

# FranCompare<sup>TM</sup>

## PET SERVICES FRANCHISORS - 2019 FDD SURVEY & IN-DEPTH ANALYSIS

### Camp Bow Wow

**Legal Name: Camp Bow Wow Franchising, Inc.**

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#### Summary

Franchised Units	151
Company-Owned Units	<u>12</u>
Total Operatng Units	163
Average Total Investment Per Unit	\$1,118,250
Average Franchise Fee	\$50,000
Royalty	7.0%
Term of Initial Contract (Years)	10
In Business Since	2000
IFA Member	Yes

Weighting for Primary FDD Variables (300 Points)	Item #	Actual FDD Data	FC Score	Your Score	Max. Score
<b>Key Unit Investment Variables</b>					
Year-End Total Franchised Units	20	151			
Year-End Total Company-Owned Units	20	12			
<b>Year-End Total Operating Units</b>	<b>Calculated</b>	<b>163</b>	<b>45</b>		<b>50</b>
% of Franchised Units	Calculated	92.6%			
<b>% of Company-Owned Units</b>	<b>Calculated</b>	<b>7.4%</b>	<b>10</b>		<b>10</b>
<b>U.S. Footprint (# of U.S. States)</b>	<b>20</b>	<b>36</b>	<b>35</b>		<b>35</b>
Total Low Investment	Page 1	\$751,000			
Total High Investment	Page 1	\$1,485,500			
<b>Average Total Investment Per Unit</b>	<b>Calculated</b>	<b>\$1,118,250</b>			
Low Unit Size Estimate (Square Feet)	7	5,200			
High Unit Size Estimate (Square Feet)	7	8,768			
Average Unit Size (Square Feet)	Calculated	6,984			
Average Total Investment Per Square Feet	Calculated	\$160			
<b>Average Franchise Fee (Single Unit)</b>	<b>5</b>	<b>\$50,000</b>	<b>12</b>		<b>40</b>
<b>Average Annual Royalty Fee (On-Going After Trial Period)</b>	<b>6</b>	<b>7.0%</b>	<b>60</b>		<b>90</b>
<b>Term of Initial Contract (Years)</b>	<b>17</b>	<b>10</b>	<b>20</b>		<b>35</b>
<b>Term of First Contract Renewal (Years)</b>	<b>17</b>	<b>10+10</b>	<b>20</b>		<b>20</b>
<b>Average Transfer Fee (Single Unit)</b>	<b>6</b>	<b>\$12,500</b>	<b>5</b>		<b>10</b>
<b>Year Incorporated</b>	<b>1</b>	<b>2000</b>	<b>9</b>		<b>10</b>
Franchising Since	1	2003			
Issuance Date of FDD (Issue Date)	Page 1	3/21/2019			

Weighting for Primary FDD Variables (250 Points)	Item #	Actual FDD Data	FC Score	Your Score	Max. Score
<b>Real Unit Growth - Item 20 Performance Analytics</b>					
Base-Year Beginning Franchised Units	20	122			
New Franchised Units Over Following 3 Years	Calculated	34			
Total Franchised Units at the End of Year 3	20	151			
<b>% of New Units Over Base Year Units</b>	<b>Calculated</b>	<b>27.9%</b>	<b>13</b>		<b>40</b>
<b>3-Year Compound Annual Unit Growth</b>	<b>Calculated</b>	<b>7.4%</b>	<b>25</b>		<b>70</b>
<b>3-Year Average Continuity Rate</b>	<b>Calculated</b>	<b>107.4%</b>	<b>115</b>		<b>140</b>

Weighting for Primary FDD Variables (350 Points)	Item #	Actual FDD Data	FC Score	Your Score	Max. Score
<b>Real Unit Performance - Item 19 Unit Financial Analytics</b>					
Company-Wide Average Gross Sales or Revenue	19	\$878,850			
Period Operated	19	Over 12 Months			
Calculation Based on # of Units Evaluated	19	133 of 134			
Calculation Based on Franchised Units or Company-Owned Units	19	Franchised			
% Adjustment *	19 (See Footnote 1)	100%			
Adjusted Average Gross Sales or Revenue	Calculated	\$878,850			
Adjusted Unit Gross Sales Return / Average Total Investment	Calculated	78.6%	70		175
Cumulative 10-Year Gross Sales (Compound at 5% Growth Per Year)	Calculated	\$11,606,785			
10-Year Sales / Average Total Investment	Calculated	10.4	25		75
10-Year Total Royalty Payments	Calculated	\$812,475			
10-Year Royalties / Average Total Investment	Calculated	72.7%	50		50
Detailed Income Statement (EBITDA Is Optimal)		30.0%	15		50

Weighting for Primary FDD Variables (100 Points)	Item #	Actual FDD Data	FC Score	Your Score	Max. Score
<b>Real Financial Strength - Key Balance Sheet Ratios (\$000)</b>					
Ending Date for Financials (Closing Date on Balance Sheet)	Balance Sheet	12/29/2018			
Current Assets	Balance Sheet	\$2,981			
Intangibles & Goodwill *	Balance Sheet (See Footnote 2)	\$24,347			
Other Assets	Balance Sheet	\$18,292			
Total Assets	Balance Sheet	\$45,620			
Current Liabilities	Balance Sheet	\$7,717			
Long-Term Liabilities	Balance Sheet	\$0			
Total Liabilities	Balance Sheet	\$7,717			
Total Shareholders' Equity	Balance Sheet	\$7,717			
Total Liabilities & Shareholders' Equity	Balance Sheet	\$37,903			
Current Ratio (or Working Capital Ratio)	Calculated	38.6%	0		25
Intangibles & Goodwill As % of Total Assets	Calculated	53.4%	4		20
Total Liabilities as % of Total Assets Ratio	Calculated	16.9%	35		35
Long-Term Liabilities as % of Shareholders' Equity Ratio	Calculated	0.0%	20		20

Weighting for Primary FDD Variables (200 Points)	Item #	Actual FDD Data	FC Score	Your Score	Max. Score
<b>Additional Analysis on Real Unit Growth - Item 20 Performance Analytics</b>					
3-Year Total Closures		5			
Cumulative Closures as % of Start of the Year Units	Calculated	4.1%	42		45
Cumulative Closures As % of Total New Units Over 3 Years	Calculated	14.7%	28		45
3-Year Total Transfers		10			
Cumulative Transfers As % of Start of the Year Units	Calculated	8.2%	18		25
Cumulative Transfers As % of Total New Units Over 3 Years	Calculated	29.4%	9		25
3-Year Total Turnovers		15			
Cumulative Turnovers As % of Start of the Year Units	Calculated	12.3%	19		30
Cumulative Turnovers As % of Total New Units Over 3 Years	Calculated	44.1%	3		30

<b>Total Score (Including Item 19 Data)</b>	<b>707</b>		<b>1,200</b>
<b>Total Score (Excluding Item 19 Data)</b>	<b>547</b>		<b>850</b>

**Footnotes:**

- Please refer to the [General Footnotes](#) with regard to Determining Adjusted Average Gross Sales or Revenue. To compensate for the widely differing periods considered in presenting Average Unit Gross Sales, we have assumed that revenues for companies in business for 12 Months are the standard. Depending upon the **Period Operated** noted above, the following multipliers were applied against the Company-Wide Average Gross Sales or Revenue published by the franchisor in Item 19.

Period of Operating Experience	Multiplier Used
12 Months of Operating Experience	100%
24 Months of Operating Experience	95%
36 Months of Operating Experience	90%
48 Months of Operating Experience	85%
60 Months of Operating Experience	80%

- Goodwill & Intangibles include Trademarks.