



Introduction to Tech Hero

Dear Potential Franchisee,

Thank you for requesting more information about the Tech Hero Franchise Program. Our unique approach of delivering on-site computer service is being greatly received. We've made a commitment of keeping our business format and product offerings fresh to the ever changing needs of our customers. We hope you find our franchise meets with your needs, as well.

In response to your request, we have included materials that provide an introduction to our franchise program and estimates of the associated investment.

[Why the Computer Industry](#)

[Why a Franchise](#)

[Why Tech Hero](#)

[Steps to Becoming a Franchisee](#)

[Qualifying and Evaluating a Franchise](#)

[Three Levels of Franchising](#)

[Tech Hero Investment](#)

[Tech Hero Qualification Form](#)

Researching a business investment is a difficult task. There are many opportunities available and finding the one that best suits your needs may not be easy. Even knowing what questions to ask and the merits of those answers may be difficult. Please review the information we've provided and call us with any questions or to review this opportunity further.

Thank you for your time and consideration.

Sincerely,

Drew Paras
(407) 574.5190



Quick Statistics about:

- **Why the Computer Industry**
- **Why a Franchise**
- **Why Tech Hero**

Why the Computer Industry?

The increasing need for technical support:

- The dependency and enthusiasm for computers is growing.
- There are over 230 million computers currently in use in the U.S. alone.
- A Harris Poll conducted found that 81% of all U.S. adults use a Personal Computer.
- The computer service and repair industry is a \$300 billion dollars a year – and growing – industry.
- Statistics show that approximately \$9 billion dollars a year is spent on virus and spyware issues alone.
- Innovations and network integration is driving a demand for IT professionals.
- According to the U.S. Department of Labor Statistics, “the computer related services industry is projected to remain one of the fastest-growing industries in the U.S. economy.”
- Self-employed IT professionals were a minority according to the Microsoft’s 10th Annual Survey. Only 6 percent claimed to be their own boss. “Salaries for those who were self-employed made more than their corporate counterparts”.

Combine these factors with more and more consumers and businesses outsourcing their technology needs, and you have tremendous business opportunities.

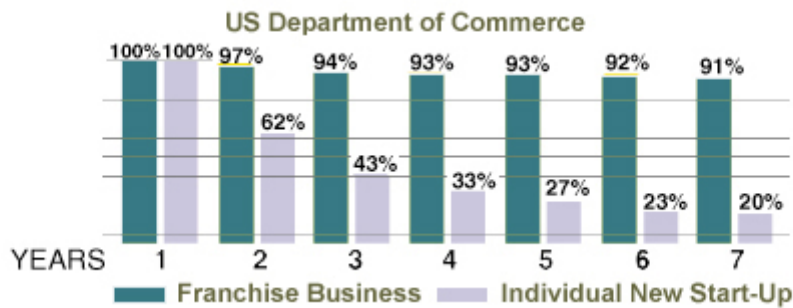
More Quick Stats:

- It’s estimated that more than 40% of the computer systems have “obsolete, redundant and unused” software.
- Industry experts estimate that about 30% of computer software will be installed incorrectly the first time.
- Trend Micro World recorded 11,953,235 computer infections last year from Malware incidents.
- It’s estimated that 20% of small businesses lack sufficient security and 60% of small businesses lack sufficient security if using wireless networks; according to a Security Readiness Report.

Why a Franchise?

Franchising provides you with proven procedures and systems that work. The S.Y.S.T.E.M., as in “Save Your Self Time, Energy, and Money” provides you with the tools to be more successful. Franchisors can only be successful if their Franchisees are successful. This makes for an important win-win relationship that is unique in the business world.

- In his best-selling book, *The E-Myth Revisited*, Michael Gerber writes, "over the course of one year, franchises have reported a success rate of 95% in contrast to the over 50% failure rate of new non-franchised businesses. Where 80% of all businesses fail in the first five years, 75% of all franchises succeed!"
- In a study by Arthur Anderson & Company of 366 franchise companies, nearly 97% were still in business after 5 years.
- A study by The United States Chamber of Commerce found that 86% of franchises opened within the last five years were still under the same ownership and 97% of the were still open for business.



The International Franchise Association recently reported that franchising is responsible for 760,000 businesses, 18 million jobs, 14 percent of the private sector employment, and over \$500 billion in payroll! They also reported:

- 93% of the franchisees say that a franchise gives them an advantage.
- 88% recommend a franchise over a non-franchised business.
- 83% are happy with their franchise.



Why a Tech Hero Franchise?

Because Tech Hero can offer you the tools you need to **Earn what you Deserve!**

The facts are clear and presented in reports from Microsoft and the US Department of Labor;

- The demand for trained IT professionals will continue to increase ¹
- Self-employed IT professional made more than their corporate counterparts ²

In addition, the more skilled you are and/or become; the higher income you can command.

As a Tech Hero Franchisee, you can:

Be a single independent IT consultant within your protected area.

Be the owner of many areas and have a fleet of service vans and technicians.

Be the owner of an entire City or even a State and have hundreds of technicians working with and for you.

The potential is limitless and only bound by your own desires and abilities.

Your Success is Our Success

We are only successful if our Franchisees are successful. So Tech Hero corporate places its highest priority in developing the systems and tools to make your job easier and more profitable. Here is a list of just some of the tools we have for our Franchisees:

Live & On-demand:

- Customer invoicing
 - Credit card and check acceptance
 - Customer tracking and invoice history
 - Customer “instant credit”
 - Accounting
 - Accounts receivable
 - Account payable
 - P&L statements
 - Expense reports
 - Parts and product ordering
 - Scheduling
 - Resource library
- Bulk e-newsletter campaigns
 - Direct marketing
 - Promotional items
 - Business Training
 - Financial management
 - Accounting principles
 - Balance sheets
 - Income statement
 - Cash flow statement
 - Debt-to-equity ratio
 - Technical Training
 - CompTIA Certification
 - A+ Certification
 - Network + Certification
 - Microsoft Certified Training
 - System Administrator

Plus:

- Marketing tools
 - Personalized web site













and much more....

¹ Computer Support Specialists and Systems Administrators, U.S. Department of Labor Bureau of Labor Statistics <http://www.bls.gov>

² Microsoft's 10th annual salary survey as reported in Microsoft Certified Professional magazine

Steps to Become a Tech Hero Franchisee

The following steps illustrate the process of becoming a Tech Hero Franchisee. Together, we will move through these steps and help guide you throughout the entire process. Please note: There is a 14 day waiting period between steps 4 and 6.

1			2
3			4
5			6
7			8
9			10
11			12

Four Steps to Qualifying for and Evaluating a Franchise

1. Exploratory Meeting.....

....Initial meeting to get to know one another

- Overview of how the franchise agreement process works
- Review key points of the franchise agreement
- Complete Qualification Questionnaire
- Review the advantages of franchising
- Computer Industry overview
- Tech Hero Franchise support and systems
- Receive UFOC, franchise agreement and candidate evaluation

After Step 1: (candidate)

- Review UFOC, Agreement & Other Materials
- Formulate Questions
- Fill Out Qualification Questionnaire

2. Franchise System Verification.....

....Understand the franchise system and agreement

- Answer questions about franchise agreement of UFOC
- Review Qualification Questionnaire
- Review timeline process
- Introduce support team (Generally by Conference Call with AR, VP and Candidate)

After Step 2: (candidate)

- Formulate Additional Questions
- Complete Short Business Plan
- Review Documents with Professional Advisors (If Necessary)
- Reserve Time for Location Visits
- Submit for funding approval (www.GetFunding.com)

3. Understanding of Support.....

.....Understand the franchise support system

- Review Operational Manuals with Area Representative
 - Review additional questions
 - Visit operation and/or office (Discovery Day)
 - Review terms of agreement
 - Review business and marketing plan
- #### **After Step 3:** (candidate)
- Formulate Questions
 - Finalize Review of Documents with Professional Advisors (If Necessary)
 - Review Business Plan, Agreement Terms
 - Review Potential Start Dates & Time Frames

4. Contract Signing.....

.....Receive final approval and award franchise agreement

- Review any outstanding questions
 - Upon approval of all parties, execute franchise agreement
- #### **After Step 4:** (candidate)
- Sign franchise agreement, deposit franchise fee
 - Begin Working with Territory Area Representative / Begin Marketing Plan
 - Work Through Financing Arrangements
 - Set Date for Training



Three Levels of Franchising

Did you know that there are different types of Franchise Arrangements to consider?

Researching the right level of franchising to meet your needs is as important as researching the right franchise. Below are the three different levels of franchising which include information on the territory specifics, the required level of participations and the capital requirements. It is best to consider all aspects of each level before investing in any franchise concept.

1). Single-unit Franchises

This Franchisee has the right to operate one franchise unit. Most Franchisees enter the world of franchising by owning an individual unit. It is a great way to get in and understand the system before taking on additional units.

Territory: The Franchisee usually has an exclusive territory to operate within. If it is a retail store, the area of exclusivity may be a one, two or three mile radius around the store. With Tech Hero the territory is defined by specific ZIP codes.

Level of participation: The Franchisee is intimately involved with almost every aspect of operations at this level. Even if it is a semi-absentee owned business, the Franchisee will want to be present at the business and be as hands-on as possible.

Typical liquid capital required: \$25,000 to \$50,000 initial out-of-pocket investment required on a total investment of \$50,000 to \$100,000.

2). Multi-unit Franchisees

This Franchisee acquires more than one unit of the franchise, usually at reduced franchise fees. In theory the risk is lower because the Franchisee can take advantage of the economies-of-scale by spreading costs across multi-units, causing each location to be more successful.

Territory: There is usually no exclusive territory where the franchises must be set up. The Franchisee may have one unit in one part of town with a surrounding radius of exclusivity, and another unit in another part of town 15 miles away or even in another county with its exclusive radius of operation.

Level of participation: The Franchisee is less involved with the daily operations of each unit, but will be managing multiple stores and will need to have some level of supervision in each unit. If many units are opened, a general manager and additional administrative and training staff may be needed. The Franchisee is more of a general manager when many units are involved.

Typical liquid capital required: \$70,000 to \$100,000 initial out-of-pocket capital is required to take care of most of the initial franchise fees. The rest of the investment is usually financed when each unit is opened.



3). Master Franchise and the Area Representative Agreement

A Master Franchisee and/or Area Representative Agreement has the developmental rights to a specific metro area. The Master usually receives a part of the royalties and franchise fees paid by each Franchisee within that area. The Master, in essence, becomes somewhat of a “sub-franchisor” but with all the benefits and experience the Franchise Company has to offer. The Master Franchisee will usually open and operate at least one showcase location unit for income as well as a training center. Master Franchise licensing agreements are rare; however when they are available they usually sell quickly. These agreements offer the Franchisees greater flexibility and benefits at this level.

Territory: This is usually a large metropolitan area, an entire state. It is an exclusive area right and will remain exclusive as long as the Master Franchisee meets the development schedule within the territory.

Level of participation: The Master Franchisee will usually operate one unit using a manager while devoting a greater proportion of their time developing and assisting other Franchisees within their market area. Very rarely is a Master Franchisee "hands on" in operating units. They tend to spend more of their time operating as a business consultant or coach to their Franchisees to help them become successful.

Typical liquid capital required: \$70,000 to \$700,000 is needed to acquire the territory and for initial liquid capital to start marketing the area. Additional funding may be needed to open your showcase unit.

What is this Concept?

Imagine sharing in the royalty income generated by all of the Subway Sandwiches' or Domino's Pizza's operating within your city. A Master Franchisee shares in the income generated from the units operating within his/her territory.

Areas Available

A few prime Tech Hero territories are available to knowledgeable business professionals. To see if you qualify and/or to learn more about this unique investment opportunity you can visit www.MasterFranchising.com

Benefits of becoming a Franchisee: Franchisees as a whole enjoy a much greater success rate than independently ran businesses. This is largely due to three main functions and operational issues of the Franchisor.

One:the development of well defined systems

Two: the ongoing operational support from the Franchisor

Three: the ability to secure better locations and business funding being associated with a National Franchisor

For more information and to see if you qualify for a Franchise, please call us at our Tech Hero Corporate office in Orlando, FL.

Initial Investment

We estimate that the initial investment for a Tech Hero franchise will total approximately \$14,050 - \$91,500 based on the following breakdown:

Expenditures	Estimated Cost Amounts For You	
	Low	High
Franchise Fee (Note 1)	\$5,000	\$5,000
Real Estate (Note 2)	\$0	\$0
Service Vehicle, including logo wrapping (Note 3)	\$500	\$20,000
Initial Inventory and Opening Supplies (Note 4)	\$6,100	\$14,500
Insurance (annual premium) (Note 5)	\$1,250	\$3,000
Grand Opening Advertising (Note 6)	0	\$7,500
Optional Equipment (Note 7)	0	\$6,500
Training Expenses (Note 8)	\$1,200	\$5,000
Additional Funds (3 months) (Note 9)	0	\$30,000
Total (Note 10)	\$14,050.00	\$91,500.00

NOTES:

1. Franchise Fee. The Franchise Fee

2. Real Estate/Rent. We encourage you to operate from your home, in which case you will not incur any rental expenses. However, if you choose to operate from a small office space, you will require approximately 500 to 750 square feet. Lease costs will vary based upon square footage, cost per square foot and required maintenance costs. We assume the landlord will require the first month's rent and a security deposit equal to one month's rent. The amounts paid are typically not refundable except for a security deposit which may be refunded.

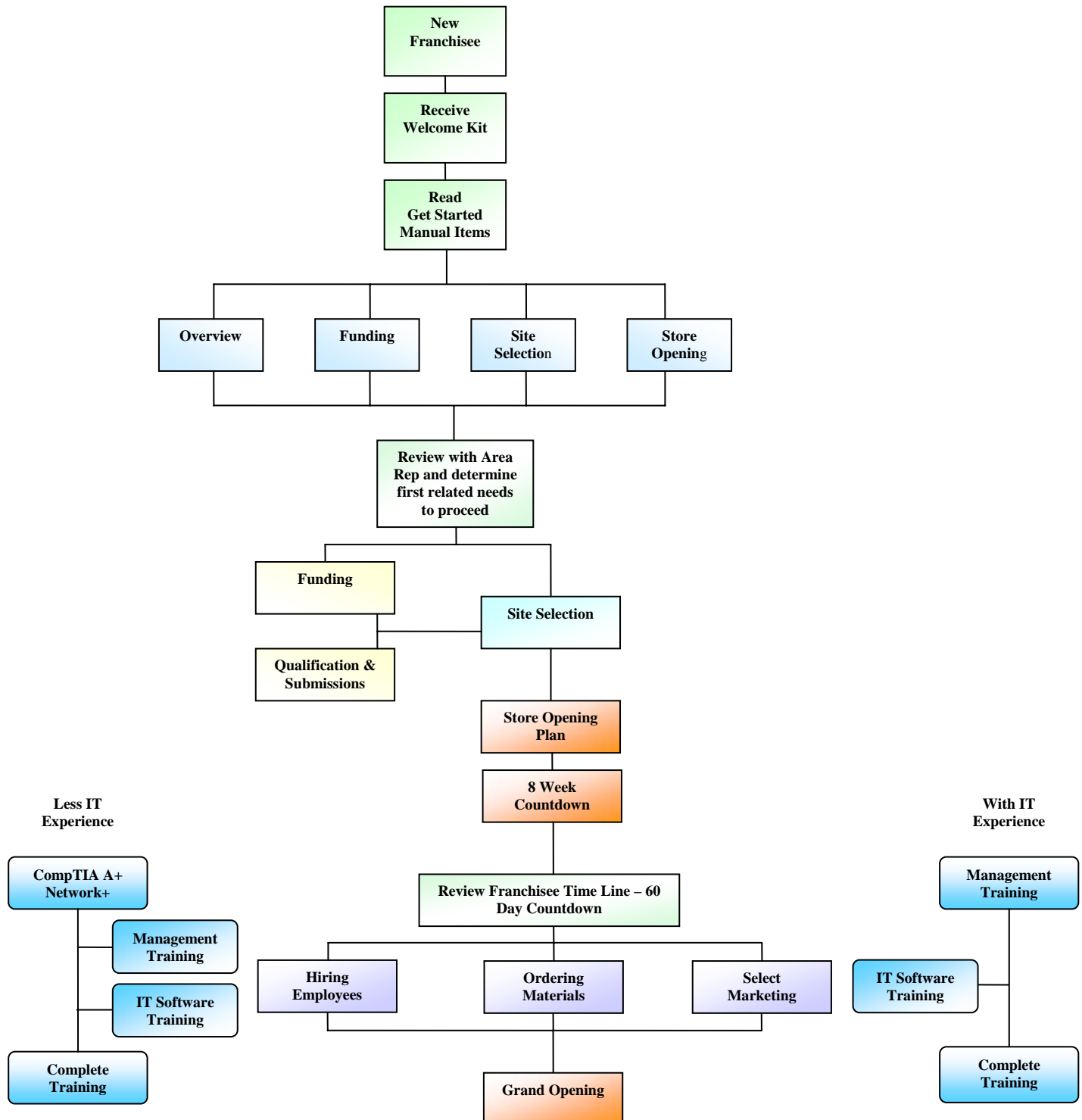
Utility Deposits. If you operate from home you will not incur these costs, but if you choose to lease a space you will generally incur certain deposits with local utilities such as electric, telephone, gas, water and others. The deposit will vary depending upon the policy of the local utility.

Leasehold Improvements. If you operate from home you will not incur these costs, but if you choose to lease a space there may be minor improvements/remodeling of the location.

3. Service Vehicle, Furniture, Fixtures and Equipment. If you do not currently own a vehicle that meets our specifications you will be required to purchase and/or lease your vehicle, and it must be the make and model approved for use. Currently we recommend the Scion XB. Your service vehicle must be wrapped with the company logo or appropriate signage.
4. Initial Inventory. Your initial inventory consists of: Tablet PC and software, network maintenance toolkit, miscellaneous diagnostic tools, clothing with logos, stocking inventory and office supplies.
5. Insurance. Factors that may affect your cost of insurance include: location of the Franchised Business, value of the leasehold improvements, amount of inventory and other factors.
6. Grand Opening. We require you to conduct a grand opening advertising program within the first 30 days of operation of the Franchised Business.
7. Optional Equipment. In addition to the equipment we require you to purchase for operating the Franchised Business, you may choose to purchase additional equipment that you find useful.
8. Training. You are not charged an additional fee for initial training. You are responsible for transportation and expenses for travel, meals, lodging, personal expenses and wages while attending training. The total cost will vary depending on the number of people attending, how far you travel and the type of accommodations you choose.
9. Additional Funds. Such amounts are the minimum recommended levels to cover operating expenses including employee's salaries for the start-up phase of the business which we calculate as three months. We cannot guarantee that such an amount will be sufficient and additional working capital may be required if sales are low or fixed costs are high.
10. Total. This total is an estimate of your initial investment and the expenses you will incur during the first three months of operations. In compiling this chart we relied on the experience of our officers. The amounts shown are estimates only and may vary for many reasons including whether you operate from home or from a light industrial facility, the capabilities of your management team, and your business experience and acumen. You should review these estimates carefully with an accountant or other business advisor before making any decision to buy a franchise.

Franchise Training Path

Tech Hero offers the most comprehensive training and support in the industry.



Tools and Marketing

Tech Hero provides you with the tools, systems and marketing materials to help you run your own success franchise.



Tech Hero provides you with the tools, systems, training, marketing and support to help you run your own successful franchise

Part of these systems include a wide range of marketing and advertising campaigns, an integrated CRM database tracking system, invoicing and accounts receivable automation plus ongoing technical and business training.

Using our technology to your advantage

We have developed a sophisticated "IT Business Management" system to handle daily operational issues necessary in running a successful business. Items such as inventory tracking, appointment scheduling, job invoicing, customer reminders and mailings, credit card processing and accounts receivable are just a few of the many tools Tech Hero has developed to make you more successful.





Qualification Questionnaire

(To be completed by each partner of the Business Group) Fax to 407-852-2324

PLEASE PRINT OR TYPE

Personal Data

Name _____

Address _____ Years There _____

City _____ State _____ Zip _____

Business Phone _____ Home Phone _____ Best time to call _____

How did you become aware of this Business Opportunity? _____

Net Worth _____ Available Cash to Invest _____

Time Frame: When will you be ready to Purchase? _____

Are there any obstacles needing to be addressed prior to purchasing? _____

If so, please explain _____

Business Experience

(Please list company name, type of business, position held, dates positions held, and you most significant accomplishments.)

Present / Most recent position _____

Annual Earnings: _____

Previous Position _____

Annual Earnings: _____

Previous Position _____

Annual Earnings: _____

Have you ever owned a business? Yes No

If yes, what type? _____

Other business applications (Officer, director, partner, etc.) _____



Business and Management Goals

- Do you plan to devote full time to this business venture? Yes No
- Will your spouse be active in the business? Yes No
- Do you plan to have equity partners? Yes No

IF YES, PLEASE IDENTIFY ALL PARTNERS

NAME	ADDRESS	TELEPHONE NUMBER	ACTIVE IN BUSINESS

Number of units planned _____ year 1-2 _____ year 3-4 _____ year 5-6

Planned date to open first Unit _____

Location Preference _____ 1st choice _____ 2nd choice _____ 3rd choice

Current Computer Skills or Technical Proficiencies

- ___ System Networking ___ Data Back-Up Recovery ___ DSL & Cable Modem Set-up
- ___ Web Development ___ Virus/Spyware Removal ___ Software Training
- ___ Troubleshooting ___ Hardware Installations ___ Software Programming

Additional information or comments that you might like to share with us in evaluating your request.

Include Resume if Available

Signature _____ Date _____

Upon completion please fax to Tech Hero at: 407-423.1821