



FRANCHISING INFORMATION SHEET

Revolution CD Pty Ltd
A.C.N. 121 744 796

Registered Business Address:
49 Monaro St Queanbeyan NSW 2620

Phone: (02) 6297 0067
Fax: (02) 6297 0093

Website: www.revolutioncd.com.au



FRANCHISING INFORMATION SHEET

OUR COMPANY

Revolution CD is a locally owned and operated chain focusing on customer service.

Our first stores opened in Canberra in 1996. For over 16 years, Revolution has become known by the local communities for providing excellent service and value for money. We now have stores operating in the Australian Capital Territory and New South Wales. With more stores forecast to open within N.S.W and A.C.T. in the near future, plus entry into other Australian states, access to your local Revolution CD will be even easier.

Why all the expansion? Revolution CD caters to people from all walks of life, with products ranging from music CDs of all genres, to console games, DVDs and gaming accessories. Our core product range is electronic and non-electronic entertainment products. No matter what your age or taste in entertainment, we have something for you. And our prices are hard to beat too! All our new products are sold under recommended retail price and secondhand goods are at greatly discounted prices. What's even better, is that all of our goods are fully guaranteed.

And if you've played out your games or gotten over your music phase, trade in your unwanted items for cash or receive a higher value on your items to swap them for goods that we have in our stores. So, if you're looking for a hard-to-get item, want to trade in your unwanted items or simply want to know what's coming out soon on your favorite gaming console, contact us.

We will be happy to help you in any way we can.

THE PURPOSE OF REVOLUTION CD

Revolution CD is committed to providing the best possible customer service at all times in any situation. We aim to provide friendly, efficient service to our customers and offer them the opportunity to save money whilst still enjoying the high quality of product that they desire. Through the standard procedures used by all Revolution CD outlets, our goal is to expand our network in order to service customers in all parts of Australia.

OUR VISION

The vision that we have for our Revolution CD chain is to help enthusiastic people set up their own business in an exciting and expanding industry. And let's face it, if you love gaming, movies and music, what could be a better industry to get started in?

The vision of a Revolution CD Outlet is:

'Our Revolution CD stores aim to provide customers the joy of experiencing the greatest variety of the most exciting entertainment technology.'

Glen Stewart, CEO Revolution CD Pty Ltd

The vision of the Revolution CD Franchise chain is:

'The vision of Revolution CD is to create Australia's largest and most exciting entertainment franchise, empowering ordinary people to achieve financial freedom in their own business.'

'Our aim is to create franchise opportunities for ordinary people who want to create a greater level of financial freedom, whilst managing or overseeing an exciting business delivering excellent customer service in the games, music and movie entertainment industry.'

'We are passionate about making financial freedom a reality for franchisees who were previously stuck in the financial rat race!'

Glen Stewart, CEO Revolution CD Pty Ltd

YOUR LIFESTYLE

Why would someone go to the trouble of starting their own business? Well, millions of people world wide are realizing that a 9 to 5 job doesn't offer the financial rewards or security that our parents generation hoped for from a job. And if arriving at work at 8:30 in the morning, and saying "Good morning sir. What can I do for you today sir?" (which really translates to "How can I help you achieve financial freedom today, sir?"), is not something you want to dedicate the next 20, 30 or 40 years of your life to... your own business may be the answer.

A Revolution CD Franchise gives you a proven successful business formula, with proven high-turnover high-profit-margin stock, and successful advertising campaigns. You will undergo a comprehensive training system to get you up to speed with the technologies of the business and business management. You will be provided with on going management training modules as your business progresses as well, and 7 day-a-week support from head office.

Are you guaranteed to achieve a high level of financial freedom running you own business? No way. Do you have a chance at creating a Revolution CD Franchise that makes you a great income running the business on your own terms, or even managing the business from home (or the beach)? Absolutely.

Exciting? Definitely. A little scary? Maybe. Are you up for the challenge? If you have come this far then you probably have a good chance of succeeding and may create a highly profitable business asset that then gives you great flexibility over your time and income, and a fun business to run as well.

OUR PRODUCTS

Revolution CD thrives in the **games, movie, music and entertainment** market. In the games market we have seen a progression from early Sega and Nintendo games, right up to the latest Playstation 4 and X Box One consoles. The same progression has been seen with movies, music and other forms of entertainment.

Presently, the **core range of entertainment products at Revolution CD** are as follows:

- **Playstation 4**
- **Playstation 3**
- **Playstation 2**
- **PSP (Playstation Portable)**
- **PSVita**
- **X Box One**
- **X Box 360**

- **Nintendo Wii**
- **Nintendo DS**
- **PC**
- **Blu Ray movies**
- **DVD movies and music**
- **All genres of music CDs covering all era's**
- **Pop Culture and Cult Merchandise**

We also stock a complete range of **retro games and consoles** including:

- **Playstation 1**
- **Original X Box**
- **Nintendo Gamecube**
- **Nintendo Gameboy**
- **Nintendo 64**
- **Super Nintendo Entertainment System**

Of course, we will also **buy and sell all of the consoles** for the above games.

Revolution CD outlets often stock music or game t-shirts, caps etc, and we stock all gaming accessories as well.

In short, Revolution CD is the **ultimate gamer, movie buff or music enthusiast's paradise**.

WHY PREOWNED?

Revolution CD has, of course, access to all of the latest games, music, movies, merchandise etc, on the day they are released (like any other retailer). However, the greatest diversity of each of these and by far the most competitive pricing, comes in the pre-owned market.

Within weeks of any new release, the games will have been played, the movies watched, etc, and customers will want to trade them in for new games, or will wish to sell them for cash. We then build up a huge range of pre-owned goods at greatly reduced prices. Why would a customer pay full retail price for a game when he can get the same game at a fraction of the price at Revolution CD?

Where can I find my older favorites?

Another great reason to shop at Revolution CD is this: a new game, for example, will generally be on the market for somewhere between 6 and 12 months. After which it can no longer be found in major retailers. The only place such a game can be found is in the pre-owned market. The same goes for music and movies.

There would hardly be a person on the planet who doesn't have a favorite "back catalogue" game, movie or album that cannot be found in shops. Customers will only find these in stores like Revolution CD, where we have a huge back catalogue range.

Quality Guarantee

At Revolution CD we train our staff to purchase only the best quality secondhand goods, ones that can be sold in "as good as new" condition, or very close to it. And our guarantee? We are so certain of the quality of goods sold in our stores, we give a full 3 month, money back guarantee on every pre-owned item sold! Customers can't lose.

WHY JOIN THE REVOLUTION?

Do you have enthusiasm, the desire to own your own business and a genuine interest in console games, movies and music? We are currently looking for people with the right skills and attitude to join our expanding network.

We are one of Australia's leading retailers of new and pre-owned games, DVDs and music CDs. There are no other franchise chains that specialise in this same combination of products. We have a proven history and proven systems that have stood the test of time. Because of our unique mixture of products, we are not threatened by other major retailers. No other outlet can offer the same products and services that we do, all under the one roof with the level of customer service and product knowledge that we have to offer.

Where can I open?

We are flexible on locations, provided that we feel they will sustain a profitable business for you. We have selected locations and new sites are found all the time, however if these do not suit you, we will help locate something closer to you, usually in your own town or suburb.

Is it expensive?

The general price range for opening a Revolution CD outlet is from about \$85,000 up to maybe \$155,000. This gives the potential franchisee a good choice over how much he wants to spend on fit-out and stock, with the bulk of the investment going into stock. We offer exceptional value for money and low on-going fees. Compared to other franchises, we can offer more for your money with a great lifestyle in the bargain.

Do I need to have previous experience?

We will judge your application based on the information you provide. Revolution CD provides comprehensive training and on-going support, so as long as you are willing to learn and apply what you have been taught, no previous experience is required. An interest in and some knowledge of at least one of our major product lines is essential, but to be honest, learning all about the sort of products we sell can hardly be called work.

How long will it take to become a Franchisee?

The process normally takes between 2 and 4 months, depending on the site and the length of negotiations with the landlord. Once we have your site confirmed and Franchise Agreements signed, we can have your store ready to go in a matter of weeks. All training can easily be done during this set up time as well.

I am interested in a franchise. What do I do now?

You can contact our head office by phone or email, and we will do all we can to help you open an exciting franchise in your area.

Revolution CD Pty Ltd
49 Monaro St, Queanbeyan NSW 2620
Ph (02) 6297 0067
Fax (02) 6297 0093
Email: info@revolutioncd.com.au

WHAT DOES A REVOLUTION CD FRANCHISE COST?

The cost of opening any business or franchise can vary greatly depending on the location, store design and quantity of opening stock. At Revolution CD, we like to meet with any prospective franchisees to discuss their budget and what they hope to achieve when opening an outlet.

Below is a rough outline of costs that would apply in relation to the opening of a new franchise:

Initial Franchise Fee: \$25,000.

Stock acquisition: \$40,000 to \$60,000 minimum capital to cover opening stock

Fittings etc.: \$15,000 budget for fittings, fixtures and signage

Equipment:	\$5,000 budget for electronic equipment etc.
Supplies:	\$1,000 budget for miscellaneous supplies, price stickers, bags, etc.
Opening Advertising Package:	\$2,000

Separate costs that the franchisee may need to consider are:

- registration of a business entity
- payment of any licenses required to run the business (for example a second hand dealer's license, around \$300)
- security deposits associated with the premises (often 3 months rent)
- Franchisee's legal costs in reviewing franchise and lease documentation

Compared to many other franchises, we can offer more for your money and a great lifestyle in the bargain.

This amount covers the following:

- Opening stock with retail value of \$80,000 to \$100,000 (minimum required, additional as desired)
- Shop Fittings
- Shop Equipment
- Opening store supplies package including point of sale items
- Store decoration and fit-out
- Computer system, and point of sale systems

The Initial Franchise Fee covers the following:

- Specialised database and software packages (Valued at over \$30,000)
- Rights to use the name and trademarks of Revolution CD
- Initial and on-going training and support
- Franchise Operations manual, Franchisee Manual, and Store Opening Manual
- Franchisee training courses
- Head Office staff helping to build and set up store.
- Company website access, including your own editing software
- Our legal costs associated with opening the Franchise

What is the Initial Franchise Fee?

The Initial Franchise Fee is \$25,000 (plus GST).

What other costs can I expect?

Weekly Service Fee: 5% of gross income with a minimum of \$200 a week.

WHAT COMMITMENT IS REQUIRED?

The required commitment is a willingness (and ability) to work full time in the business at least for the first year or so. As most retail stores are open 7 days a week, it works well for a husband and wife team to manage the business with 1 or more casuals to fill in hours as required. A person running the franchise alone, would need at least 1 part time staff member to help out.

If the franchisee has the goal of making the franchise into an asset that produces a living without the franchisee needing to work full time or at all, then head office will work with you to get the systems implemented that may make this a reality. This would be at least a 2 to 3 year plan.

WHAT SHOULD YOU DO NEXT?

If this seems like the life and investment for you, contact our head office and speak to the Franchise Manager. Together you can work out a plan of attack to go forward with this unique business opportunity that will lead to many profitable years of business, and a rewarding relationship for yourself and for the Revolution CD Franchise chain.

Revolution CD Pty Ltd
49 Monaro St, Queanbeyan NSW 2620
Ph (02) 6297 0067
Fax (02) 6297 0093
Email: info@revolutioncd.com.au

Sincerely

Glen Stewart
Managing Director
Revolution CD Pty Ltd

Testimonial

We were looking for a business that didn't already exist in town, that could support two full time employees, that interested all three of us and most of all was affordable. We found many franchises that were suitable for one person to operate on weekends, such as mobile dog washes and coffee mobiles, or franchises that fit the bill on other accounts but were prohibitively expensive to get into. It was only a matter of time after we contacted Revolution CD that we were sold on the idea and decided this was the franchise for us.

The entire process was extremely smooth and moved along incredibly quickly. From our initial enquiry in early April we had our doors open for trade on the 23rd of July and had a fantastic opening day, and then a tremendous opening week and it just seems to get better daily.

From initial enquiry to daily running of the store, the Franchisor has been there every step of the way to advise us and the other Revolution CD stores have all been wonderful and helped us at any opportunity they could. The training provided has been excellent and we feel we are properly prepared to run a Revolution CD store even though none of us has had prior experience in running a business.

I would thoroughly recommend Revolution CD as a franchise and a new way of life.

Sincerely

*Oliver Falzone
Franchisee, Young NSW*