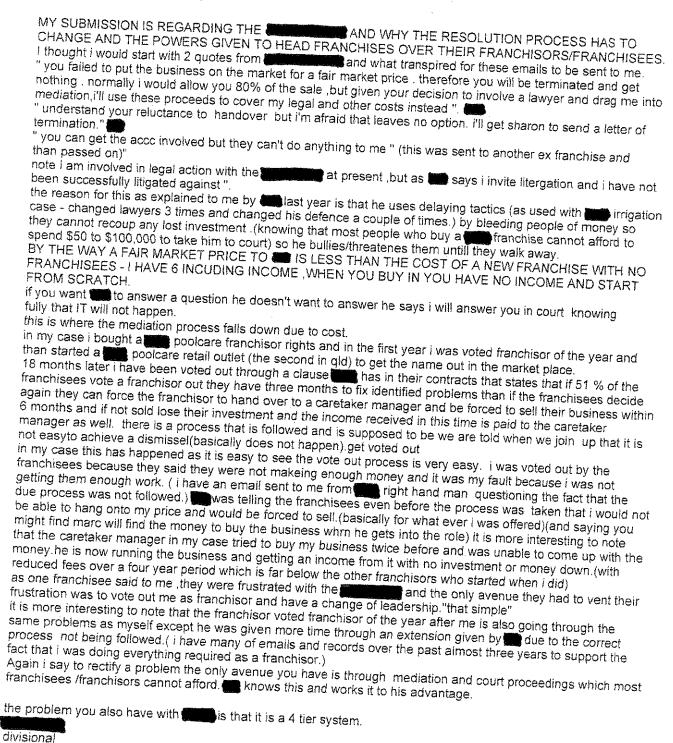


Subject: franchise enquirey details



and not the divisional.

the franchisor is sold the business by the divisional but signs a contract with the

therefore any comeback by a franchisor is on the

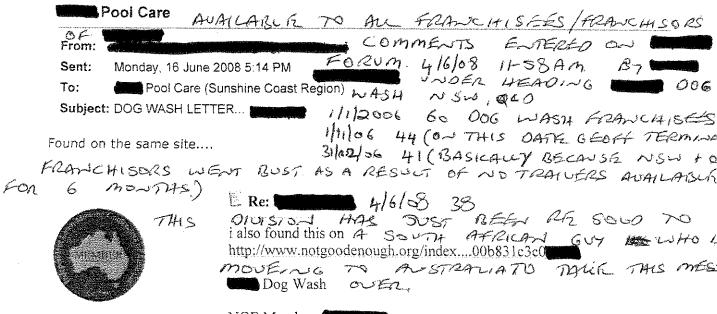
21/08/2008

franchisor franchisee

the franchisees comeback is on the franchisor and the buck stops there due to the current mediation process.
RETAIL OUTLET when i purchased the retail poolcare outlet a spreadsheet was handed out with approximate costings and break even points (not part of the contract) -it turned out that the break even point was around \$70,000 higher than figures suggested. 35%-40% more than the estimated(apart from difference in rent) a reasonable variance don't think so.
also a retail figure was suggested for so called free stock that was advertised on the website (ove inflated price) and i was given a list of suppliers i had to deal with for a set period of time to get the free stock as advertised .(not given with contract or did not form part of the contract) and did not get the suppliers untill 12 days before opening the store
i have now found out that i could source the same /similar products from other suppliers cheaper than the so called preferred suppliers.(note there is a clause in the contracts that says there is to be no restriction of who a franchisee can buy through /part of all contracts by haveing to sign supplier agreements this is in direct contradiction to the contract.
nothing you can do as it does not form part of the contract and the contract is with the by the way out of 5 retail outlets in the system 2 have walked away one original store opened by the divisional cannot be sold after i think 5 or 6 years even for less than half the original buying price includeing fit out.
the divisional was even going to GIVE a retail franchise away to one person if he bought a mobile territory. (basically that our retail shops are worth nothing)a mobile territory is worth \$24,990 retail outlets were sold for \$49990 + fit out.
i have increased my profits by not dealing through preferred suppliers. BIN CLEANING- sunshine coast region. i bought into the franchisor rights for the poolcare regionable and the retail outlet the way it was set up.(note this was before voted out)
i rang all existing franchisors and everything sounded good. 3 months in the divisional abandones the division and there is no one to look after the division apart from the fact that there had not been a bin cleaning rig that had worked properly from day one with out having to be modified to be capable of doing the work that is quoted to earn the type of money as per figures presented when purchasing the franchise.
no support given i had to work out away of getting the bin cleaning rig to work.(at my own exspense and over a period of months of fixing ongoing problems in the system.). asked how much the region cost and said that the australian rights were not worth that much.
the australian rights to bin cleaning was sold for less than I purchased the region for. again says nothing to do with him as he did not sell the rig to me even though the contract is with YOU could say that my experience with THE AND has been nothing but a disaster.
WHEN YOU BUY A FRANCHISE AND THE REASON YOU BUY A FRANCHISE IS FOR THE name/logo(not so much in my case as they call me all the time even though I have my name on my shirt) TRAINING /SUPPORT /BUYING POWER AND A PROVEN SYSTEM AND LAST BUT NOT LEAST FOR THE RECOGNITION OF THE NAME (HIS FACE/LOGO) (UNFORTUNATLY NOT RECOGNISED AS A FORCE IN MOST OF THE NEWER FRANCHISES - AS PEOPLE THINK OF NOT IN OTHER DIVISIONS) BUT IN THE CASE OF THE THIS DOES NOT SEEM TO MATTER AS DEMONSTRATED AND IS ONLY ABOUT SELLING FRANCHISES AND NOTHING ELSE. (IF THE FRANCHISEE FAILS WE JUST SELL THE AREA AGAIN)I know an area on the sunshine coast were a franchisonal resold a terrritory twice when franchisees have walked out before. (If do realise it can be the operator but wice in 3 to 4 years same division same area.?)
here is very little to no support from the national office or the divisional. even said in one email that ranchisors involved in 2 divisions almost certainly fail. — yet he is still happy to sell 2 franchisor rights to the same person. (with out first adviseing them of the fact) THIS SAYS SOMTHING ABOUT THE ETHICS
contracts/disclosures to be handed out to prospective franchisees anymore. the documents are prepared by lational on disc format and sent to the franchisor with a disclaimer saying they are not to be held responsible for the documents they prepare and individual legal advice should be sought before printing out what they have repared (even though they charge for the service), thus passing all contract responsibilities and the formation in
CASE. does not believe he can be held accountable for anything on his contracts even though his name and logo re printed on them. also have a mobile poolcare business which i granted myself as a franchisor. (all franchisors are told when
—— granted mysell as a tranchisor. (all tranchisors are told when

buying franchisor rights that this can be done.) and actually adivsed to do so my case along with many other franchisors i had a contract drawn up by national the contracts sent them to the call centre -outlined the fact that i would be had for me -had them put on the system with the area to be worked and paid fees months. (paid \$2000 + for pool data to start the customer base) now well and has given it to the subcontractor who was running the area on my be to buy the same area by august next year. (the caretaker manager) (note i wanother region by the caretaker manager if i filled out an application form but contract on.) THE SAME THING AGAIN DECIDES TO DO WHAT HE WANTS LEGAIN THIS CAN BE RESOLVED IS BY (you guessed it mediation/court worth those group will only allow the FRANCHISOR to name the franchisees in his documents for prospective purchasers. (ie if there is only one franchise in the only one that is allowed to be on the disclosure document). If there is 10 in the named I was threatened with breach of privacy if I named anymore franchise in the other than the properties.	onal (paid for the privelege) signed veing a subcontractor doing the work on the area for almost 12 decided to take the mobile off me as ehalf who i also have a contract with as told i may be able to be given not the origional area i had a LOR NOT AND THE ONLY WAY usands of dollars.) /her own region in its disclosure at region that one franchisee is the the region next door they cannot be used.
i always thought that a disclosure document was supposed to allow a prosped decision regarding buying a franchise? you would think the more franchise i will also make note of the fact that twice i have had to get information regard NATIONAL and in both circumstances they have not been able to find the do supply a copy of the documents required myself. (strange or disturbing or or i have also included an article i was given regarding yet another division in being tried and tested as a franchise should be before being sold.	ective franchisee to get an informed es they can talk to the better. ding legal reasons from the council better and prove and purpose) that has been set up without
I realise this all sounds far fetched and i have been accused of looking for co have correspondence /emails etc to confirm everything that has transpired sit and these new divisions of the emails i have received from the even my lawyer has and the condemming statements made by those who are my supervisors.	nspiracy theories by
i will leave you with a final quote from regarding the franchisor rights for publications was not tried tested and should not have been approved for franchis another franchisor who has not been referred to above wrote/emailed him this	eing under ite precent model affer
COMPLETELY AGREE FRANCHISOR FEES ARE FAR TO HIGH IN RELA ARE TO SMALL. MICHAEL SHERIDAN	TION TO INCOME AND REGIONS
Michael Sheridan	

Michael Sheridan Franchisor



Join Date: Feb 2006

Posts: 125

NGE Member: says:

We became Regional Franchisors in a division that showed a lot of promise for us in the Gold Coast and South Brisbane regions (Dog Wash).

Firstly we became franchisees in late 2003. In an ominous omen of what was to come, the centre piece of the franchise (the trailer) was delayed and not delivered until March 2004. While we waited ever so patiently, we were approached to become Regional Franchisors. I started as Regional Franchisor and as a Franchisee on 1 April 2004.

By October, I had sold my third franchise. Almost immediately the wheels fell off.

Our Divisional Franchisor (manager of Dog Wash) confronted the trailer manufacturer over a price increase. Apparently there was quite a heated argument with the result being the trailer manufacturer refusal to build any trailers for our division for the foreseeable future.

With no other manufacturer building a trailer that was deemed suitable by the Divisional Franchisor, he found a fibreglass boat builder on the Gold Coast, but did no back ground checks. This boat builder agreed to produce a mould and build trailers for the division. First, though, he needed a trailer to use as a template.

As the builder was in my area, I volunteered my trailer, on the proviso that my trailer was needed for only two weeks. Two weeks became six months. I eventually got my trailer back in March, severally damaged with no hope of compensation from the builder or and the division still had no trailers from this manufacturer.

Meanwhile another manufacturer was sourced in Melbourne, and while they completed moulds by February, they decided not to produce trailers. The moulds were then shipped to Tasmania where another company started production.

In a desperate attempt to keep financial, I have sold an investment property, sold a car, and taken out loans. I now work as a salaried employee in Brisbane city Monday to Friday, and work Saturday and Sunday washing dogs in my woeful trailer. I have a beautiful 5 month old daughter and am equally beautiful wife who hardly see me. I am exhausted and broke.

Each month a new demand for \$1100 in fees arrives which I can't pay. The damage to my income earning potential has never been fully recognised by who has insisted on payment of monthly fees and royalties.

Eventually agreed to let me pay fees off over a period of twelve months, but as yet nothing has been produced in writing to advise me how this is to be done, nor does the accounts department know of this arrangement.

Only two days ago I received a new demand from the accounts department now saying that payment is due in full within ten days, and failure to pay will see me summons to court and my Franchisor region terminated.

It's a sad refection on Dog Wash that I am not alone. Indeed, two other Franchisors are in the same boat as me. Broke and struggling to survive.

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