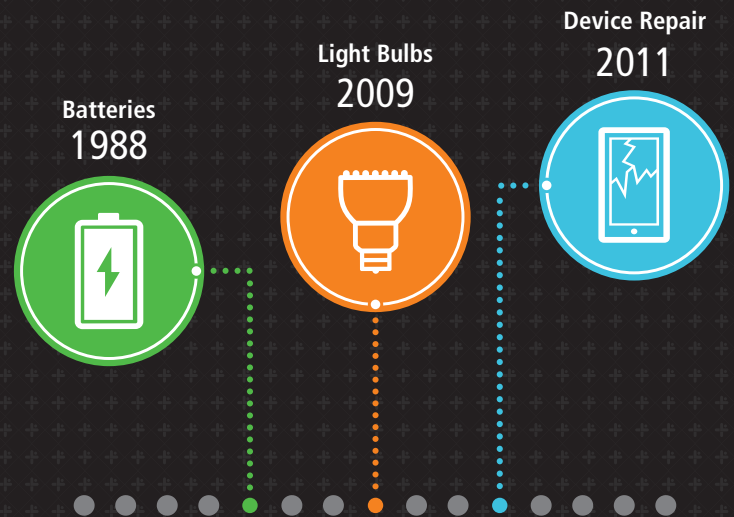
Since 1988, Batteries Plus Bulbs was the first organization to respond to the evolving needs of the replacement battery market. Today, we are the nation's largest and fastest growing battery,

light bulb and smartphone/tablet repair franchise with a nationwide network of stores. We're a needs-based, consumable product business serving both retail customers and business accounts at the national and local levels. Our stores offer nearly 60,000 unique batteries, light bulbs and related items for smartphones,

cars, motorcycles and hundreds of other applications. As mobile devices continue to grow in number, so does the demand to repair broken smartphones and tablets - a service we provide right in the store. We're excited about where our franchise is headed and bringing new franchisees on board to grow with us.

## Our success is directly linked to yours

For more than two decades we've continued to explore additional products and services to strengthen the brand, provide new revenue opportunities for our franchisees, and to remain on trend with our customers' evolving technology needs. A franchise business is built on the strength of the franchisees in its system. Our goals and growth are directly linked to your success.



*"You'll find a system that's successful. Successful in good economic times, successful in bad economic times and I don't see that changing. It's a dynamic organization that's offering new things all the time."*

—**Steve Donnell**, Multi-Unit Franchise Owner

## Franchise Advantage:

No other business is able to match our mix of top-quality brands, such as Duracell® Ultra, and our broad assortment and expertise make us the dependable choice both retail and business account customers can trust.



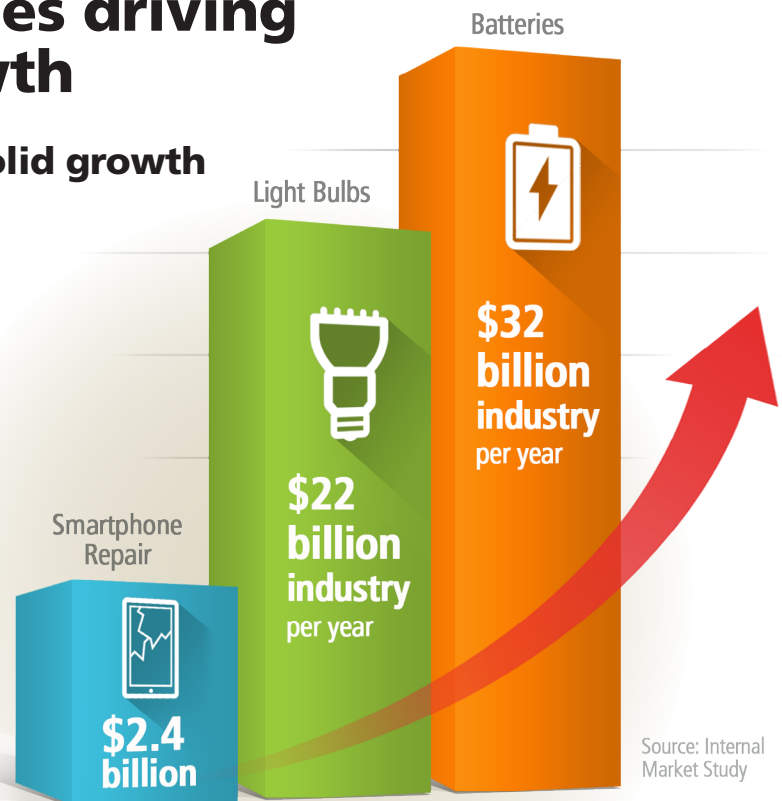
# DEPENDABLE

## Strong demand continues driving store revenue and growth

### Multi-billion dollar industries with solid growth

As the number of complex, sophisticated battery-powered devices expands and lighting continues to transition to energy efficient-bulbs, Batteries Plus Bulbs continues to grow with them. More importantly, an investment in the Batteries Plus Bulbs franchise means you're not limited to or dependent upon just one industry.

Batteries Plus Bulbs serves the expanding \$32 billion U.S. battery industry and the rapidly growing U.S. light bulb industry estimated to be at \$22 billion in sales. The growing population of smartphones and tablets has created a huge demand for mobile device repair, which is now a \$2.4 billion industry. You'll be uniquely positioned to capitalize on the growing demand these industries offer.



We sell more than 80 million batteries and light bulbs annually.

### Customers count on us for solutions. And we deliver.

Our business model delivers a value proposition built on filling immediate needs, breadth of assortment, and offering high-touch service to our customers with urgency and consistency. Due to our breadth and depth of product selection, helpful advice and expertise, customers trust us to have the products and services they need when they need them most.



# OPPORTUNITY



## Multiple revenue streams means more opportunities for money in your pocket

Unlike most businesses, our franchisees enjoy several ways to generate sales and revenue. Our unique combination of needs-based products and helpful services provides opportunities with retail customers in the store, business accounts in the marketplace and all customers online. In addition to the retail battery and light bulb sales that occur in a store, our franchisees are able to repair mobile devices, rebuild battery packs, perform battery testing and installations, recycle spent batteries and light bulbs, and so much more.

## Everyone is a potential customer

Most franchise opportunities target just one small segment of the population, but Batteries Plus Bulbs customers are literally everywhere. Consumers and businesses alike use batteries and light bulbs every day for a variety of applications.

## Sales Mix



*"Batteries Plus Bulbs offers multiple revenue streams, including retail, business accounts, and smartphone and tablet repairs. What you don't realize is many other franchises only offer one."*

—**Stephen Wiles**, Multi-Unit Franchise Owner

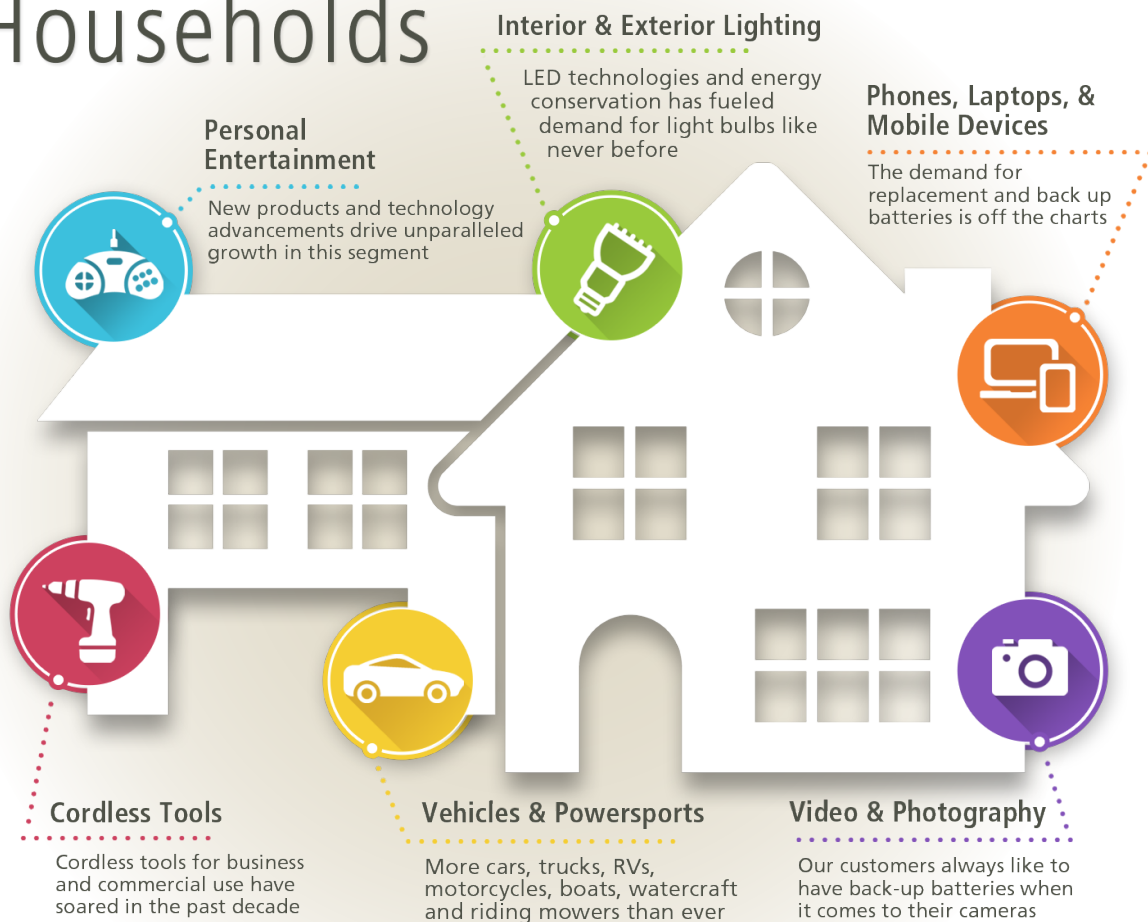


# OPPORTUNITY

## Franchise Advantage:

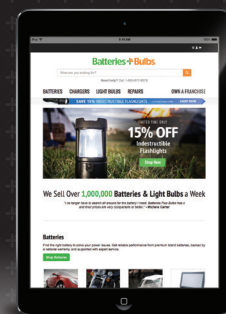
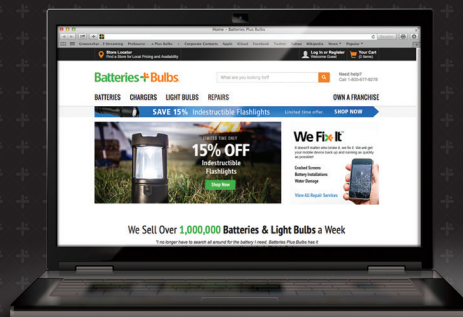
The demand is strong for the products and services we offer. The average U.S. household has 28 battery-powered devices and 61 light bulb sockets. Businesses have even more.

## Households



## Our e-commerce website drives customers to you

The goal of batteriesplus.com is to educate consumers and drive them into your store to get the products or services they need. However, any e-commerce sales to customers in your market are included in your store's revenue.



# SUPPORT

---

## Unwavering commitment to your success

It's your business but you're definitely not alone. We have well-defined, proven processes and procedures to help you, starting with your site approval, all the way to your store opening. But the support doesn't stop there - it's comprehensive and ongoing.

### We help you select the right high volume location

Our Real Estate team assists you in identifying options for the optimal site by:

- ➔ Introducing you to local brokers who assist in your search.
- ➔ Traveling to your market to tour and qualify sites that meet defined criteria.
- ➔ Providing guidance through the letter of intent (LOI) process.
- ➔ Assisting with lease negotiations in an advisory capacity.



*"Coming from real estate and software consulting backgrounds, my wife and I experienced the typical challenges in trying to open our first store. It's been a lot of work, but there are comprehensive training programs, many sales and marketing tools, a top notch support staff, and proven processes in place to help you be successful. It feels great and now we're living the American Dream."*

—Eros Corpus, Franchise Owner



# SUPPORT

## New store opening support



### Store design

Our store development team will create a specific, customized build out plan for your store site. Additionally, we will order and stage the fixtures and assets that will outfit the store and dispatch them to the site at the appropriate time.



### Store setup

Our team of experienced Field Consultants will work closely with you by arriving at your store after the build-out is complete and all fixtures are set. We assist in preparing your store to open by helping install Point-of-Sale hardware, displays, merchandise, signage and more. Additionally, the Field Consultant will provide in-store training with your associates to help them get ready for opening.

## Comprehensive training and on-going support

We prepare you to open your store by equipping you and your team with the necessary knowledge to provide expertise and solutions to your customers.



### Quest online training

Online training is designed to teach you and your sales associates about battery and light bulb terminology, chemistries, applications, features and benefits and more.



### Classroom training

Classroom training covers products, store systems, processes, selling skills, HR, finance, tech center services and more.



### Field training

Our Directors of Field Operations will visit your store and host on-going discussions with you to improve sales and operations along with sharing best practices used by other successful franchisees. Our Business Account Sales Team will coach you on targeting key industries, securing lead appointments, navigating sales calls and utilizing the sales tools and materials beginning with a full week of field training at your store. The training is ongoing through additional visits, classroom training, conference calls, webinars, and more.



# SUPPORT

---

## We're continually improving our systems, technology, and people to help you succeed

To continue our rapid growth, we've made significant investments in our support staff, training, and technology all designed to help our franchise owners succeed. Some of these support tools include:



### **Pro-Source®**

The most complete and comprehensive battery and light bulb application and cross-reference tool ever produced. Pro-Source is the secret weapon that helps you find the exact battery or light bulb a customer needs.



### **Point-of-Sale system**

We've designed our own Point-of-Sale system to make managing your sales, inventory and business processes as simple and secure as possible.



### **Category & Product Management**

Our Product and Category Managers will define and update product assortments, evaluate & purchase new items from various suppliers, review and manage costing and pricing, as well as completing many other tasks to help simplify store operations. Our product call center experts are also available to help answer your questions when challenges come up, giving you comprehensive, dependable systems to help operate your store.



### **Results-driven marketing**

Our results-driven marketing services are built to create awareness for the brand, our products and services, and to drive traffic to your store. This will allow you to focus your time on running your business and, more importantly, selling. Our dedicated team will work to provide services including:

- Media planning and buying
- Creative design & layout
- Vendor program management
- Public relations support
- Digital marketing



### **Centralized distribution center & product support to get you what you need**

We source products from around the globe from qualified suppliers that meet our extensive quality assurance standards. We ship them from our centralized distribution center directly to our nationwide network of stores. Having a centralized distribution center will allow you to focus on driving revenue to your business.

# RESULTS

## Over 25 consecutive years of same-store and system sales growth

Even with over 25 consecutive years of comparative store and overall system sales increases, we are continually improving and enhancing our products, systems, services and processes.

These enhancements have allowed us to remain a strong, growing, relevant brand with excellent revenue opportunities for our franchisees.

## Franchisee Benefits

Business is about money and we take that seriously. We hear every day from our owners that there are less tangible, but equally valuable, benefits to owning a Batteries Plus Bulbs franchise.

- ➔ **Being your own boss**
- ➔ **Building wealth, not just income**
- ➔ **Creating a legacy**
- ➔ **Achieving status in your community**
- ➔ **Helping people by providing solutions**

## Total Stores



## \$1,344,490

**average net revenue**  
(Top 25% of stores)\*

## 55%

**multi-unit operators**

## 5.85%

**same store sales growth average**  
(Last 3 years)\*\*

## 52.8%

**average merchandise margin\*\*\***

\*Net sales average of \$1,344,490 is based on the net sales average for the 150 stores that represent the top 25% of all 601 stores open during the entire 2014 calendar year. Of those 150 stores, 54 stores (or 36% of the 150 stores in the top quartile) met or exceeded the net revenue average (or 8.98% of the 601 stores open during the entire 2014 calendar year). \*\* See Item 19 of our 2013, 2014 and 2015 FDDs for annual same store net revenue percentage increase numbers used to compile 3 year same store net revenue percentage increase average, and for further details. \*\*\* See Item 19 of our 2015 FDD for details.



*"We supply products consumers and businesses need and use every day, plus services and expertise to help them. We're part of dynamic, growing industries that will continue to evolve alongside new technology. There's not a more satisfying, stable business to be in right now."*

—**Dustin Myers**, Multi-Unit Franchise Owner

# GROWTH

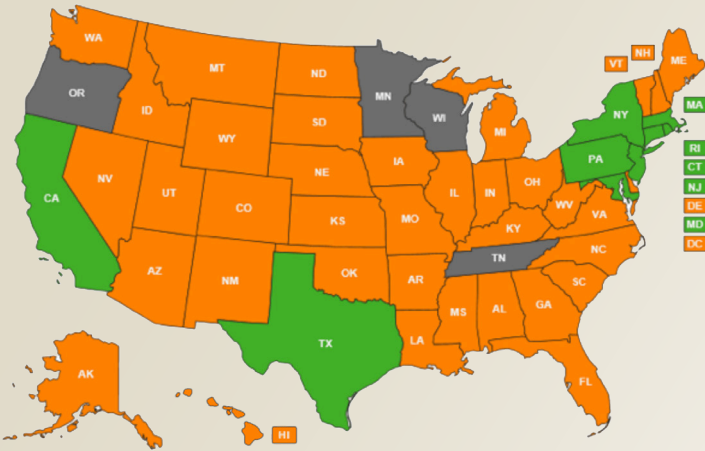


# We help people grow skills and their business

**Our franchisees are growing into multiple stores. You can too.**

After more than 25 consecutive years of expansion, we consider every market a growth market. With plenty of territories available, there are excellent opportunities for you to establish your own Batteries Plus Bulbs franchise and grow with us. Whether you're interested in one store

or many, we offer the products, services, support and systems you'll need to meet the high and rapidly growing demand for batteries, light bulbs and device repair services.



## Key growth markets

We encourage you to ask about our various incentive programs that may be available in these key markets.

- Key Growth Markets
- Available
- Unavailable

## Target Markets

- ➔ 40,000+ populations
- ➔ Reasonable business density available to support business account sales

## We help get veterans into business

Batteries Plus Bulbs remains steadfast in our dedication to helping military veterans transition into the next phase of their careers and life by offering them financial incentives to franchise ownership. We're currently a proud member of VetFran, a program created by the International Franchise Association

to help military veterans  
become franchise owners.

We continually offer a \$10,000 discount off our franchise fee to qualified military veterans in select markets who are looking to own their own business.



*"I'm a problem solver. When I see a smile on my customer's face after providing them with helpful, knowledgeable advice and a quality product, it gives me tremendous satisfaction. That's why I come to work every single day. That's why I plan to open more stores in the future."*

—**Glenda Stewart,** Franchise Owner



# INVEST

## Investing in our franchise means we're invested in you

We know that finding the right business to invest in is also a huge investment in time. When it comes to starting a business, you need more than the right products and a great location. You need well-established systems and support that can help your store reach its full potential. We offer over 25 years of expertise, extensive training, tools and support to launch new franchisees into business and help them grow into successful business owners.

### Invest in yourself & your future

While there is a cost to invest in a franchise, you're truly investing in yourself. Year after year, our owners reinvest in expanding their businesses with more Batteries Plus Bulbs locations and we can't think of a more compelling endorsement of our business model than that. Not only are they building wealth, they're creating a lifestyle that affords them many opportunities.

To get started, the typical initial investment for a Batteries Plus Bulbs franchise is \$220,000-\$250,000\* and may include:

#### Fixed Costs

- One-time franchise fee
- Initial inventory
- Store fixtures
- Computer software/hardware
- Equipment/supplies, etc.

#### Variable Costs

- Required improvements for a leased or owned site
- Exterior signage
- Cost of a delivery vehicle
- Choices made by the franchisee

\*In some cases, the initial investment can be as low as \$208,450 or as high as \$385,750.

#### Minimum Financial Requirements

- Minimum net worth of \$350,000
- Minimum of \$100,000 in liquid assets\*\*
- A good credit rating

\*\*Minimum liquid assets can be met through any combination of cash, stocks, bonds, mutual funds, retirement accounts, or any other non-borrowed source. A co-applicant may assist in meeting this requirement.



## Franchise Advantage:

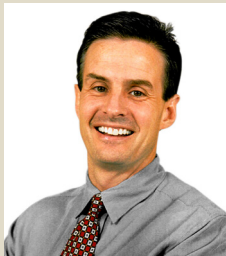
Over 1/4 of our existing owners have opened 90+ additional stores over the last 3 years. Growing into multi-unit operators has allowed them to build wealth and live the lifestyle they've dreamed of.



## What it takes to be a successful Batteries Plus Bulbs franchisee

Unlike other franchise opportunities that require you to have previously operated a restaurant or retail store, our proven business model requires no previous industry experience. Our franchisees have been attorneys, engineers, accountants, IT technicians, and pilots. Some are youthful entrepreneurs just launching careers while others are current business owners looking to add a steady performing franchise to their business portfolio.

Our most successful franchisees share the desire to flourish, a commitment to customer service, the ability to build a team and inspire them to achieve, and the willingness to follow Batteries Plus Bulbs' proven systems, processes and procedures.



### A Message from Our CEO

*Thank you for your interest in Batteries Plus Bulbs. Since our first store in Green Bay, WI in 1988, we've emerged as the market leader in selling and distributing batteries and light bulbs to both retail and business customers. I look forward to meeting you at an upcoming Discovery Day as you continue your journey toward business ownership.*

### Start achieving your goals today

Batteries Plus Bulbs as your first or next franchise business opportunity can help you achieve all your goals and more. Get started today and be on your way to opening a store and changing your life.

# Batteries + Bulbs®

**Call Today! 866-855-8577**

[www.batteriesplus.com/franchise](http://www.batteriesplus.com/franchise)

©2016 DURACELL, a division of the Gillette Company, Bethel, CT 06801. DURACELL is a registered trademark of the Gillette Company, used under license. All rights reserved.