



STATE OWNER NEWSLETTER

Franchise Sale Leads

We have been trying leads from Franchise Gator for those of you who signed the Guarantee of Payment form and submitted it to us. As of today we have not made any Franchise sales from these leads. We are still working with a few of them, but many will not respond. We still have a few months left in our commitment, but at that point we will consider discontinuing their program unless we are able to make a sale in the near future from their leads.

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Some members of the "Group" are under the impression that we have withheld franchise sales leads from them. That accusation is completely false. We have never withheld any leads we have received from any Master Franchisee. We need and want more franchise sales from each one of our Master Franchisees. Some of our Master Franchisees have chosen not to participate in the Franchise Gator campaign by not sending in the Guarantee of Payment form, and therefore their state was not listed as one we wanted to receive leads from. The Franchise Gator is a cost per lead program requiring a deposit equal to the number of leads we agree to receive each month.

I have been burnt in the past by some of the Master Franchisees neglecting to pay their commitment for the costs associated in lead generation from some of the sources we have tried, so that is why each Master Franchisee is required to sign the Guarantee of Payment form for each campaign before we will include their state in these new lead sources we are trying.

We have been getting some good leads directly from our new Heaven's Best Website. EZ-NetTools is working on a proposal that will allow each state owner to target 2 or 3 cities in their state if they choose to participate. I can send you the proposal and costs associated as soon as they have it finalized which should be within the next week or two.

The very best way of selling franchises has been through leads generated by our existing Franchisees. I encourage each of you to work with your existing operators to see if they have any friends or relatives that may have interest in becoming part of Heaven's Best. Their willingness to help you may be determined by your relationship with them. I hope all of you are treating your Subfranchisees very well.

I hope each of you are enjoying the business, and that you have a positive outlook for the future. The changes that we have introduced are working and will continue to work. We all need to be pulling together in the same direction. This has been and will continue to be a great investment for most of you.

Equipment Package

The price of a Heaven's Best Franchise is now \$39,000.00 which includes the equipment and training package. People will buy our franchise for \$39,000.00. Do not even tell them there is a lower option. The new \$39,000.00 option is a very good deal for them. Your FDD only states one option which is the \$39,000.00. Once you make up your mind that you can sell them at the new price you will be able to. Dan Child is a great sales person and we appreciate all that he has done and continues to do for the company regarding Franchise Sales. He has already proven that we can sell our Franchises at \$39,000.00. If you have a prospective Franchisee who just cannot afford the \$39,000.00 package you may not want them as a Franchisee, however we can reduce some of the initial equipment package in order to get them in at a lower cost of \$28,900.00, but this reduced package is only the very last option.

This business is better now for all of city operators than it ever has been in the past. They have so much more potential. Our system still works very well and our operators are able to make a very good living by operating a Heaven's Best Franchise. For all they get, the initial cost of our franchise is very reasonably priced. Our monthly royalty fee, even at the new \$200.00 per month is still lower by far than any of our competitors.

We can all move forward and sell some franchises.

Your Own FDD

Each of you need your own FDD to sell Subfranchises within each of your states. In last month's newsletter we sent out a PDF copy of the changes you will need to incorporate in your FDD for 2016. We do have Word Document Files that we can email to you so you can get your document ready. I have already helped some of you update yours. These updates take time and effort, and most of you will need to pay someone to do it. You need to be ready to send out your newest FDD as soon as a potential Subfranchisee requests it, or is getting close to a buy situation. All prospective Subfranchisees need to have the FDD document 14 days prior to signing a contract with you. Do not wait until the last minute or it could delay or even kill a potential sale. I am still willing to help each of you with your FDD if you want, but I am not an attorney. In most cases I will be less expensive than an attorney, but you cannot wait until the last minute. Last minute rushes most always cost more.

We do appreciate each of you and the efforts you are making to support the Subfranchisees in your state. Thanks for being part of the business.