



FRANCHISE PROGRAM: GROOMED FOR SUCCESS

# NEWS FLASH: MEN CRAVE RELAXATION AND PAMPERING

Hammer & Nails | Grooming Shop for Guys is the first grooming franchise in the **\$21 billion** men's grooming market that has a **core focus** on hand and foot grooming and health for men.

*"Oooooo yeaaahhhh. Had the hand and foot repair treatment. I loved it. Very comfortable setting with very comfortable chairs. I wish I could have stayed longer to take a nap."*

Gary K. / Yelp 10/23/2015





# WHAT MAKES HAMMER & NAILS STAND OUT?

## **“Man Cave Nirvana” atmosphere:**

A visit to Hammer & Nails is a gift-worthy experience and a chance for a guy to be treated to something special.

## **Unique focus:**

Hammer & Nails | Grooming Shop for Guys turns the salon model on its head, focusing on hand and foot grooming and health for guys, while also offering other traditional men’s services such as barbering and straight-razor shaves.

## **Popular services:**

Hammer & Nails’ menu of services includes a variety of hand treatments, foot treatments and custom premium treatments, targeting men from a wide range of age groups.

## **Recurring revenue business model:**

The Hammer & Nails membership program provides predictable recurring revenue for each Shop.



# OUR EXECUTIVE TEAM

## **John Leonesio - CEO:**

A franchise industry legend, John Leonesio has a 40-year history of franchise success. He co-founded Scandinavian Health Spas and “Q” the Sports Club, growing each before selling them to larger firms. In 2002 he founded Massage Envy, inventing the retail massage concept and growing it to a \$300 million operation with over 800 licenses awarded in only six years. In 2010 John became the CEO of The Joint Chiropractic, helping to grow this revolutionary chiropractic care model from nearly 20 locations to more than 400 franchises awarded in just three years. Now John has joined The Hammer & Nails Salon Group. As CEO, he will oversee the development and growth of the Hammer & Nails franchise system.

## **Michael Elliot - Founder & President:**

Michael Elliot founded the first Hammer & Nails Shop in November 2013 and has operated that business since then. With a diverse professional background in entertainment, publishing and entrepreneurship, Michael is now devoted to making men’s foot health as cool and acceptable as men’s haircuts, while developing Hammer & Nails into the next great men’s grooming brand.





# OUR EXECUTIVE TEAM (continued)



*"It's our goal to treat the male client like a king. We don't provide a service. We provide an experience."*

Michael Elliot - Founder & President  
The Hammer & Nails Salon Group, LLC



# OUR EXECUTIVE TEAM (continued)

## **Josh Reed - Director of Operations:**

Josh brings more than a decade of operations and management experience to Hammer & Nails, thanks to his role as an operations executive at other successful service-related franchise concepts, including The Joint Chiropractic, European Wax Center and Massage Envy.

## **Mike Watorski - Director of Franchise Development:**

Mike's 20 years of sales experience, including 18 years of franchise development experience, is a big advantage for The Hammer & Nails Salon Group. Mike oversees our franchise and area development sales opportunities, working directly with potential franchisees and developers.

## **Natasha Ray - Director of Training:**

Drawing on her more than 15 years of manicurist and training experience working with companies such as The Ritz-Carlton and Elizabeth Arden, Natasha will train our franchisees, their management and their manicurist teams to ensure that each Hammer & Nails franchise delivers a client experience that leads to a successful business.





# GET IN ON THE GROUND FLOOR OF A GROWING TREND

"While hair care, nail care and spa services have traditionally catered to women, more grooming businesses are refocusing their attention on the other half of the population."

*Entrepreneur Magazine*



*"I went there with a few buddies for a guys' day out and we enjoyed every minute of it! The staff treated us like kings and gave us great mani/pedis!"*

Michael S. / Yelp 6/21/2015





# THE HAMMER & NAILS STORY

In March of 2013 Michael Elliot was really in need of a manicure and a pedicure, so he walked into a nail salon. But after looking around at the pastel colors, women's magazines and televisions blasting "The Real Housewives of Atlanta," he felt completely uncomfortable.

Thinking that there are others guys that feel the same way about the traditional nail salon experience, Elliot began to envision a male-centric environment for hand and foot grooming. More of a "man cave," complete with all of the accouterments of comfort and luxury: dark wood, low lighting, and oversized leather chairs, with personal flat-screen TVs positioned above each chair. Clients would have their own remote, a set of high-end headphones and a complimentary beverage to enjoy while they relaxed and let the technicians work their magic.

Elliot's vision was realized in November 2013. With the success of this first Shop, Hammer & Nails is now positioned to be a market maker. More recently, in preparation for our national franchise rollout, we're expanding the concept into a "Grooming Shop for Guys" where men can also get great haircuts and old-school straight-razor shaves...

All in a man-cave nirvana.





# A “FIRST TO MARKET” OPPORTUNITY

Operate in a brand-new market niche, with no competing franchise systems also putting men's hand and foot grooming at the core of their business model.

Have a Shop with an atmosphere so inviting that it creates a competitive destination for a service as simple as a pedicure or haircut.

Manage a year-round, appointment-based, recurring business concept that allows you to accurately project business volume and adapt for growth accordingly.

Provide top-quality services to a broad target base of men from all walks of life and a wide range of age groups.

Enjoy multiple revenue streams including memberships, hand and foot grooming, gift cards, barbering, straight-razor shaves, product sales and private events.

*“Loved this place. Spot on environment. Staff is awesome. Chairs are comfortable and big. Bose Studio headphones to watch anything you want in HD on your own screen. Complimentary drinks. Very reasonably priced. I'll be here at least once a month.”*

Jamey R. / Yelp 9/19/2015





# WORLD CLASS FRANCHISE SUPPORT

**Comprehensive training** that includes initial franchise training at our corporate location, on-site support as your Shop opens, ongoing training through our online portal, and training for your lead manicurist in our unique hand and foot grooming techniques.

**Start-up assistance** including advice on site selection and lease terms, recommended salon layouts, Construction Specification Manual, décor specifications, and equipment and furniture sourcing.

**Proven business systems**, including a suite of technology solutions that will help you establish, manage and grow your Shop.

**Detailed Operations Manual** that guides you through our specialized services and procedures, client service policies, sales-focused processes and more.

**Ongoing support**, from periodic visits to your salon to ongoing training and access to our experienced support team.

**Alliances and relationships** with established and reliable national suppliers that understand your business.

**Local marketing, branding and advertising assistance** including a Marketing Manual, suggested local marketing programs, proprietary marketing materials, local marketing co-ops, location-specific micro websites and more.





# A PROVEN BUSINESS MODEL DESIGNED FOR GROWTH

Whether your goal is to open a single shop to start, or to open multiple locations on an agreed-upon schedule, Hammer & Nails | Grooming Shop for Guys has the necessary business structures, operational tools and support for you to run an efficient, well-planned business in a growing and largely untapped market niche.

*"Hammer and Nails was the BOMB! I had the most amazing manicure and pedicure there. [My stylist] made my nasty nails and feet look pristine and brand new. The ambience, the drinks, the chatting...was everything."*

Larry D. / Yelp 12/22/2015



# THE INVESTMENT: STATE-OF-THE-ART SHOP SPACE

Today's real estate market is extremely compelling for business owners, as available space and lease terms are far more accessible and negotiable than ever before. The Hammer & Nails team will help you identify, build out, and equip your shop locations.

## **Hammer & Nails Shops are:**

### **Flexible:**

Our Shops work in a variety of retail settings, typically near or in higher-end lifestyle daily use retail centers.

### **Well-Designed:**

We have created floor plans for small, medium and large locations, as Shops can range from 1,100 to 1,800 square feet.

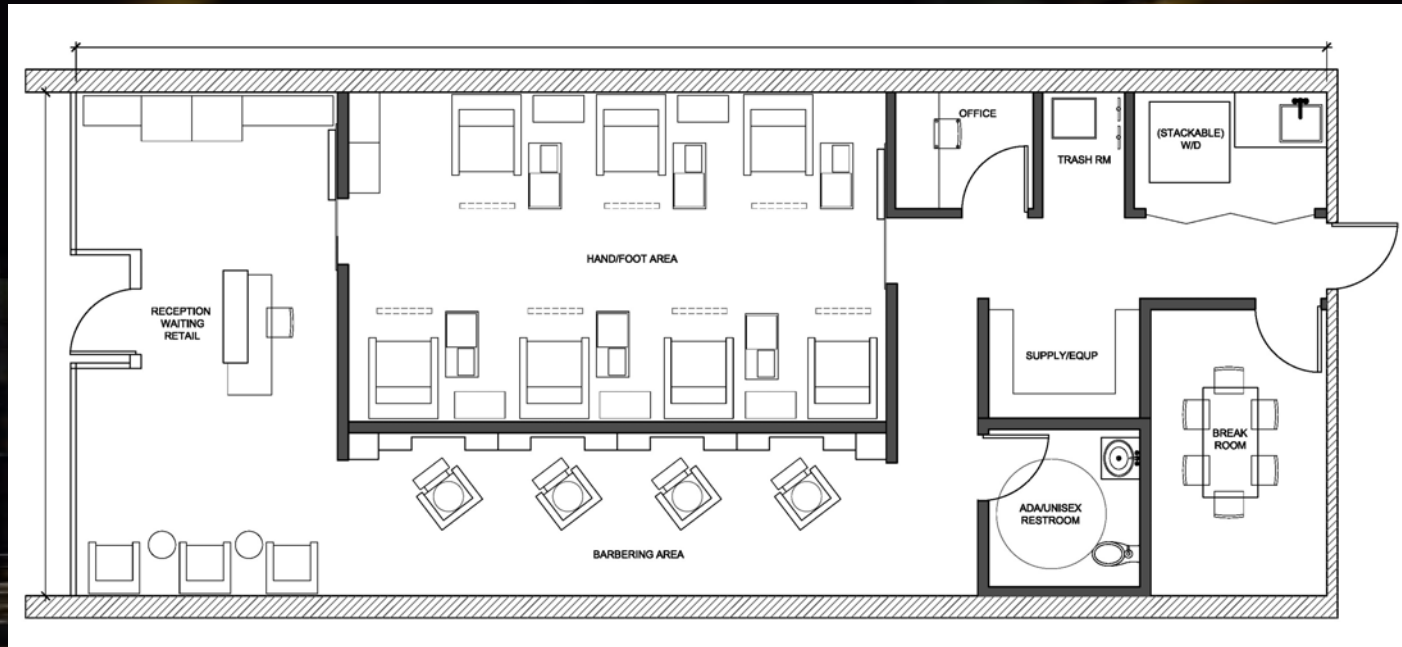
### **Distinctive:**

Each Shop carries forward our distinctive interior and exterior design elements, approved décor, colors, equipment and furnishings - all vital elements of the brand.





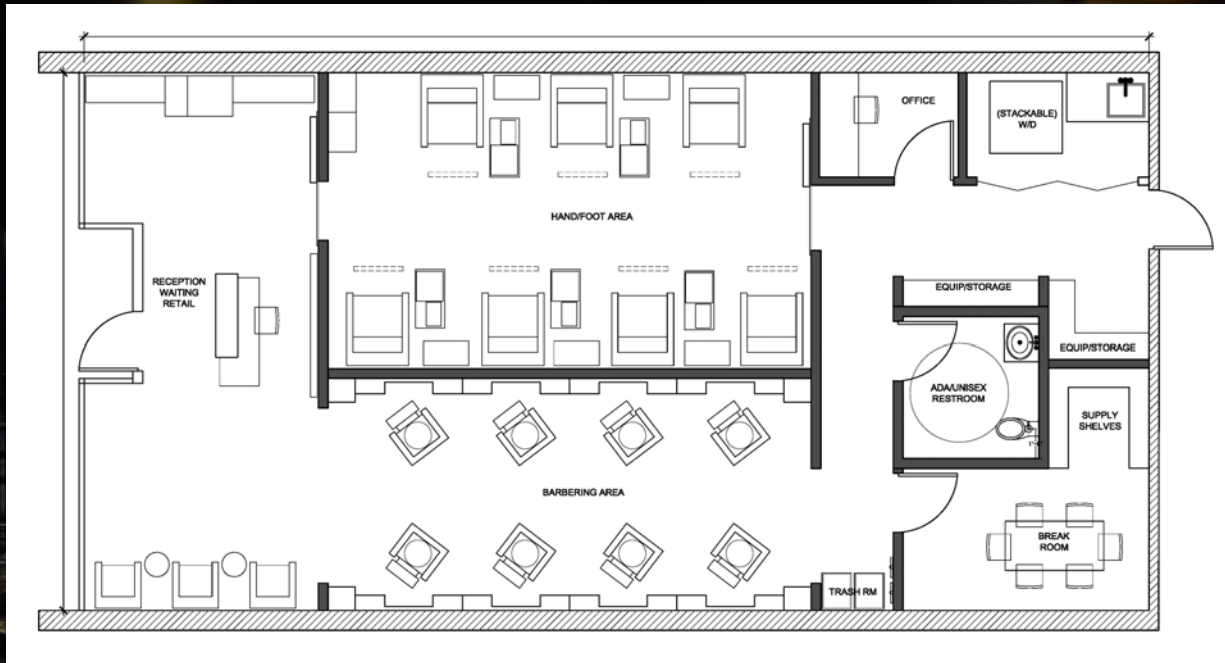
# THE INVESTMENT: STATE-OF-THE-ART SHOP SPACE (continued)



Sample floor plan A



# THE INVESTMENT: STATE-OF-THE-ART SHOP SPACE (continued)

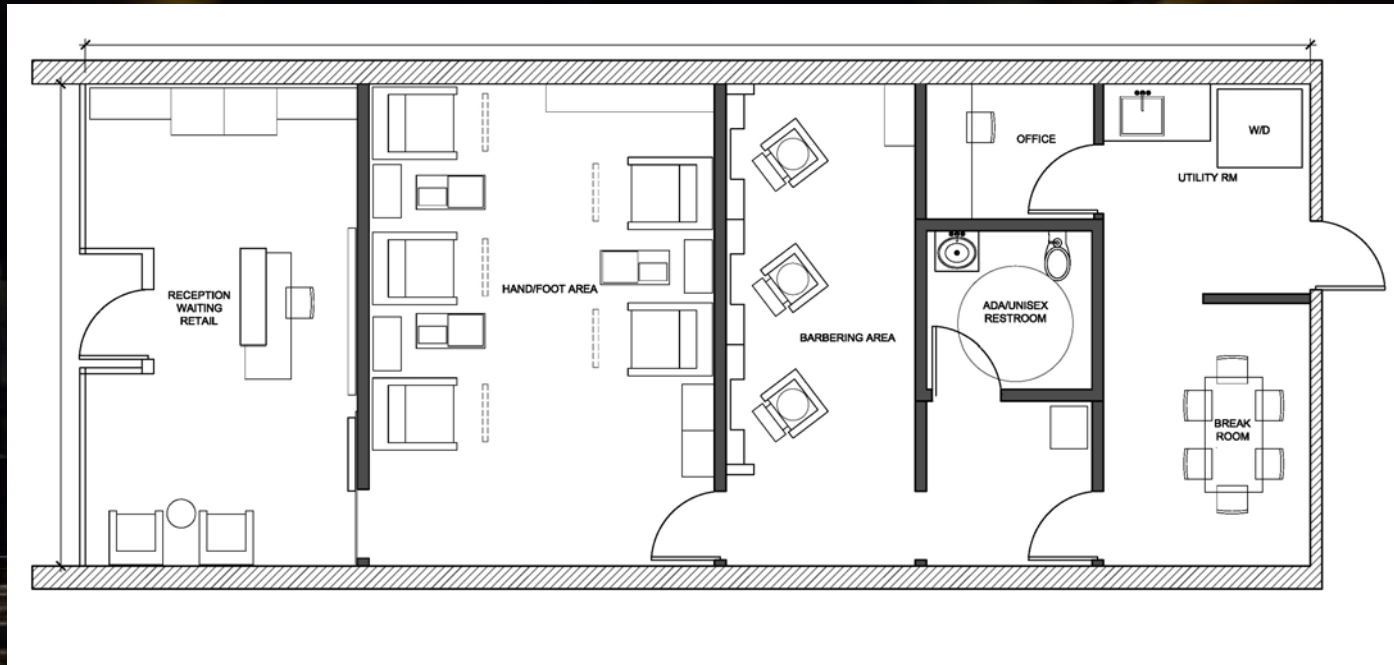


Sample floor plan B





# THE INVESTMENT: STATE-OF-THE-ART SHOP SPACE (continued)



Sample floor plan C



# THE INVESTMENT: SINGLE UNIT OR AREA REPRESENTATIVE?

## **Single Unit:**

The total investment necessary to begin operation of a single unit Hammer & Nails | Grooming Shop for Guys franchise ranges from \$234,700 to \$531,400.

## **Area Representative:**

The total investment necessary to begin operation of a Hammer & Nails | Grooming Shop for Guys Area Representative business, which involves recruiting and establishing new Hammer & Nails franchisees in a particular development area and providing ongoing support and assistance to those franchisees, ranges from \$147,000 to \$444,500.





# THE INVESTMENT:

## ESTIMATED START-UP COSTS

Single unit	Low	High
Initial Franchise Fee	\$39,000	\$39,000
Lease Expenses (3 months)	\$12,000	\$43,000
Leasehold Improvements	\$98,500	\$275,000
Furniture, Fixtures and Equipment	\$25,000	\$40,500
Computer Hardware and Software	\$4,500	\$7,500
Technology Fee (3 months)	\$900	\$900
Initial Training Costs (per person)	\$250	\$3,000
Security Deposits	\$2,000	\$6,000
Architect Plans & Design	\$2,500	\$7,500
Signage	\$7,500	\$15,000
Initial Inventory and Supplies	\$7,500	\$12,500
Grand Opening Marketing	\$10,000	\$10,000
Business Supplies	\$250	\$1,500
Business Permits/Licenses (first year)	\$800	\$2,000
Insurance Deposits/Premiums (first year)	\$1,500	\$3,000
Professional Fees (first year)	\$2,500	\$5,000
Additional Funds (3 months)	\$20,000	\$60,000
<b>Total</b>	<b>\$234,700</b>	<b>\$531,400</b>



# THE INVESTMENT: ESTIMATED START-UP COSTS

Area Representative	Low	High
Number of Licenses Purchased	10	30
Initial Area Representative Fee	\$97,500	\$292,500
Additional Costs/Expenses	\$49,500	\$152,000
<b>Total</b>	<b>\$144,000</b>	<b>\$444,500</b>





# THE INVESTMENT: WHAT IT TAKES TO JOIN THE HAMMER & NAILS GROOMING FOR GUYS SYSTEM

We are seeking motivated business professionals who can embark with us on this exciting business venture and who can also appreciate our passion for men's grooming.

Whether individual business owners or ownership teams, we are looking for franchise candidates who can demonstrate they have the drive, the solid business management skills and an understanding of what it takes to provide outstanding customer service.

You don't need to have experience in the beauty or salon industry; you can hire the appropriate staff and your initial manicurists will be trained by our skilled master trainer in the use of our unique techniques.

## **Financial Requirements:**

Depending on the number of Hammer & Nails franchises you wish to open, you must have a minimum of \$100,000 in cash or liquid assets plus a minimum net worth of \$500,000 to qualify to invest in a single unit franchise.



# MEDIA DARLING

Hammer & Nails is such a unique concept that members of the media frequently seek us out. It appears that reporters want an excuse to try Hammer & Nails themselves!

We have been featured on/in:

- the hit ABC show Shark Tank.
- numerous news and talk shows, including NBC news, ABC news, Good Morning America, TMZ, Home & Family and more.
- Entrepreneur, GQ, LA Times, Day Spa Magazine, Franchise Times, American Salon and more.
- a filming location for reality TV shows.





# NEXT STEPS

Contact Mike Waterski, Director of Franchise Development at The Hammer & Nails Salon Group:

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THANK YOU.