

PROSPECTUS

Home Loving Cats Franchise

"Choose to do something you love, and you will never have to work another day"

Confucius

This is a personal note to you from Paul and Yolanda Ravenscroft, founders of Home Loving Cats, the U.K. based cat sitting franchise:

Dear fellow cat lover

If you're like us, you believe that deep within you, you could make a difference in this world, you could genuinely help others, you could contribute to the greater good in your own unique way, and you could make this world a better place.

But are you doing this?

Have you given up on your hopes and dreams?

Have you become so immersed in the routine of your everyday life and the daily grind of a meaningless job (or lack of job), that those hopes and dreams are now just a distant memory?

Are you passionate about cats?

Can you see yourself as a professional cat carer?

Ten years ago, neither could we.

We led conventional professional lives, we could meet our mortgage commitments, we could pay our bills, we could change the cars every couple of years and we could go on holiday a few times a year.

But we knew there had to be more.....

We had always believed that a truly happy and meaningful life is not just about having material things......

It's about doing..... And it's about being.....

Doing things of real meaning...... and being a person who makes a real difference to the lives of others.

You can have lots of money and material possessions, but if you're not growing as a person, and if you're not contributing to the greater good, then you could well be asking the question "Is this all there is?"

In 2004, some neighbours asked us to care for their cat (Percy) whilst they were away on holiday...... And then another neighbour did the same. Soon, news of what we did spread via word-of-mouth and more neighbours began to enquire. Thus our business evolved almost by accident...... from doing a favour to some neighboursto becoming a part-time business......and eventually to becoming an extremely busy, successful and highly profitable full-time business. All borne out of an absolute passion for cats!

Whilst providing the Home Loving Cats service in our own location, we have received countless telephone calls and emails from cat owners all around the U.K. asking whether we covered their area.....and unfortunately we had to keep saying "no".

There was clearly a need for our service nationwide and so our mission became clear......We would offer business-minded cat lovers across the U.K. the opportunity of joining the Home Loving Cats franchised network of cat carers.

Home Loving Cats Mission Statement

We want as many cats as possible to enjoy a life of the highest quality, rich in love, care and attention, and with the minimum of stress.

At the same time, we want as many business-minded cat lovers as possible to enjoy the benefits of having their own cat care business – giving them control of their own future and income – along with the personal satisfaction that comes from making a real different to the lives of cats and their owners.

By helping as many suitable people as possible to join the Home Loving Cats franchise network, the above twin goals are being achieved.

The Home Loving Cats Franchise Opportunity

Why a Franchise?

Surveys consistently show that while no franchise can ever guarantee the success of their franchise owners, all the evidence suggests that following a franchise model is more likely to generate a successful business.

Annual Earnings:

Gross income is dependent on a range of factors (area, pricing, individual effort, level of expertise, availability, etc) and should normally be in the range £20,000 to £30,000 plus (when fully established).

You will enjoy the following benefits:

- Large exclusive territory.
- Very low royalty fee and <u>no</u> upfront franchise fee.
- The right to use the Home Loving Cats brand.
- A presence on the Home Loving Cats corporate website along with the powerful resultant exposure. The website includes powerful postcode functionality which provides enquirers with the contact details of the franchise owner covering their location.
- Unique, state-of-the-art bespoke operational software to manage the business. You will be able to create contacts, find contacts, update contact details, send quotes and other emails, create bookings, amend bookings, check the booking schedule, as well as checking fee totals and other financial information. This can be accessed when you are on holiday anywhere in the world.
- Business-standard email system.
- Access to the company Operations Manual (currently around 130 pages).
- Initial induction training to enable new franchise owners to be operational within just a few weeks.
- Personal, continuous on-going help, guidance and support from experienced business operators who actually run the business themselves and who have a proven track record of success over the last 7 years.

- Branded marketing flyers.
- The company conducts a range of both online and offline PR initiatives including a presence at the annual Supreme Cat Show (held at the NEC Birmingham each year) to raise the profile of the website and the Home Loving Cats brand. The franchise has also been featured in the Daily Mail.
- Supportive contact (via confidential internal blog) from fellow franchise owners as the network expands.

You will need to be:

- Absolutely passionate about cats.
- A mature, out-going, friendly, pleasant, confident communicator (both in person and on the telephone).
- Extremely well-organised.
- Fit, mobile and a driver.
- Of impeccable character; honest; of integrity; capable of passing a Police Check.

We are open-minded regarding age.

We are also open-minded as to whether a franchise should be operated by an individual or a couple.

You need to possess:

- A reliable car
- Mobile telephone
- PC with internet connection
- Printer

The financial challenge ahead

In these challenging economic times, it can be difficult for individuals and couples to maintain their standard of living and at the same time do work of a fulfilling nature. Reasons include:

A lack of jobs in certain areas Age discrimination by employers Current cutbacks in public sector jobs Very low rates of interest on deposit accounts Poor stock market returns Inadequate pension provision

Secure your financial future and have a great time in the process!

As long as you are fit and mobile, and capable of caring passionately for cats, we do not consider age to be a limiting factor. Indeed, a Home Loving Cats franchise can become your virtual "pension" as you reach your later years! So long as you are fit enough to keep working, want to keep working, and have an established Home Loving Cats franchise, you can work on your own terms, when you want, how you want, taking the holidays you want, when you want them, and without depending on an employer. Never again will you have to depend on unappreciative employers for a living since your destiny, your future prospects, and your financial future is truly in your own hands when you own a Home Loving Cats franchise.

Territories are being taken up very quickly by business-minded cat lovers everywhere. If you are absolutely passionate about cats and feel that you have the personal and organisational skills to operate a Home Loving Cats franchise, this could be your new life!

FREQUENTLY ASKED QUESTIONS

What exactly is the service?

The service offers an alternative to a cattery. Instead of owners taking cats to a cattery, we visit cats in their homes every day and replenish food/water, replace toilet litter if there is a litter tray, fuss and cuddle the cat and check that it's OK. Time spent in the house varies and is dependent on circumstances.

What size is the market?

It is estimated that there are around 8 million cats in the U.K. Excellent news if you own a cat sitting business!

What about dogs and other pets?

We specialise in cats, which is why we are the preferred choice for many cat owners. If you wish to do other pet care duties like dog-walking or looking after a range of different animals, then Home Loving Cats is not the business for you.

We suggest that you take a look at other less-specialised pet care businesses such as "PetPals", "Animals At Home" and "Pals4Pets" which are included in the following comparison table along with ourselves:

NAME	UPFRONT COST	ROYALTY	Annual royalty (based on £30,000/year)	Royalty over first 5 years	Total over first 5 years	Average yearly cost
	£12,500 + VAT = £15,000					
	payable to Petpals +					
	further £5,000 + VAT					
	(£6,000) towards deposit		£2,700 +			
	of liveried and fitted-out		VAT =			
PetPals	vehicle (total £21,000)	9%	£3,240	£15,860	£36,862	£7,372
			£2,400 +			
			VAT =			
Animals At Home	\pounds 14,750 + VAT = £17,700	8%	£2,880	£14,100	£31,800	£6,360
	\pounds 11,950 +VAT = £14,340					
	plus need to purchase a		£3,000 +			
	signwritten van within 1		VAT =			
Pals4Pets	year	10%	£3,525	£17,625	£31,965	£6,393
		Fixed				
		monthly				
		payments of				
		only				
Home Loving Cats	NIL	£195.00	£2,340	£11,700	£11,700	£2,340

Am I at a disadvantage caring only for cats as opposed to say, caring for other pets and also walking dogs?

Not at all.

In fact the opposite is true.

Advantages include:

- 1. Not having to always be "chasing the clock". If you were to also walk dogs, for example, you are tied to tight schedules. You need to collect dogs at specific times, you are always fighting the traffic, and you are always chasing time. It's almost like being back in the "rat race" again. Whereas cat sitting can be managed effectively with a relatively flexible and relaxed routine.
- 2. Not needing to invest in a special vehicle which is suitable for the transportation of animals.
- 3. Not needing to brave the elements during horrible weather!
- 4. The fact that many of our customers frequently invite us to make ourselves a drink, have a biscuit, make ourselves at home and watch television or listen to the radio whilst looking after young Tigger or little Felix. Beats walking a dog in cold, wet and windy weather any day of the week!

How does the business operate?

Potential customer makes contact with you. You give them a quote. Customer makes booking and pays deposit. Initial assessment visit made to meet customer and cats. Visits are then made on a daily basis over agreed period. Customer then uses the service on an ongoing basis.

Who would use such a service?

<u>Anyone</u> with a cat could use the service - and more and more people are doing so when they realise the benefits. There are an awful lot of potential customers. The people using our service include;

- 1) Individuals who understand and appreciate that a cat is happier in its own home environment rather than being transported to a cattery with all the attendant stress.
- 2) Individuals who do not want to waste valuable (stressful) time going to and from the cattery.

- 3) Individuals who normally use a cattery but find that their usual cattery is fully booked.
- 4) Professional people who are "time poor" and want the convenience of making just one call or sending just one text or email to their Home Loving Cats carer who will take care of everything.
- 5) Individuals who can see that we offer a truly fantastic and caring service!

Do I have an exclusive territory?

Absolutely. Your precise territory will be discussed and agreed with you, and this will be confirmed in writing within your franchise legal agreement.

Would I be working for you?

No. You would be working for yourself.

It would be your very own, independent business, operating under the Home Loving Cats brand. You would be in business for yourself, but not by yourself, and you would receive all the benefits and support that you would expect from **the** leading brand in home cat care.

What would be my employment status?

Like ourselves, and like most business people who seek an independent and fulfilling lifestyle, you would be self-employed.

Do I have to operate the business full-time, or would I be able to operate on a part-time basis?

In order to maximise your income, we anticipate that you will (eventually) want to operate your business on a full-time basis.

However, if for instance, you have a part-time job, or other family commitments, it can be very practical to initially operate on a part-time basis, perhaps for a transitional period before going full-time. So a Home Loving Cats franchise business can be built in parallel with your existing commitments and activities.

What do we mean by part-time or full-time?

That's for you to decide! There are many possible permutations. It's your life and your future, so it's entirely up to you as to what level of commitment you wish give your business.

What income can I expect?

Gross income is dependent on a range of factors (area, pricing, individual effort, level of expertise, part-time or full-time availability, etc) and should be in the range £20,000 to £30,000 plus (when fully established).

(More detailed income projections will be made available to potential franchise owners when an application has been progressed).

How guickly will it take for my income to reach an acceptable level?

It depends on what you personally consider to be an "acceptable" level.

As with the previous question, income will vary from franchise owner to franchise owner depending on a range of factors (area, pricing, individual effort, level of expertise, part-time or full-time availability, etc).

Bear in mind that starting a business is not like starting a paid-employment "job". When working for an employer, you are on a guaranteed income from the first day (as well as becoming a "wage-slave"). When you start a Home Loving Cats franchise, as with any business, it is a continuous building and development process whereby you are adding customers to your customer base one-by-one, week-by-week, month-by-month and year-by-year. "Rome wasn't built in a day" – and neither was any business.

When we started our own cat sitting business, we started on a part-time basis and over time as the business began to generate a full time income, we gradually relinquished our other commitments and focused on our business full-time. (Couples may be in a better position to manage this between them on a flexible basis compared to sole individuals who may find this more difficult).

The biggest challenge is simply getting through the first year or two, from a "standing start", when the income is relatively low. This is because, to state the obvious, you are not starting with a base of customers, you are starting with no customers! Bill Gates, Richard Branson, Alan Sugar and millions of other lesser-known business people all started out with no customers – that is simply the nature of many new businesses. Life offers no guarantees, but it does offer opportunities to those willing to embrace them.

For individuals and couples willing to embrace the Home Loving Cats franchise opportunity, successfully navigating the first couple of years will bring the reward of an extremely busy, successful and highly profitable fulltime business for many years to come - doing something which is an absolute joy - and being in full control of your own destiny and future.

What expenses can I expect to incur?

The two main expenses will be the royalty fees of £195 per month and motoring expenses (including fuel).

There will be a few other (relatively minor) expenses including two that you probably already incur on a personal basis (mobile phone and broadband internet service).

In addition, you will need to pay for public liability insurance (around £55 to £100 per year) and stationery (paper & printer toner)

Do I need insurance as a cat sitter?

Yes, Home Loving Cats franchise owners must have Public Liability Insurance. We will advise on where to obtain this at competitive prices.

How do I get customers?

Business is generated by a combination of marketing methods including the corporate website in conjunction with internet marketing, along with local initiatives.

Can I sell the business at some point in the future?

Absolutely.

Is the business seasonal?

It depends what you mean by seasonal.

There is never a week of the year when our service is not required (as with say, a tourist hotel in Blackpool, for example, which might decide to remain shut from October to April).

There are periods of the year when we are extremely busy (the traditional peak holiday periods of April to September, Easter, Christmas & New Year, school holidays and most weekends), and there are periods of the year when we are less busy.

However, bear in mind that:

 Unlike decades ago when most people remained in the U.K. for their annual holidays (and usually took them in the summer when the weather was good), nowadays people fly to the sun every single day of the year. You can see evidence of this by going to your local airport – which does business 365 days of the year.

- Many business people need our service 52 weeks of the year and use us on a regular weekly basis – especially at short notice as their business travel plans change.
- 3) Annual holidays and business trips are just two of the reasons why people use our service. Other reasons include weekend breaks, visiting relatives, having to spend time in hospital, and other unforeseen reasons for travel.

So once your business is established, if you did <u>not</u> wish to take holidays (which we do not advise!), there is enough business to keep you busy 52 weeks of the year.

What about our own holidays?

When we founded Home Loving Cats, we made a strategic decision that the welfare of our customers' cats was going to be our primary concern. Many pet care firms operate on a kind of "agency" basis using part-time, casual staff, and every time that they do not have anyone available, customers are left looking for alternatives elsewhere – which doesn't project a very good business image. Unlike these other firms, our business model is one in which we do not employ anyone else. All our customers' cats are cared for personally by ourselves. This is the only way we can ensure the very best care, attention, cuddles and re-assurance for the cats.

In addition to deciding that we would deliver our service personally, we made a second decision that **we would definitely not work 52 weeks of the year!** ("All work and no play makes Jack a dull boy").

So each year, we take time away from the business during "off-peak" periods, whilst still covering all the peak holiday periods of April to September, Easter, Christmas & New Year, school holidays and most weekends.

Our regular customers find it helpful to know in advance when we are going to be unavailable, so as a service to our customers, we periodically email everyone with this information. This gives our regular customers the opportunity, when they plan their holidays, of avoiding our "unavailable" periods.

This will be the business model that we will be recommending to all our franchise owners.

By avoiding the peak holiday periods, this gives us (and potentially you), the considerable advantage of taking our holidays:

- 1) When it is cheaper.
- 2) When it is less busy.

Do I need to work weekends?

The short answer is "yes".

You need to work 7 days a week during your working periods (i.e. the periods when you are not on holiday yourself).

Because if you think about it, you'll appreciate that it makes sense for your business, your success, and your future.

The reasons are:

- 1) If a customer wishes to go on holiday for say, one or two weeks, to state the obvious, you can't turn round to them and say "We can come round Monday to Friday, but young Tigger will have to fend for himself over the weekend as we don't work Saturday and Sunday". Clearly you wouldn't have any customers, you wouldn't have a business and you wouldn't have a future in cat sitting.
- 2) Most weekends (even during our less busy periods) tend to be busy and are great opportunities to make strong income. Clearly, this is because weekends are when people have the opportunity to take short breaks.

How much will it cost me to get started?

The short answer to that question is just £195!

Before they can even commence trading, most traditional "bricks and mortar" businesses that operate from conventional business premises have to fund a massive range of overhead expenses, many of which relate to premises and staff. These can amount to many tens of thousands of pounds and include: Rent (or purchase) premises Rates Buildings insurance Staff salaries Advertising Telephone Vehicles & motoring expenses

By comparison, a home-based Home Loving Cats franchise owner only has to fund the monthly royalty fee of £195 along with some relatively low level expenses. These include the travel expenses to service bookings (you will probably already have a car), mobile phone (you will probably already have one), and pet sitters public liability insurance (£50 to £100 per year).

Why do you charge a fixed annual fee rather than an annual royalty percentage?

Traditionally, most franchise companies charge a relatively high one-off upfront "franchise fee" followed by an annual "royalty fee" (percentage of earnings) which is usually set at around the 10% level. It is our personal belief that many of these high upfront fees cannot be justified although franchise companies will attempt to justify them by saying that they reflect "overheads". In many cases, this means expensive head offices (to impress potential franchise owners), and also excessive numbers of people on the head office payroll (some of whom are there solely to "sell" the franchise to whoever is willing to come up with a large lump sum).

In order to make the Home Loving Cats franchise as affordable as possible, the combination of <u>no</u> upfront "franchise fee" along with the low, fixed, monthly royalty fee of £195 strikes the right balance and is fair to both franchise owner and franchisor. (At an income level of £23,400, this equates to a nominal royalty percentage of 10%). It means that all income earned by the franchise owner above £23,400 will be totally free of royalty. This rewards, favours and incentivizes franchise owners prepared to focus, work hard and build a sound, long-term business.

This represents a reasonable yet modest return for Home Loving Cats Limited (the franchisor), and considering the annual income potential of $\pounds 20,000$ to $\pounds 30,000$ plus (when established), it represents an affordable, modest and low-risk yearly outlay for the franchise owner and a truly outstanding opportunity.

So with just an initial payment of £195 to get started, there is no financial reason whatsoever why individuals possessing the right qualities cannot build a rewarding, enjoyable and compelling future for themselves within the Home Loving Cats franchise network.

What period of time does the franchise agreement cover?

The initial franchise agreement is for 5 years and is renewable ad infinitum for further 5 year periods subject to agreement.

How Are The Monthly Royalty Payments Made?

The very first monthly royalty fee of £195 is payable by cheque or direct bank transfer at the time that the franchise owner returns the signed contract. All subsequent monthly royalty fees are payable by monthly direct debit or standing order.

Will I need a special vehicle?

No. Unlike some pet care firms who advertise their services by way of liveried vans and uniforms (hence alerting the whole neighbourhood to the fact that the householder is away), our personal service is discrete and confidential. We arrive in a normal car, dress normally and keep our arrival and departure

low-key. This gives you total flexibility with regard to the vehicle or vehicles that you use in the business. Because you will only be carrying a small amount of equipment, virtually any vehicle will be suitable so long as it is reliable.

You mention that franchise owners will have the benefit of "State-of-theart operational software to manage the business". What exactly is this?

The Home Loving Cats Service Scheduling System is a state-of-the-art customised, computerised management system which has been specially developed at considerable expense for the benefit of all Home Loving Cats franchise owners.

It is very user friendly, easy to use and will make your job easier and save you time compared to an outdated, old-fashioned manual paper system. You will also be able to access your system from any internet-connected computer anywhere in the world. So if you wish, you can keep in touch with your customers and respond to enquiries when you are on holiday!

Within the system you are able to create contacts, find contacts, update contact details, send quotes, create bookings, amend bookings, check your booking schedule, check fee totals and other financial information.

You will quickly get used to using it and begin to see its convenience and many benefits, especially when your work schedule becomes extremely busy.

Is this a "real" business that will stand the test of time?

Absolutely. Many so-called "businesses" are gimmicks, fads and trends – here today, gone tomorrow. There will always be millions of cats in the U.K. and more and more owners want them to be cared for at home, so cat sitting is very much here to stay.

Furthermore, many franchised businesses are boring and uninspiring, and are unlikely to have you leaping out of bed in the morning! Do you really want a future that involves unblocking drains, removing chips from cars, cleaning carpets, selling accountancy services or being a lettings agent?

If you share our personal philosophy, beliefs and values, you already know that life has to be about more than just making money.

When you earn your living on a "treadmill", doing something that brings you little satisfaction, life is meaningless, and in such circumstances, it is hard or impossible to get through testing, tough or difficult times. Whereas if you build a business that you feel passionate about, it is easier to keep yourself going through challenging times because it is your passion, enthusiasm and love for your work that drives you on. If you are bored, time drags on forever, whereas if you are totally inspired by your work, work becomes play and time absolutely flies.

Is there any competition?

Yes and no.

"Yes", in the sense that there is always competition. If there wasn't any competition, you would be in the wrong business since that would mean there was no demand for our service. But with around 8 million cats in the U.K, the truth is that there are not enough pet care companies around to satisfy the growing demand for pet care services. We frequently receive emails and phone calls from people in other areas where they are struggling to find a service similar to ours.

However, "No" in the sense that much of the so-called "competition" operates on part-time "cottage-industry" basis, are poorly organised, are unprofessional in the way they operate, and are often "here today and gone tomorrow".

By contrast, Home Loving Cats operate to the highest professional standards. We are already extremely successful with a 6 year track record of achievement, are permanently in the market for the long term and are committed to the building the network for the mutual benefit of all franchise owners.

Is it hard work?

Yes and no. Hard work only in the sense that you've got to put time in to your business. You have to get up in the morning and make your visits. You have to respond to enquiries and check your emails. But if you're like us, looking after pussy cats isn't a "job" – it's your passion and hobby, and your Home Loving Cats business is your pride, your joy and your pension plan! When you're doing something you love, "work" becomes "play" and time has no meaning.

Wouldn't you like to live every day of your life like that?

Is it difficult to operate a Home Loving Cats franchise?

It's not very difficult, but you really need to know what you're doing, and you need to avoid the many mistakes that people starting a business often make. It's not enough to just be passionate about cats; you also need to be committed to building a long-term business, you need to be fairly conversant in use of a PC, you need to be extremely organised, you must be a friendly yet professional communicator and you must be willing to learn our methods and procedures. And you must be focussed and determined to succeed.

If I become a Home Loving Cats franchise owner, how quickly could I get started

We could have you operational in just a few weeks.

What if I cannot start immediately, but I want to start in say, a few months time?

A delayed start is possible. However, it is important to commence an application immediately (an application does not commit you in any way), because once your particular area has been taken by someone else, you have lost a once-in-a lifetime opportunity to join the Home Loving Cats network.

Is this a good time to start a business?

<u>Any</u> time is a good time to start a business – so long as that business is sound, profitable and enjoyable.

Welcome to the golden age of mankind. This is the best time in all of human history to be alive, and it's only going to get better in the years ahead. More men and women are starting more businesses, in more areas, offering more diverse services than ever before. For individuals willing to take control of their lives and create their own destiny, there are truly exciting times ahead but only for those prepared to take decisive action and "make things happen".

You don't have to do what you've done for the last 10 or 20 years. You can decide to do something else, something new, <u>today</u>".

Right <u>now</u>, today, with no obligation, you can make a decision to apply to become the Home Loving Cats carer for your area.

Or, you can stand back and allow someone else to take that unique opportunity to build the business of their dreams.

What will you decide to do?

What's The Next Step?

Please turn to the next page.

Please complete the application form and email it back to us.

(The application form is not a contract nor does it commit you or Home Loving Cats Limited in any way. The information you provide is in STRICT CONFIDENCE and will be used only to enable us to assess your suitability and to help us give you the best possible advice and assistance).

We will then be in touch.

This could be the first step to a fantastic new life where you will truly be in charge of your own destiny and your own happiness!

Best regards

Paul & Yolanda Ravenscroft

Directors Home Loving Cats Limited



Company Information

Name	Home Loving Cats Limited		
Registered Address	54 Brown Avenue Church Lawton Stoke-on-Trent ST7 3EP		
Registration Number	06422633		
Directors	Paul Ravenscroft Yolanda Ravenscroft		



The Founders

Paul and Yolanda Ravenscroft are authorities in cat care and behaviour, and live in Church Lawton, Cheshire, with their four cats.

Paul has spent most of his working life in marketing, and ran his own management consultancy for over 10 years, advising companies on marketing strategy. He is an authority on internet marketing.

Yolanda has spent most of her working life within the training sector, specialising in information systems and computerised learning systems.

In addition to continuing to run their own cat sitting business in their own area, they concentrate their business efforts on the Home Loving Cats franchise operation and are totally committed to helping their franchise owners develop fulfilling and successful businesses over many years to come.

In their leisure time they like to travel, and are keen skiers in the winter.

They are not religious, but they do believe that we should all contribute to the common good and help others wherever possible (both humans and animals). Their main charitable interest is in helping dog and cat rescue organisations outside of the UK, especially in Thailand. To see photos click the following link: (if asked, click "allow").

http://www.homelovingcats.com/animal-rescue