



What's your next  
**project?**

Franchise Information

**inspirations**  
**paint**

WHAT'S YOUR NEXT PROJECT?



# Welcome from the CEO

Inspirations Paint is Australia's largest network of paint stores, supplying 1 in every 6 litres of paint to the Australian market.



“ We have humble beginnings in Newcastle in 1979, back in the days when mission brown and burnt orange were trendy. The franchise started out as a buying group called 3D Paint Stores, to benefit individual paint store owners with greater buying power. Today, I'm proud to boast we are the most successful paint franchise in the country with over 90 franchisees and over 100 stores. We are also franchisee owned which is a unique model that sets us apart from most franchises. Our franchisees are passionate locals who care about our customers and helping them with their paint projects.

If this sounds like a group you want to be a part of, we look forward to discussing opportunities to join the team. ”

Robert Guy, CEO

# Formula for success

## NATIONAL DISTRIBUTION

Inspirations Paint is the only independent group of paint stores with distribution in every state.

## RECOGNISED BRAND

Very strong awareness with trade painters and retail consumer awareness is on an upward trend, having doubled in the past 4yrs [2012-15].

## CLEAR STRATEGIC DIRECTION

Our guiding philosophy of 'personal attention to your painting project' is at the heart of every action we take.

## PROVEN SERVICE LEADERSHIP

Our service-led strategy has resulted in us achieving the #1 Customer Satisfaction ranking\* across all competitors.

## FRANCHISEE OWNED MODEL

The Franchisor is wholly owned by the Franchisees, so profits are reinvested into the franchise rather than extracted for external stakeholders.

## LOW FEE FRANCHISE

As a result of the franchisee owned business model, we have very modest ongoing franchise fees for a very high level of support services from National Office.

## DUAL REVENUE STREAMS

Stores service both the professional trade painter market (via a Dulux Trade Agency) and the DIY retail market.

## MARKET LEADER PARTNERSHIP WITH DULUX

Our strategic alliance with Dulux delivers unprecedented levels of support, lead generation and a portfolio of trusted brands.



## COMMITTED FRANCHISEES

The long tenure and high proportion of multi-store owners is a strong indicator of franchisee commitment to and satisfaction with the group.

\*Based on Brand Navigator National Brand Tracking Surveys 2013-2015



“After a career in construction project management and owning a service station, we purchased our first Inspirations Paint store in 2014 and it has been the best business decision we have ever made. The level of comfort we have with Inspirations Paint and the performance of our store put us in a position to acquire our second store in 2016.”

Matt & Mardi McCarthy, Chatswood & Cremorne NSW

# The Inspirations Paint timeline

Buying group formed with 5 stores in Newcastle NSW

1979

1985

\$1m in annual turnover



\$10m in annual turnover

1990



New leadership team commenced and \$100m in annual turnover

2003

1997

Moved from a buying group to a franchise and Dulux became core paint supplier

**Dulux**

Name change from 3D to Inspirations Paint

2007

**inspirations paint**

Redefined company purpose and positioning around service and a project orientation

2010

What's your next project?



22 million litres of paint sold in 2015

2015

2013

Store redevelopment and brand relaunch

**TODAY...**

Over 100 stores and growing. Are we your next project?



## The business we're in

The Australian paint market is made up of four main categories; decorative paints, woodcare coatings, texture coatings and industrial coatings. The annual volume of decorative paint sold in the Australian market is approximately 120 million litres. Inspirations Paint sells over 22 million litres of paint per annum.

There are four leading manufacturers (Dulux, PPG [Taubmans], Haymes, Valspar [Wattyl]). Inspirations Paint is strategically aligned with Dulux, the market leader.

**In the last 12 months 3,984,000 Australians have painted their home, of these, 54% prefer to shop with a paint specialist store over a hardware store<sup>^</sup>.**

Customers are increasingly going online for project inspiration and our digital platforms are evolving to meet this need. However, customers still need a physical store to visit to get the right products and advice; making an Inspirations Paint store a reliable long term business opportunity.

<sup>^</sup> Roy Morgan Oct14 – Sep15

Working together

# with Dulux

We are proud to have Dulux as our key supply partner. DuluxGroup is an ASX top 100 listed company, which has been a household name since 1918 and in 2015 was ranked #2 most trusted brand<sup>^</sup> in Australia.

Trade sales make up 80% of our turnover and together with Dulux, Inspirations Paint is the leading player in the trade market. This market leadership is facilitated by our stores being Dulux Trade Agents, whereby trade painters can purchase on a Dulux Trade Account and stores have the support of 100 Dulux Trade sales representatives in the field.

We work in tandem with Dulux via our trade agreement to support and grow the trade market.



<sup>^</sup>Readers Digest Trusted Brands Survey 2015



# Reasons to join

## SOMEONE TO LEAN ON

Ongoing support from National Office and your Business Development Manager across HR, IT, Finance, Operations and Marketing as well as support from fellow franchisees at regional and national meetings and via our intranet.

## BUYING POWER

With annual paint purchases exceeding 22 million litres, Inspirations Paint delivers franchisees industry best buying across all categories.

## STEPPING UP

Down the track consider taking the opportunity to join the Inspirations Paint Franchise Advisory Committee (FAC) or the Board of Directors to help shape the future direction of the organisation.

## A MODEL THAT GIVES BACK

We operate a little differently from a traditional franchise model in that every franchisee is a shareholder in the business. This means the high level of support provided comes at a fraction of the cost you would normally expect from an established national franchise. Inspirations Paint has a uniquely strong emphasis on store profitability and sustainability.

## A BRAND TO BE PROUD OF

Consistent branding of an established franchise with a unique selling proposition; differentiated on the basis of personal attention and a project orientation. We love projects!

## EXCLUSIVE FRANCHISE AND TRADE BRANDS

Inspirations Paint unlocks access to high-margin national paint brands including Dulux Professional, Dulux Acratex and Berger Paints, as well as paint accessory brands Dulux Professional, Dulux Excellence, Maverick and Spitfire.

**BERGER**

**Acratex**

**Dulux**  
Professional

**Dulux**  
EXCELLENCE

**MAVERICK**



## What our franchisees have to say

“ I joined the Inspirations Paint family in 2008 and have never looked back. It's a vibrant, innovative, fast moving model with one thing in mind - its franchisees and their success.

I couldn't recommend a more enjoyable, team oriented and professional franchise to become involved in. The support from National Office and other franchisees is only a phone call away.

It's more than a franchise - it's a community that you can't help but get involved in. ”

Colin Rule, Grovedale VIC

“ We have been in our business since 2013 and are continually growing. We have a great small community and have created some wonderful relationships with our trade painters and retail customers alike.

We have a great support team throughout Inspirations Paint National Office including our Business Development Manager and the marketing team that we have regular contact with.

Joining Inspirations Paint has been the best thing we have ever done and we genuinely love what we do when we open our store every day. ”

Erin & Andrew Mclachlan, Grafton NSW

“ Being a smaller regional store we really appreciate the ongoing support we receive.

Our CEO and Board are passionate about the paint industry and keen to support stores and their profitability.

We have a Business Development Manager who works closely with our store and a complete package of resources from National Office to help us operate smoothly and profitably. ”

John & Sharon Watkin, Bega NSW

“ I joined the group in 1986 and have owned multiple stores throughout this time as well as serving on the board for nine years.

A key quality of the group is the willingness of franchisees to assist each other with information or products.

Communication between franchisees is common and encouraged; this attitude can only come from a network of people who enjoy working together.

For anyone seriously contemplating a commitment in the Paint industry, Inspirations Paint is a must to consider. ”

Gary Taylor, Kedron & Newmarket QLD



# Words to live by

Our Guiding Philosophy defines our role in our customers' lives and drives everything we do.

We align our behaviour with our Guiding Philosophy so that customers experience the service we promise.

The way we show personal attention to customers is through our dedication to their painting projects. This project focus makes us different from our competitors and allows us to compete and win in the marketplace.



## Our manifesto

We love your projects.

All projects.

Your big projects. Your little projects.

The completed ones.

The ones you're doing now and the ones you're going to start tomorrow.

We even have a soft spot for your abandoned projects.

We go nuts for kitchen projects. We get amped over bathrooms.

We high-five, fist-pump over your wallpapering the hall project.

We love the smell of paint in the morning.

We love sanding back and scraping off...ok, we don't love those but we're ok about doing them because it means you're doing a project.

And we want to help.

We have loads of ideas. A gazillion to be accurate.

And we want to share. We want to just give ideas away.

**We're Inspirations Paint stores  
and we believe that together we can do amazing things.**

And we can't wait to get stuck in.

What we're

about

We don't sell paint, we provide inspiration.

What we do can't be marked down.

It can't be substituted with a cheap import.

It can't be competed with.

No other company comes close to the knowledge and the dedication of the staff we have working with us.

No other company takes the time and effort to listen and understand their customers the way we do.

Our prices will always be competitive but we're not about cheap paint, we're about priceless advice.

We're not just about giving our customers the right equipment for their project, we're about giving them the confidence and inspiration to make that project amazing.

We're not about paint.

Anyone can do that.

We're about the best service in the market.

Best service



We love the smell of  
**paint** in the morning.  
How about **you?**

We're looking for hard working franchisees, with business acumen and small business / retail experience who share our passion for painting projects and giving personal attention to our customers.

We call this **The CARE Factor** which is about delivering a genuinely personal and attentive experience to our customers on each and every occasion.

#### **CUSTOMER**

Put the customer first in every decision we make. Go above and beyond, always look for ways to help and add value.

#### **ATTENTION**

Be genuinely attentive, listen, ask lots of questions about their project. Find out what they want to achieve and work out the best solution.

#### **RELATIONSHIP**

Go beyond the sale - be their paint project partner. Be contactable to provide advice if they get stuck during painting. Follow customers up to see how their project went.

#### **EXPERTISE**

We don't just know paint, we're experts in painting - share your knowledge freely and generously to help make the customer's project amazing.

# How we help you get started

Your Business Development Manager (BDM) will convey what opportunities exist in the region you're interested in and support you throughout the process.

The opportunity and the plan will depend on the circumstance you're in:

- **PURCHASE EXISTING INSPIRATIONS PAINT STORE**

Your BDM will help with the transition

- **CONVERT TO INSPIRATIONS PAINT FROM OTHER BRAND**

Your BDM will help with interior and exterior conversion including store planning and fit-out design

- **GREENFIELD SITE SELECTION**

Your BDM will help you select your ideal site, negotiate lease terms and determine the franchise footprint

You will undergo intensive induction training at our National Office that focuses on products, systems and technical skills.



## Ongoing National Office

# support



### STRATEGY

Providing the long term vision for the company and navigating its growth through the competitive landscape and the ever changing business environment.



### OPERATIONS

Each store has a dedicated Business Development Manager who is the primary contact for day-to-day operations and business planning.



### HUMAN RESOURCES

Providing confidential and considered advice and support for all your staffing needs including learning and development, Workplace Law compliance and Workplace Health and Safety.



### FINANCE AND ADMINISTRATION

The majority of stock purchased by stores is from centrally invoiced suppliers and is therefore charged to stores on a single account at the end of the month. Our team is on hand to assist with any issues with supplier invoicing and answer any questions you may have.



### MARKETING

Full service support including: advertising (media strategy, buying and creative production), promotions, Paint Club loyalty program and digital (website and social media).



### INFORMATION TECHNOLOGY

Stores are supplied with both the hardware for point-of-sale and a fully integrated business system that is supported by our dedicated team at National Office.



### COMMUNICATION

Communication platforms allow for 2-way communication through The Hub (intranet), Franchise Advisory Council (FAC) and various face-to-face forums including: the Biannual National Conference, Regional Meetings and Study Tours.



“Since purchasing our franchise in 2013 we have found great support from National Office within all areas of the business. Our Business Development Manager is really involved and guides us through the many areas you need to focus on when trying to run a professional business operation.

When you're a small business having this support from experienced people is great, as it allows us to drive the business forward in the most efficient manner.”

Warren & Natalie Kelly, Forster NSW



Supporting the community

# Paint for a Mate

Together with Berger Paints and Legacy Australia we are a proud supporter of the 'Paint for a Mate' project, where our stores manage a team of volunteers to repaint the home of a Legacy family who have fallen on hard times.

Since 2013 we have repainted 18 homes and brought both smiles and happy tears to the faces of many Legacy families.

To learn more about 'Paint for a Mate' visit [www.InspirationsPaint.com.au/pfam](http://www.InspirationsPaint.com.au/pfam)





Supporting sport

# Newcastle Jets

We are the major sponsor of the A-League's Newcastle Jets football team.

Many of our stores support sporting teams locally and it's an endeavour that fits with our culture of being locals who care.

So nationally we wanted to support a code that reaches Australians everywhere we have a store; from Newcastle to Nerang to Nunawading. We have been on board since 2015 and are looking forward to a successful season in 2016 and beyond.



MAJOR SPONSOR OF NEWCASTLE JETS



# Financials

## INVESTMENT REQUIRED

The initial outlay will vary with each location, market and whether you're purchasing an existing store or setting up a new store.

Typically a new store will cost approximately \$250K - \$750K ex GST (typically comprising fit out and equipment = \$120K - \$250K and stock \$150K - \$500K) plus working capital up to \$100,000 ex GST and this will provide you with tools to kick start your business; store fit-out, initial stock, business management system, stationery, uniforms, store opening advertising and the required painting and signage to meet the corporate standards.

Typical costs for establishing and operating an Inspirations Paint franchise are contained in the Inspirations Paint Franchise Disclosure Document.

Your Business Development Manager (BDM) will take you through the opportunities available in your area and give you an indication of the initial investment required.

## INITIAL FRANCHISE FEE

- \$5,000 ex GST

## ONGOING FEES

There is an ongoing fee for the provision of business services, IT and marketing:

- Business Service Fee: typically <1%
- Advertising & Promotion Levy: typically <1%
- Regional Advertising Fund: \$500-\$1500 ex GST per month (depending on region)
- Business System Fee and Support: ~\$600 ex GST per month

## MORE IN YOUR POCKET

Inspirations Paint is one of the best value franchises in Australia with comparatively lower initial fees and ongoing monthly fees.

Our model aims to provide the resources required to support your business at a much more modest price, putting more back in your pocket.

# What's your next step?



Get the ball rolling and complete the Expression of Interest form today at [www.InspirationsPaint.com.au/franchise](http://www.InspirationsPaint.com.au/franchise)

If you have any questions please contact Inspirations Paint National Office on 1300 368 325.