



# dogtopia.®

daycare • boarding • training • spa

It's the **most** exciting day ever!

## FRANCHISE OPPORTUNITY

Showing dogs  
the **love** since 2002



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**NEIL GILL**  
President & CEO

Welcome to the Dogtopia Franchise Opportunity and thank you for taking the time to learn more about why pet parents love Dogtopia, why the pet sector is so hot and why joining us makes so much sense. Since 2002, Dogtopia has provided exceptional care for dogs and currently operates more than 70 locations in the United States and Canada.

Dogs fill our lives with so much joy – now it's time to repay the favor. At Dogtopia, we have a passion for caring for dogs. Happy, healthy pups are the heart of who we are. We've created a loving place with what dogs want and need in mind. It's got everything you need for your furry family member with award-winning dog daycare, boarding, training and spa services.

Most importantly, our stores have also been the home of very impressive unit economics, including dramatic year-over-year traffic and sales growth in one of the fastest growing industries. The difference is incredibly engaged franchisees combined with an executive management team that has a winning track record and extensive experience with national brands. Our focus on unit success and refinement of our operational and marketing systems has positioned Dogtopia for dramatic growth in the coming years.

Whether you're seeking a new career path or you just want to diversify your business portfolio, Dogtopia offers you an opportunity to do something you'll not only love, but grow into a thriving business. For many, it's a once-in-a-lifetime opportunity to break free from the daily grind and operate a fun, lifestyle business with huge demand in your community. We have prime opportunities available with room to grow.

Thank you in advance for your interest.

Regards,

A handwritten signature in black ink that reads "N. J. Gill".

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DOGTOPIA'S NOBLE CAUSE:

To *enhance* the **JOY** of **DOG** parenthood and enable dogs to *positively change* our world.

## THE DOGTOPIA BRAND MAINIFESTO

**DOGS ARE THE WORLD TO US.** They give us their all every day and expect nothing in return. We're a really **BIG DEAL** to them. So they're a really big deal to us. Big or small. Floppy ears or sloppy kissers.

**AT DOGTOPIA, WE HAVE ENDLESS LOVE FOR THEM ALL.** And we stop at nothing to make sure they're happy, safe and fulfilled even when you can't be there. From our uncompromising **SAFETY STANDARDS** to our extensive **DOGTOPIAN TRAINING**, it matters to us the way it matters to you. Life is too short (even in dog years) to not live it up on the daily. Now you both can. They're always up for a treat and when you're thinking of a place for your pup to play, stay or get pampered, DOGTOPIA is exactly what they'd ask for if they could.

## RULES TO LIVE BY DOGTOPIA-ISMS

WE *Love* life unconditionally like a dog.

WE *STAY* loyal to our pack.

WE *Chase* the absolute highest standards of safety.

WE *PLAY* to our full potential.

WE *Treat* everyday like it's the most exciting day ever.



DOGTOPIA FOUNDATION'S VISION:  
to enable **DOGS**  
to *positively change*  
our world.

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# EXPERIENCED LEADERSHIP



## **Peter H. Thomas: Chairman**

Peter was one of the leading real estate developers and lenders of his time in North America, developing several billion dollars of projects. He bought the franchising rights of Century 21 Real Estate to Canada and developed it into the largest franchise in the world.



## **Neil Gill: CEO & President**

Neil has spent more than 40 years in franchising with international brands such as KFC, Pizza Hut, Brinker International and more than 11 years at Gloria Jean's Coffees International as CEO, opening more than 1000 stores across 39 countries.

## BOARD OF DIRECTORS



### **Riaz Mamdani**

Riaz Mamdani is the CEO of Strategic Group which was founded in 2001. Strategic Group owns, manages and develops office, retail and apartment properties across Canada. Real Estate is Strategic Group's focus, however, it owns and operates businesses in other sectors including construction, building services, oilfield services, hospitality, pet care, agriculture, technology and corporate finance.



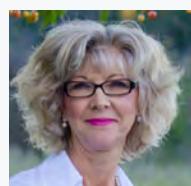
### **Joe Gantz**

Mr. Gantz has extensive experience in corporate senior management and is an experienced and successful investor. In 1996 and 1997, respectively, he played an integral role in the successful turnaround of Seymour Housewares Corp. He served as the chairman and/or CEO of Empire Brushes, Inc., Seymour Housewares Corp. and PECO Pallet. In 1998, he became a founding partner of an SBIC fund focused on investing in creative retail concepts, consumer products and financial services companies.



### **David Lenhardt**

David is the former President & CEO of PetSmart, the largest US retailer of pet food, supplies, and services. He joined PetSmart in October, 2000, as senior vice president of Services, Strategic Planning and Business Development. In June 2013, he was named chief executive officer and in April 2014 he was named president and chief executive officer. David led the strategic review process of PetSmart in 2014, resulting in the sale of PetSmart to BC Partners for \$8.7B, representing the highest equity valuation in the history.



### **Deanna Delyea**

Ms. Delyea is the Controller and Director of several Canadian corporations and charitable organizations. Ms. Delyea is the former Controller of a tire recycling facility and was the Self-Employment Coordinator for a government agency providing business development assistance and loan funds to small businesses. Ms. Delyea has worked for a number of lending institutions as well as an international marketing company.

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# EXPERIENCED LEADERSHIP

## SUPPORT OFFICE LEADERSHIP TEAM

**Alex Samios***Vice President of Franchise Development*

Mr. Samios has been our VP of Franchise Development since January 2016. From 2010-2016, Mr. Samios was Founder/CEO of Wellness Holdings International, LLC a health/wellness franchisor based in Denver, CO. From 1996-2008, Mr. Samios was President of PJ West, LLC, a 34-unit franchisee for Papa John's Pizza based in Orange County, CA.

**Jesse Stiles***Vice President of Real Estate*

Mr. Stiles has been our Vice President of Real Estate since August 2016. From 2013-2016, he was a Franchise Development Leader for Domino's Pizza, headquartered in Ann Arbor, MI. Before that, Mr. Stiles was a Real Estate Manager for Papa Murphy's Pizza headquartered in Vancouver, WA and a Real Estate Manager for Driven Brands, Inc., based in Charlotte, NC.

**Bryan Anderson***Chief Financial Officer*

Mr. Anderson has been our Chief Financial Officer (CFO) since April of 2016. From 2015-2016, he was the CFO for Thomas Pride LP., in Phoenix, Arizona. From 2011-2015, he was the Controller for Entrepix, Inc. in Phoenix, Arizona.

**Shelley Parnell***Vice President of Marketing*

Ms. Parnell has been our Vice President of Marketing since November 2016. From 2014-2016 she was the Senior Director of Marketing & Investor Relations of VisionGate in Phoenix, AZ. From 2010-2014. Ms. Parnell was the Vice President of Marketing for Greater Phoenix Economic Council in Phoenix, AZ.

**Kim Hamm***Vice President of Franchise Operations*

Ms. Hamm has been our Vice President of Operations since September 2015. From 2014-2015 she was the Opportunity Officer of True REST Franchising, LLC headquartered in Tempe, AZ. From April 2012-2014 Ms. Hamm was the Operations Manager for Thomas Franchise Solutions USA, LLC in Phoenix, AZ. Before arriving in Phoenix, Mrs. Hamm was the Director of Operations at Long Beach Lodge Resort in Tofino, BC.

# AWARDS & ACCOLADES

## WE'RE A REALLY BIG DEAL AND OTHERS AGREE



### BEST FRANCHISE TO BUY

Pet Category, *Franchise Times*, Annual Zor Awards (2017)

### TOP FRANCHISE OPPORTUNITIES FOR 2018

*Franchise Business Review*

### ENTREPRENEUR MAGAZINE FRANCHISE 500

#215 rank (2017)

### FRANCHISE TIMES TOP 500

#492 rank, Top 500 by system wide revenue (2016)

### FRANCHISE TIMES TOP 200+ LIST

(2016)

### TOP SATISFACTION AWARD

*Franchise Business Review* (2016)

### 5000 LIST OF AMERICA'S FASTEST GROWING COMPANIES

*Inc.* 500 (2008, 2009, 2010, 2011, 2012, 2013, 2014)

### ENTREPRENEUR FRANCHISE 500

#1 in the Pet Care category (2014, 2015)

### SMARTCEO FUTURE50

(2014, 2015)

### BUSINESS OF THE YEAR FINALIST

Boarding/Pet Day Care Facility Category, *Pet Age* (2014)

### FRANCHISE TIMES NEXT 300

(2013, 2014)

### RETAILER OF THE YEAR

Outstanding Pet Services, *Pet Product News International* (2013)



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# COMPANY BACKGROUND

## ABOUT DOGTOPIA

- Founded in **2002** and franchising since 2005, Dogtopia is the fastest growing franchise in the pet industry!
- Seasoned franchise leadership team and ownership
- **70+** stores open, sustainable growth plans to **400+ stores** by Dec 2021
- **150+ units sold** and in development
- Modern branding and market positioning targeting female millennial pet parents
- 3 Flexible Models: Urban, Suburban, Industrial (3,000 - 12,000 sq. ft.)
- Support: **30 DAYS** of initial training, grand opening and ongoing support
- Turn-key real estate and construction services (Cushman & Wakefield Partnership)
- Industry-Specific Cleaning Protocols
- **World-class branding** = Key partners for PR, digital and social marketing
- Financial strength of franchisor = **100% privately owned, no debt**



Comps sales growth since acquisition



16 years of growth

**TOP PERFORMING**  
franchisee stores average over

**\$1M+**  
IN REVENUE

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# THE INVESTMENT

The estimated initial investment for a dog daycare facility can range between \$601,695 to \$1,322,195. Our targeted investment is \$700,000. This includes the initial franchise fee and costs associated with construction, equipment, training, hiring and initial operations. You should also consider the following financial commitments involved:

**INITIAL FRANCHISEE FEE  
FOR FIRST STORE: \$49,500**

**MINIMUM LIQUID CAPITAL  
OF \$200,000**

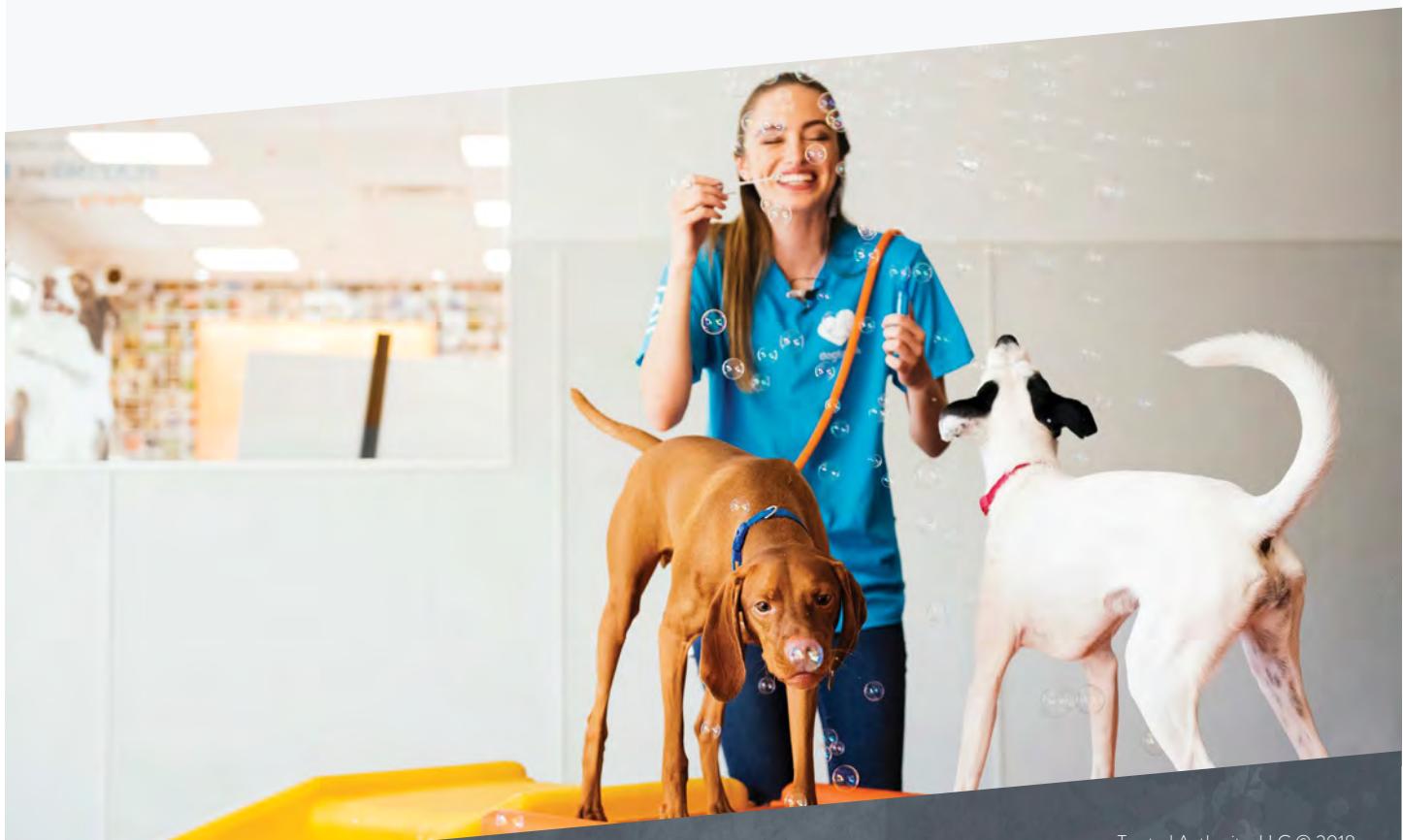
**ROYALTY FEES:  
7% OF SALES**

**PRIME MARKETS STILL AVAILABLE**

**10% VETERAN DISCOUNTS**

**SBA REGISTRY – 70% FINANCING AVAILABLE**

**FLEXIBILITY OF THREE UNIQUE MODELS:  
3,000 - 12,000 SQUARE FEET**



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# THE OPPORTUNITY



## DOG DAYCARE SERVICES ARE HERE TO STAY: RECESSION RESISTANT

According to *Forbes*, an astounding 92% of pet owners spent the same or more on their pets during the most recent recession period. No matter the economy, people love their pets. And more than ever, people are looking for dog daycare and services.

## EARLY DEVELOPMENT OPPORTUNITY

As an emerging brand, Dogtopia is experiencing impressive growth. The demand for our brand, flexibility of our model and the availability of prime territories is fueling our growth. There has never been a better time to join us and be the first to bring Dogtopia to your community. One of the prime benefits of teaming with an emerging brand like Dogtopia is the ability to cherry pick prime markets to open your Dogtopia. You have the chance to own your own Dogtopia where you know people and have connections.

## EXPERIENCED FRANCHISE LEADERSHIP

Our leadership team has had direct experience with some of the top franchise brands like Century 21, Gloria Jeans Coffee, Brinker International, Burger King, Massage Envy, Domino's Pizza and Papa John's Pizza. In fact, the combined franchise experience of our team is more than 150 years. So don't worry, you're in good hands!

## STRONG UNIT ECONOMICS

Dogtopia was one of the early pioneers in the dog daycare industry. That means we've had more than 16 years to refine and perfect our model. We also operate six stores ourselves as company-owned units. We know how to make daycare a profitable and economic windfall.

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# THE PET INDUSTRY IS HOTTER THAN EVER

**\$70**  
BILLION INDUSTRY

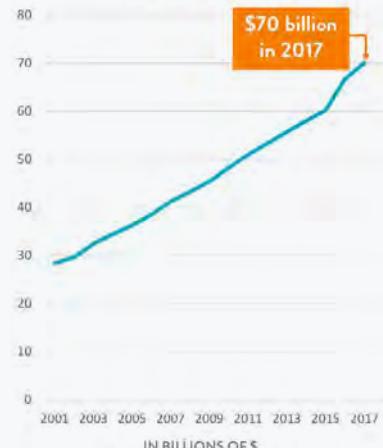


**68%**

of all households in  
the US own at least  
one pet.

 **x 90**  
MILLION  
There are more than  
90 million dogs  
in the US

## TOTAL U.S. PET INDUSTRY EXPENDITURES



## U.S. PET INDUSTRY SALES

IN BILLIONS OF \$



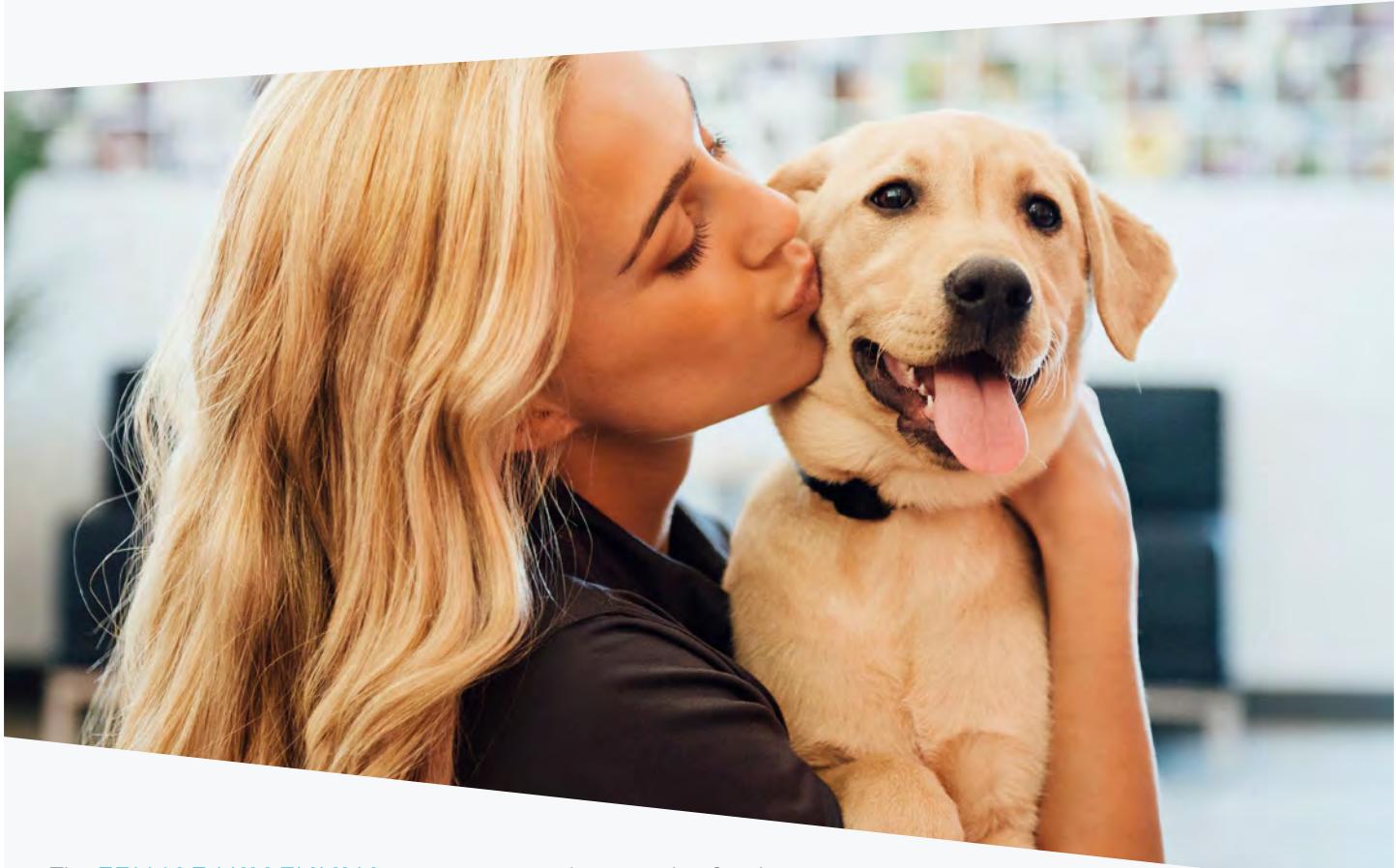
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# WHY DAYCARE?

## HUMANIZATION OF THE DOG

driven by the female millennial opting for furry starter children



- The **FEMALE MILLENNIAL** is an important demographic for this sector for the following reasons:
  - **LARGEST DEMOGRAPHIC** in history
  - **LARGEST PET PARENT** in North America
  - **LARGEST SPENDER** in the Pet Industry in North America
  - **HIGHLY AWARE** of the need to socialize her baby

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# WHY DOGTOPIA?

- **Scalable.** Easy to run + easy to learn = franchisees can grow rapidly into multiple units
- Work-life **BALANCE** = majority of business is Monday through Friday (Limited nights & weekends)
- No inventory = Low Cost of Goods (4%)
- World-class **branding** = Key partners for PR, digital and social marketing
- Financial **STRENGTH** of franchisor = 100% privately owned, no debt
- Recession-resistant, strong demand for our services
- Industry growth projected to be **\$90 Billion** by 2025

## EXPERIENCED FRANCHISE SUPPORT TEAM THAT CONSISTS OF:

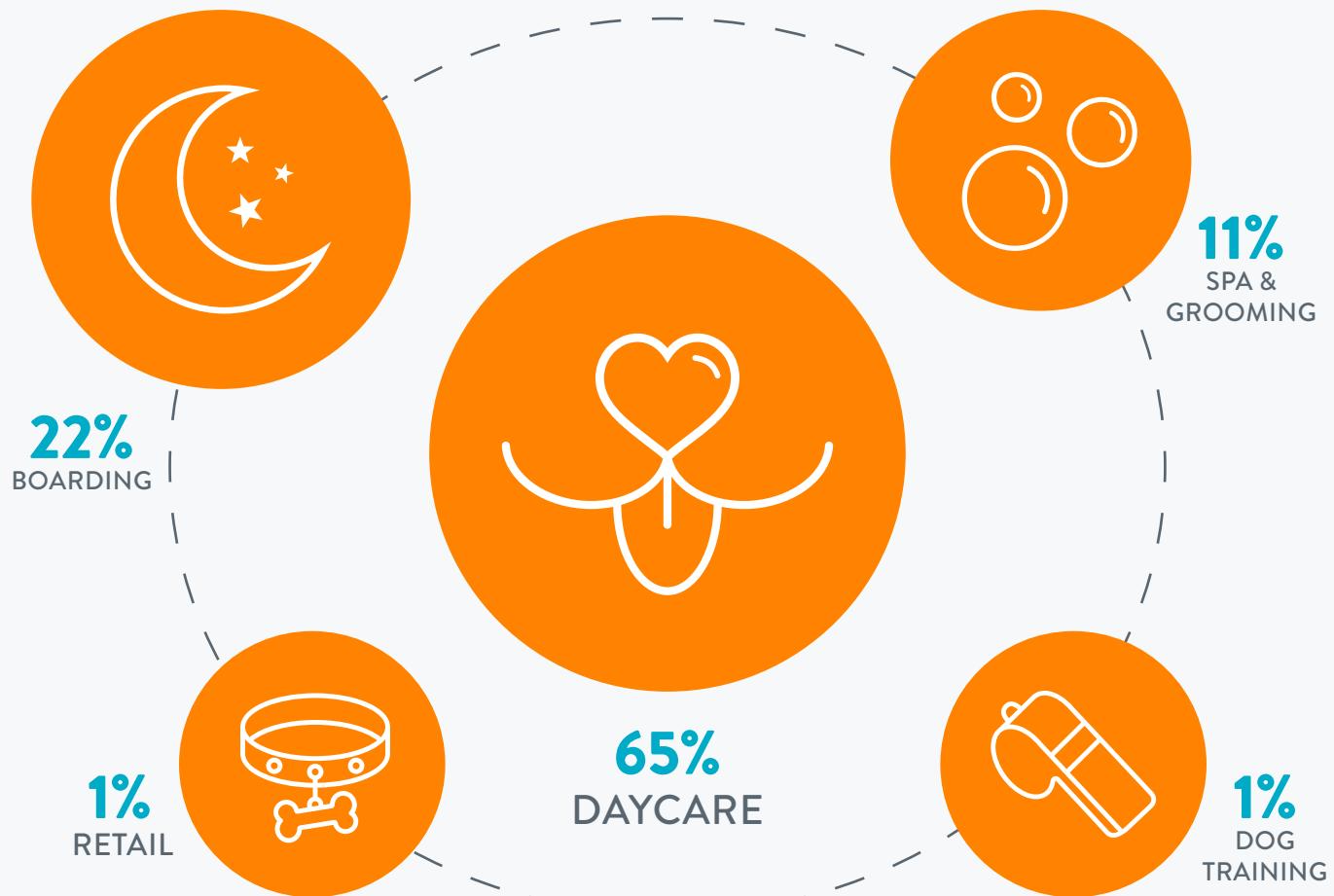
- Chairman, CEO & Executive Team with franchise experience
- Environmental Biologist and Animal Behaviorist
- Senior Instructional Designer
- Certified Dog Trainers
- New Store Opening Support Team
- Franchise Retail and Operations Specialists
- Real Estate Professionals
- Marketing/Branding/Digital/PR Experts
- Industry-Specific Cleaning Protocols
- Leading-Edge Technology Providers



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# REVENUE STREAMS



- **RECESSION RESISTANT**
- Reoccurring, **DEPENDABLE** & consistent revenue
- Average dog attends daycare **2.7X** per week

- **MONDAY - FRIDAY** daycare business = Work-Life balance
- **MILLENNIALS** love daycare

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# LOVE YOUR LIFE EVERYDAY JUST LIKE A DOG DOES

Think about your community, the place you live and love. Now think about bringing that community a heart and soul with high-quality pet care services. Nothing tops creating a source of pride for your community and simultaneously generating revenue for yourself by doing something that you love.

The options for growth are endless: daycare, spa services, training, retail and more. Open the business you've always dreamed of in the place you call home. Better yet, bring the Dogtopia brand to an entire area and take advantage of our discounts on multi-unit purchases.

# LOVE WHAT YOU DO, & YOU'LL NEVER WORK A DAY IN YOUR LIFE

## A BUSINESS YOU'LL FEEL GOOD ABOUT OWNING

This old saying rings true for our Dogtopians, and it could for you too. As a Dogtopia franchisee, you'll spend your days playing with dogs, engaging with pet parents, and fostering valued relationships of trust in your local community. At the same time, you'll be teaching your team members responsibility, the value of hard work, and providing growth opportunities for learning and development within your facility. All the while building a better future for you and your family through business ownership. If that sounds good, a Dogtopia franchise might be the perfect business opportunity for you!

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# OUR DOGTOPIA DAYCARE CENTERS



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# OUR DOGTOPIA DAYCARE CENTERS



Pampered Pups in the Spa



BFFFs Enjoying  
the Sunshine



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# TOP SIX REASONS YOU'LL LOVE OWNING A DOGTOPIA

1

The pet industry is booming.  
Like \$70 billion of boom. That's a lot of bones.

2

Your customers are always super happy to see you.

3

It's a predictable business that's stable and recession proof.

4

One of the fastest growing market segments today.

5

You'll make great money doing something  
that makes you smile.

6

Have your own business  
while still maintaining a balanced lifestyle.

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# FRANCHISEE TESTIMONIALS



The **industry** and demand is **HUGE**, the support is **unparalleled** and the brand growth is **EXCITING**. I'm in this for the **business model**.

MARK WAYNE - Multi-Unit Franchisee Michigan



OWNING & OPERATING a **Dogtopia** is very rewarding. I really enjoy building customer **relationships** by sharing **STORIES** about their dog while they're **in our care**.

AMBER SUTTON - Multi-Unit Owner Woodbridge and Springfield, VA



We decided to be **Dogtopians** because we love the concept and believe it delivers on an under-served business segment. We love animals - **ESPECIALLY DOGS** - and firmly believe that daycare **enriches the lives** of these animals.

JOE AND KELLY SICARI - Owner Scottsdale, AZ



We see the biggest **BENEFITS** as the **growing** selling power, **reputation**, and familiarity of the brand coupled with the ongoing **EXPANSION** and quality of **support** from the franchisor and our peers.

ART PEDIGER & TAYLOR JAMES - Owners Dulles, VA

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# WHAT ARE THE STEPS TO OPENING?

1

## INTRODUCTORY QUALIFYING CALL

During your first call, you will further discuss the Dogtopia Opportunity and cover a few topics, including your motivation, business background and territory of interest. We will be happy to answer any additional questions you have.

2

## FINANCIAL QUALIFICATION AND LOAN APPROVAL

Get approval and pre-qualified for financing.

3

## COMPLETE FRANCHISE APPLICATION

Returning your profile to your representative tells us that you are serious about the opportunity and it gives us a clear picture of your financial and managerial plans.

4

## RECEIVE FRANCHISE DISCLOSURE DOCUMENT (FDD)

Upon receipt of your confidential financial profile, you will receive our Franchise Disclosure Document. The FDD further defines the relationship between us - the Franchisor, and you - the Franchisee. It contains all of the legal responsibilities involved in owning a Dogtopia as well as a copy of the actual Franchise Agreement you will sign.

5

## REVIEW CALL

After receiving and reviewing your FDD, your representative will schedule a time to go over any questions that you may have.

6

## VALIDATION CALLS

Speak to existing franchisees about their experience.

7

## DISCOVERY DAY!

Explore the Dogtopia opportunity up close. See the brand, meet the company's key executives, tour a location, meet a franchisee and learn about our brand and what makes our franchise work.

8

## CHOOSE TERRITORY AND SIGN THE AGREEMENT

Upon mutual approval to move forward as a new Dogtopia franchise owner, you will sign our franchise agreement.



dogtopia.

## CONTACT US TODAY!

602.730.6000 ext 2  
franchising@dogtopia.com  
www.dogtopia.com/franchising