

# BatteriesPlus+

Power it. Light it. Fix it.



OVER 700 LOCATIONS

**30+**  
YEARS

SNOW



[batteriesplusfranchise.com](http://batteriesplusfranchise.com)



Despite the challenges of 2020/21, forward thinking, planning, preparation and seeking out supply chain workarounds meant that Batteries Plus entered a period of accelerated growth. Investors noticed what we knew all along: Diversifying your franchise portfolio just makes sense. Known for being stable and practical, with essential products and services available to both businesses and retail customers, Batteries Plus won big in 2021 boasting the largest sales year in the history of the company. And that's something investors appreciate.

"We knew no matter the severity of the new circumstance, it was our responsibility to lead. We didn't wait for the playbook, we made the playbook," Batteries Plus CEO Scott Williams explained.

Batteries Plus has become an essential business, and essential businesses are the future of franchising. By providing products and services that consumers and businesses cannot do without, you're better able to weather economic downturns and remain viable in the face of global instability.

Think about it for a moment. Before the pandemic, restaurants, hotels and fitness franchises were top performers. Over the past couple of years, however, we've learned just how quickly those services can be phased out of consumers' lives. But by offering batteries for everything from wheelchairs and mobility scooters, to thermometers and flashlights, as well as lighting, cell phone repair and key fob replacements, a Batteries Plus franchise can not only tolerate economic shifts but grow as a result of them.

"It's no secret that the last two years brought a lot of challenges. But along with these challenges came plenty of opportunities," said Williams. "Our stores were deemed essential businesses which allowed them to remain open and continue to meet customer needs at a time when health and safety were a top priority. The stability of our business model quickly became apparent and entrepreneurs across the country took notice."

In 2021, Batteries Plus signed 89 new franchises, adding 22 new locations to our system's network of 700+ specialty retail stores. The agreements represent a healthy mix of single and multi-unit growth, with eight current franchisees signing on to open 19 additional stores, and 28 new franchisees who will be opening 60 stores.

Current and new Batteries Plus franchise owners alike have been inspired by our brand's performance last year and are helping to keep the momentum going, with 2022 shaping up to be another exceptional year of growth. Our focus for the brand has always been, and will remain, maintaining competitive advantages in order to protect long-term profits and market share, and to help our franchisees flourish. We'll continue to thrive in an evolving market because we're always ready and willing to accept changes and adapt accordingly.

Our CEO summed it up best: **"Leaders need to be forward-thinking and position a company for what's ahead."**

**Batteries Plus is doing just that.**

# WHO IS BatteriesPlus+

## HOW DID IT START?

Batteries Plus is the nation's largest and fastest-growing battery, light bulb, key fob and phone/tablet repair franchise. Over the past three decades, our company has grown from a single location in Green Bay, Wisconsin to a nationwide network of more than 700 stores.

Started in 1988, by two guys who wanted to sell every kind of battery. We started franchising in 1992. That owner is still with the system today and owns 12 stores with his family. His son is poised to take over his stores.



# WHO IS BatteriesPlus+

The increasing demand for “specialty” and replacement batteries, combined with our reputation for solving battery problems and providing expert advice, has led to our rapid success and expansion. In 2010, we refined the model of the all-battery franchise concept by adding light bulbs to our product line. In 2014, we launched smartphone and tablet repair services nationwide, providing in-store repairs for cracked screens, battery replacements, and more. By 2020 we were replacing, repairing, and programming key fobs, key cutting, and offering smart home solutions.

Batteries Plus has been named to The Entrepreneur Franchise 500 for 29 years in a row, Franchise Times Top 200 consistently for 10 years, and countless other awards.



# THE TOTAL ESTIMATED INITIAL INVESTMENT

New franchisees will spend an estimated \$221,813 - 423,831 on opening their store – many of them opt to finance a portion of this cost. What do they get when they make that investment?



## THE INITIAL FRANCHISE FEE

The total investment includes a one-time franchise fee of **\$15,000-44,500**

The franchise fee is one of the most valuable parts of the franchise investment. It grants you the right to operate under the Batteries Plus brand name, unlocks our proven business model, and allows you to leverage countless resources to simplify operations.

Some prospective investors wonder why they should join a franchise when they could start a battery store of their own and avoid the franchise fee. The truth is all of the perks we listed above allow you to start seeing faster returns on your investment while maximizing profitability. Furthermore, you'll have a team of experts standing behind you, wanting to see you do well. In that respect, the franchise fee more than pays for itself.



## LEASEHOLD IMPROVEMENTS

We've built up to **\$79,143** in leasehold improvements into the estimated total investment. The amount you'll spend will vary, depending on how much work is needed to transform your space into the perfect Batteries Plus storefront. This part of the investment covers things like remodeling, new flooring, and other improvements.



## INITIAL MARKETING CAMPAIGN CONTRIBUTION

You will spend between **\$15,000-20,000** on marketing your new business. You'll need to generate a buzz around your grand opening, and the Batteries Plus team knows how to get the best results for your marketing spend. With ready-made marketing collateral and years of experience fine-tuning our own campaigns, we're ready to guide you toward creating the perfect strategy to drive customers to your business.

# ITEM 19 AND PERFORMANCE STATS



THE TOP THIRD OF STORES IN OUR SYSTEM AVERAGE  
**18.7% EBITDA\***



THE NET REVENUE OF THE TOP 50% OF OUR STORES AVERAGES  
**\$1,179,552\***



AVERAGE NUMBER OF EMPLOYEES PER STORE IS  
**4-7 EMPLOYEES**



AVERAGE UNIT VOLUME (AUV) ALL FRANCHISE LOCATIONS  
**\$864,108\***



WAGES AND COMPENSATION FOR THE TOP THIRD OF STORES  
**13%\***



AVERAGE COST OF GOODS FOR THE TOP THIRD OF OUR STORES IS  
**50%\***



GROSS MARGIN  
**52.84%\***



TOP 10% OF FRANCHISE LOCATIONS  
**\$1,893,562\***



OUR AVERAGE MULTI-UNIT FRANCHISEE OWNS **4+ STORES**

\*The \$864,108 in average net revenue is based on net sales information of the 564 Batteries Plus® stores in operation during the entire 2021 calendar year. Of the 564 stores, 222 stores (39%) met or exceeded the average net revenue. The \$1,005,700 in average net revenue is based on net sales information of 423 Batteries Plus® stores in the top 75% of the 564 Batteries Plus® stores in operation during the entire 2021 calendar year. Of the 423 stores, 157 stores (37%) met or exceeded the average net revenue. The average net revenue of the 423 Batteries Plus® stores in the bottom 75% of the 564 Batteries Plus® stores in operation during the entire 2021 calendar year was \$663,482. Of these 423 stores, 202 (48%) met or exceeded the average net revenue. The \$1,179,552 in average net revenue is based on net sales information of 282 Batteries Plus® stores in the top 50% of the 564 Batteries Plus® stores in operation during the entire 2021 calendar year. Of the 282 stores, 99 stores (35%) met or exceeded the average net revenue. The average net revenue of the 282 Batteries Plus® stores in the bottom 50% of the 564 Batteries Plus® stores in operation during the entire 2021 calendar year was \$548,663. Of these 282 stores, 145 (51%) met or exceeded the average net revenue. The \$1,893,562 in average net revenue is based on net sales information of 56 Batteries Plus® stores in the top 10% of the 564 Batteries Plus® stores in operation during the entire 2021 calendar year. Of the 56 stores, 17 stores (30%) met or exceeded the average net revenue. The average net revenue of the 56 Batteries Plus® stores in the bottom 10% of the 564 Batteries Plus® stores in operation during the entire 2021 calendar year was \$356,384. Of these 56 stores, 31 (55%) met or exceeded the average net revenue. The 18.7% EBITDA is based on the average EBITDA for all 564 Batteries Plus® stores in operation during the entire 2021 calendar year. The 52.84% average merchandise margin is based on the average merchandise margin for all 564 Batteries Plus® stores in operation during the entire 2021 calendar year. There is no assurance, however, that you will do as well. See Item 19 of our 2022 FDD for further details.

# INDUSTRY AND PARTNERSHIPS

## MULTIPLE INDUSTRIES



**Battery  
Industry**



**Car Accessories  
Industry**



**Key FOB  
Industry**



**Lighting  
Industry**



**Phone Repair  
Industry**



**Smart Home  
Industry**

## MULTIPLE PARTNERSHIPS

- » Samsung ISP (Launched March 2021)
- » WISE Certification (Launched 2019)
- » Toys For Tots (donation in partnership with Duracell® December 2021)

# LEADERSHIP PROFILES



**JOE MALMUTH**  
CFE, VP OF FRANCHISE  
DEVELOPMENT AND  
RELATIONS

With proven success developing 26 franchise brands across multiple industries, Joe Malmuth brings over 15 years of experience, progressive thinking, motivation, and enthusiasm to the world of franchising. Known for his unique ability to seamlessly blend the art and science behind a revenue building franchise development program, Joe has been instrumental in the accelerated success of many world class and innovative brands.

With his involvement in the International Franchise Association in addition to his role as a board member with the Titus Center for Franchising at Palm Beach Atlantic University, Joe has contributed to the development and mentoring of many people within the franchise community. He continues to advocate for stronger franchisor transparency and community involvement, with the goal of building better franchise opportunities.

In his current role with blue chip franchisor, Batteries Plus, Malmuth, Vice President of Franchise Development, oversees the entire franchise system both domestically and internationally. In his first 12 months with the organization, he has successfully guided the growth of the franchise system through the COVID-19 pandemic with over 45 new store signings and significant increases to the already strong financial performance and success of their franchisees.



**JON SICA**  
CHIEF BUSINESS OFFICER

Jon manages all franchising, development and strategic operations at Batteries Plus and is directly responsible for identifying and cultivating the strategies that will keep Batteries Plus a thriving national brand that's continually poised for growth. He works to assist both prospective franchisees and new store owners, and leads the corporate strategic planning practice and oversees a number of enterprise-level projects.

Jon joined Batteries Plus in April 2019. Prior to this, Jon served as Group Director of Business Operations at Whataburger where he was responsible for segment planning and production, acquisition integration, enhancing franchisee communication, and implementing improvements to segment operations. Prior to this, he held a number of leadership positions during his almost 10 years at Cabela's, opening new commerce channels and spearheading initiatives to improve company profitability more than \$130M. He was also instrumental in Cabela's \$5B transaction to Bass Pro Shops in 2016, helping achieve a purchase price that was about a 20% premium to market cap at the time.

"The power of the franchise model has always been core to the vision of Batteries Plus. Franchisees allow our brand to serve hometowns across America with authentic local experts and a level of personal service that is unmatched in the market today. Combine those advantages with our growing industry segments and omni-channel strategy, and you have a fantastic investment opportunity for new owners and established portfolios."



**SCOTT WILLIAMS**  
CHIEF EXECUTIVE OFFICER

Scott is a highly accomplished executive with over 25 years in retail and e-commerce, who joined Batteries Plus as the company's CEO in January of 2019. Scott was selected due to his perfect combination of experience, expertise and vision. Prior to Batteries Plus, Scott held a number of positions at Cabela's, including President of Cabela's Inc., Executive Vice President and Chief Commercial Officer. During his six-year tenure, Scott's achievements included driving significant results by improving retail operations, revamping marketing, as well as many others. Prior to Cabela's, he held senior management positions with Fanatics, Samsclub.com, and OfficeMax.

"As folks look at our Franchising opportunity, I want them to know several things. First of all, I joined this organization thinking about growth, thinking about high-level customer service, and thinking about making our franchise owner network very successful. We've consistently been able to invest in the business, we've consistently been able to roll out new product categories and new services and be able to evolve the brand. I want them to know that is going to continue in the future. We see the opportunity to go from 740 stores to 800, 900, 1000, with opportunities that bring us more and more coverage, more and more success for multi-unit franchisees and more and more buying power to bring increased margin and profitability to the franchise owner."



# SINGLE UNIT OWNER STORY



## HUSBAND-AND-WIFE DUO ACHIEVE THEIR DREAM LIFESTYLE AS BATTERIES PLUS FRANCHISEES

Batteries Plus franchisees Brenda and Rick Phipps are well-acquainted with the world of franchising. With over 30 years of combined experience as franchise owners, the pair has become an example of hard work and dedication within the Batteries Plus franchise system. Prior to becoming a Batteries Plus franchisee in 2006, Rick was the owner of multiple automotive franchises in Virginia Beach, VA. While there, he operated 21 stores and oversaw 300 employees for 14 years before selling the business in 1998. Shortly after, Rick met Brenda, who was working as a flight attendant at the time, and the two sought franchise opportunities together. “I’ve always been an entrepreneur and Brenda was exposed to that when we met,” Rick said. After searching for a new laptop battery one day, Rick was led to a Batteries Plus and the rest is history.

### AN UNEXPECTED OPPORTUNITY

As a loyal Batteries Plus customer, Rick became interested in the business and started to explore investment opportunities. “I was looking for a much smaller, simpler business to operate and Batteries Plus met those parameters,” Rick explained. When the two learned there were no Batteries Plus franchise opportunities in their area, they searched for the closest available location. “We had just had a very cold winter in Virginia Beach and we loved warm weather and fishing, so we decided to move down to Florida,” Brenda said. The Phipps’ signed a three-store, five-year buildout development agreement in 2005 and got to work.

### THE EARLY YEARS

The pair opened their first Batteries Plus location in Lake Worth, Florida in 2006. “We both like to do different things, so we split up the work to reflect that,” Rick said. Brenda is more hands-on with the employees and frequently works in the stores, handling banking, hiring and some advertising while Rick communicates with corporate and handles all the legal, accounting and billing. The two opened their second location in Lake Park, Florida in 2010 and their third location in Royal Palm Beach, Florida in 2011. During the first five years in business, Rick and Brenda were hands-on with day-to-day operations and training employees at each store. They learned how to balance their marriage-work-life balance early on.

### BLENDING MARRIAGE AND BUSINESS

“You have to recognize what your strengths and weaknesses are,” Rick said, explaining how they balance working together. “Recognize the areas you enjoy working in. The things you don’t enjoy, you just divide amongst yourselves.” Dividing the work, making sure they had personal time and working at different parts of the day in different locations are just a few ways the couple balances marriage and business ownership.

“You have to learn how to work together as a team, which is essentially what marriage is,” Brenda said. “We probably talk about work more than we should, but it’s okay because we have the same goals.” While working together might bring challenges, the two acknowledge that it’s easy when you have a good partner. “We also enjoy doing the same things when we’re not at work,” Brenda explained.

### A NEWFOUND FREEDOM

The two wouldn’t trade their current careers for anything else. Becoming retail franchise owners has allowed them the opportunity to enjoy more family and vacation time thanks to the flexibility and freedom of owning their own businesses. In their free time, the Phipps’ enjoy soaking up the sun by sportfishing and boating with their twin daughters. “When you live somewhere where you do the things you enjoy doing, it makes it so much easier,” Brenda said. With the freedom to make their own schedule, working where they want and when they want, they have more time to be present with their family. “Now I get to pick up my little girls from school, which is one of my favorite things to do,” Rick said.

### THE PRODUCT OF HARD WORK

In order to achieve their work-life balance, they needed to build a strong team. The Phipps’ recipe for success is simple: lead by example and be honest. With several employees having served long tenures, including their regional manager who’s been with the franchise for 15 years, Rick notes the importance of being faithful throughout the process. “There’s no magic formula. You have to get up, go to work and work hard. Don’t micromanage, and allow people to make decisions,” Rick explained. In addition to leading by example, Rick and Brenda pride themselves on team building and offering their employees competitive pay and in-depth, hands-on training. “Prior to getting into this business, we didn’t know anything about batteries either,” Rick explained. Batteries Plus prides itself on equipping all employees with the necessary tools and resources to succeed. “We always want to be honest with our customers,” Rick said. “I teach our employees to never sell the customer something they don’t need,” he said. Being honest with customers and solving their problems on the spot will lead customers to trust Batteries Plus as a key resource each time they need something, Rick explained. “Always do what’s right even when no one is looking and the customers will continue to come back,” Rick said.

# MEET DANNY MOOS AND BRUCE MAVIS OF COBBLESTONE GROUP II LLC



**A BATTERIES PLUS MULTI UNIT OWNERSHIP TEAM WITH 14 STORES OPEN AND 10 IN DEVELOPMENT, AND ON TRACK TO BECOME OUR LARGEST FRANCHISEE.**

## **WHY DID BATTERIES PLUS BECOME PART OF YOUR INVESTMENT STRATEGY?** **DANNY MOOS**

We like businesses that have a multi-faceted approach, with a retail and commercial component. We liked where the brand is — it's established, not a startup, but it hasn't gotten so large that the opportunities are limited. So, we think we've come in at the right time! But what most impressed us is that everyone we came into contact with, starting with the franchisees all the way up to the most senior levels of the organization, are all very, very classy people. Batteries Plus just fits with our personalities.

## **BRUCE MAVIS**

I recommended Batteries Plus to Danny because of what I had read about the way the brand as a franchisor wanted to work. It's a lock-step partnership. If we grow, you grow and if you grow, we can grow. So, the opportunity to get the expertise from corporate was one of the reasons I thought this would be a great fit as an opportunity.

## **WHAT WAS IMPORTANT TO YOU?** **DANNY MOOS**

We started looking at the business pre-COVID. Then COVID hit and what impressed me was that we were able to maintain a good dialogue — the franchisor was very responsive. They were sensitive to my concerns about COVID, and I never felt rushed. I've been in other franchise businesses, and everyone was always like, "let's get to the end." But I needed to do this at my own pace. With Batteries Plus, it was always, let's do it the right way.

## **BRUCE MAVIS**

We were very quick to pull the trigger on the three stores in Vegas, yet when we looked at it at the beginning of March, knowing we would acquire in two weeks, we came back to the owner of the other two stores knowing we couldn't do all five at one time. Working with corporate we moved it out a month, which fit in better with the strategy.

## **WHAT ARE YOUR GOALS IN THE SYSTEM?** **DANNY MOOS**

One of the things that I've learned, that I believed pre-COVID and that I believe even more, is that maintaining a quality workforce is critical. We need to be at a size that I can provide real opportunities for employees, so that they're excited about working and it's not just a job, but a career. I'd like to become an enterprise that can provide opportunities for people, and we have intentions of cross-training our staff. We're long term players and I think Batteries Plus provides opportunities for a more stimulating work experience.

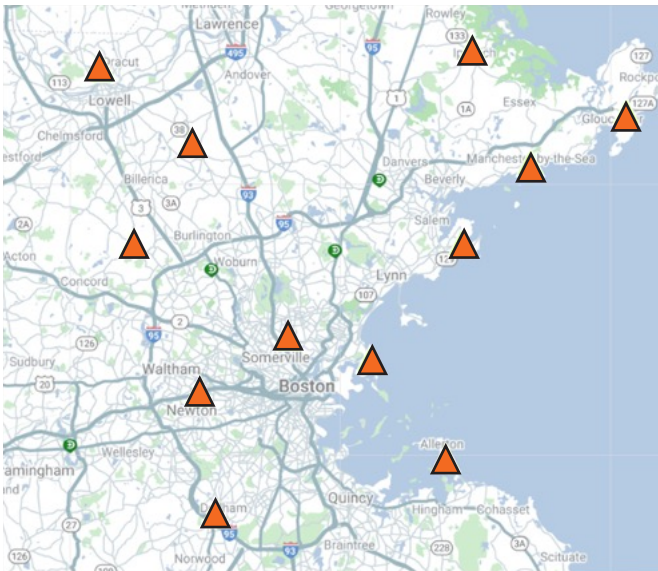
## **BRUCE MAVIS**

We want to grow the number of stores and get to becoming a good-sized organization, so that in any one store there is a corporate contribution to our overhead. We want to provide employees with opportunities, to encourage individual growth, and there are some unique opportunities with Batteries Plus that we can offer. We can provide employees with additional earnings that are beyond their base pay. They can earn commission on some items. That's money that just gets added on and contributes to the feeling that the company is invested in them.

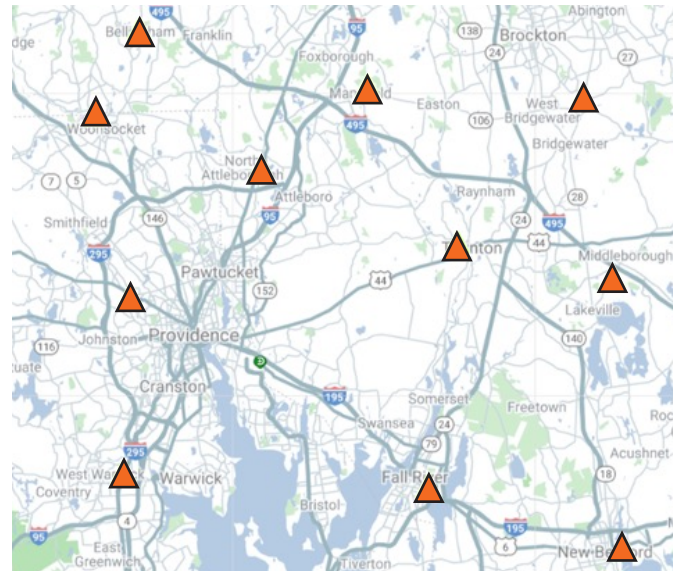
# TOP MARKETS AND THEIR TERRITORIES

It's a great time to open a Batteries Plus franchise! We currently have opportunities across the U.S., as there's a strong demand universally for our products and services. Take a look at some of the markets our research has shown to have exceptional potential for new locations. And if you don't see your area listed, don't worry! We're always researching new territories for growth, so make sure to reach out to us about your city or town!

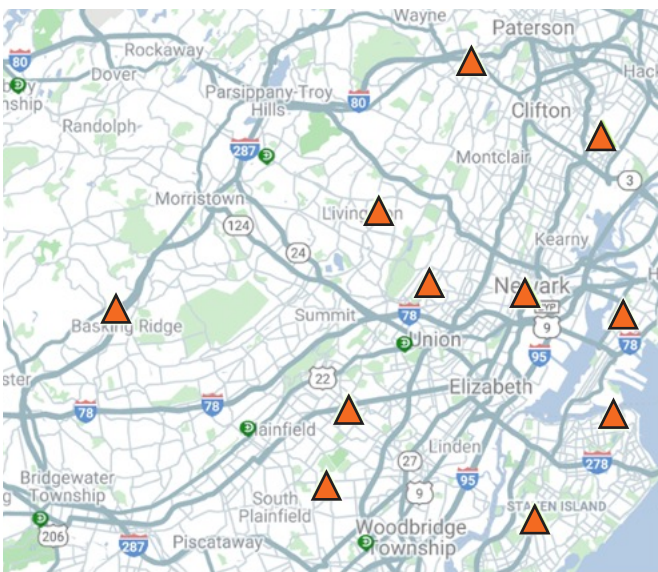
## BOSTON, MA 12 TERRITORIES



## PROVIDENCE, RI 11 TERRITORIES



## NEWARK, NJ 11 TERRITORIES



## PHILADELPHIA, PA 10 TERRITORIES



# TOP MARKETS

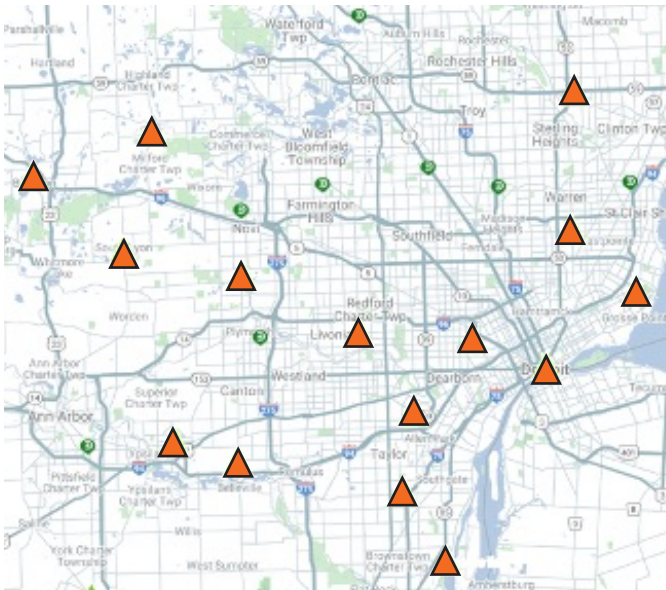
## WASHINGTON, D.C. 10 TERRITORIES



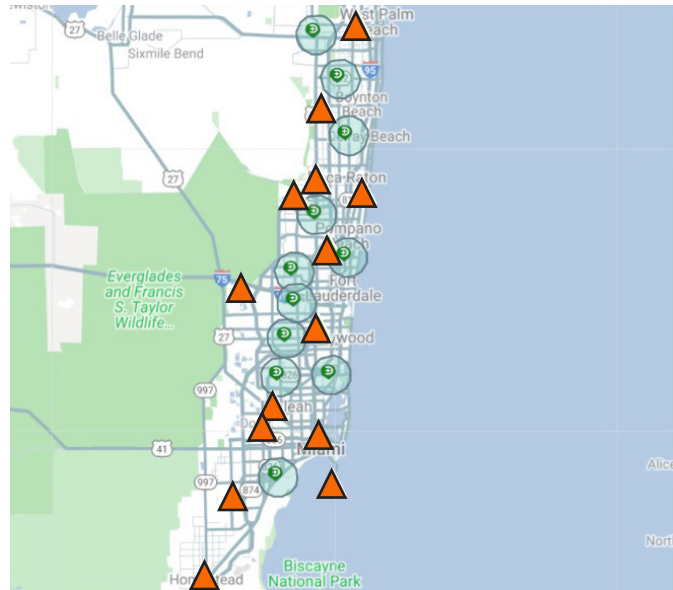
## SAN ANTONIO, TX 6 TERRITORIES



## DETROIT, MI 17 TERRITORIES

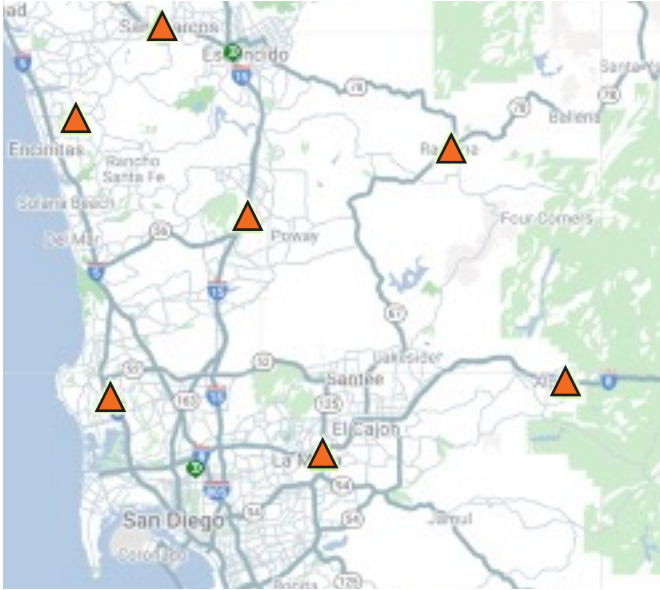


## MIAMI, FL 14 TERRITORIES

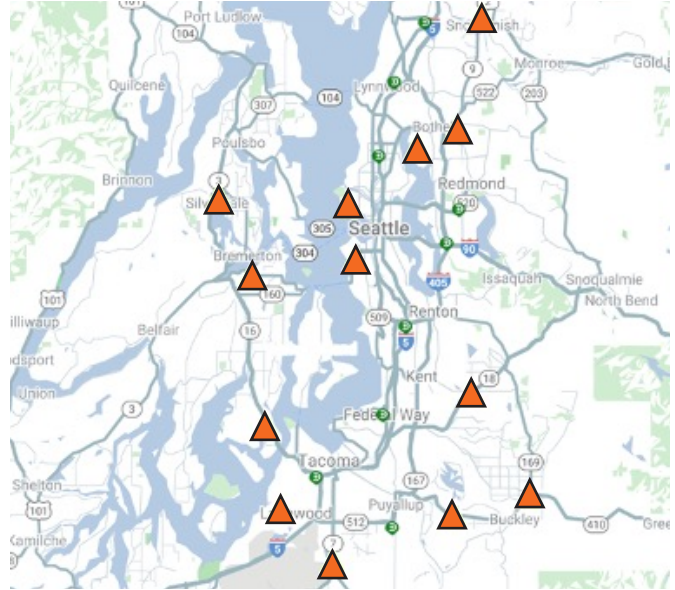


# TOP MARKETS

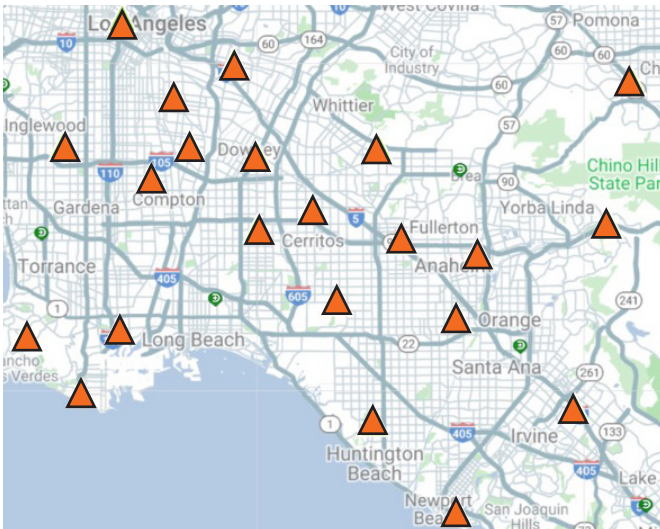
## SAN DIEGO, CA 10 TERRITORIES



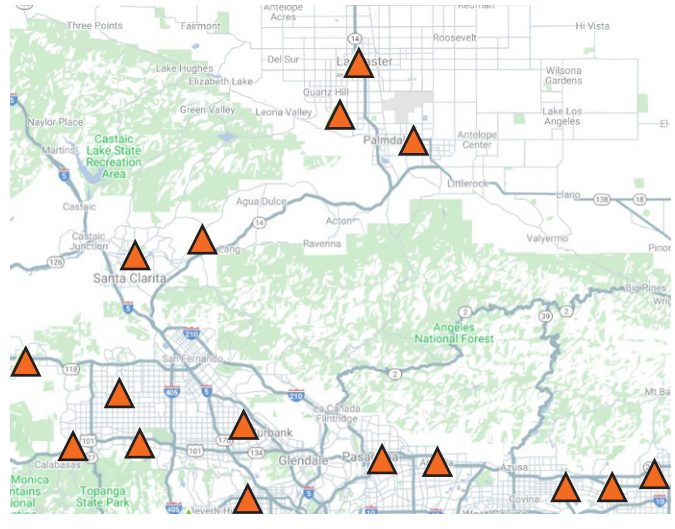
## SEATTLE, WA 13 TERRITORIES



## SOUTHERN LOS ANGELES, CA 22 TERRITORIES



## NORTHERN LOS ANGELES, CA 16 TERRITORIES



# READY TO TAKE ADVANTAGE OF A \$652BN INDUSTRY?

## OPENING A BATTERIES PLUS FRANCHISE IS A TRANSPARENT AND STRAIGHTFORWARD PROCESS!

Batteries Plus has been around since 1988, and in that time, we've opened over 700 locations across the country. We know what it takes to get you up and running, and we've streamlined the process. Now, with our guidance and support, it's easier than ever to open a new Batteries Plus store!

**Here's a brief look at the steps you'll take to join the Batteries Plus family of franchisees.**

**1 LEARN ABOUT OUR BRAND**  
You'll start by receiving comprehensive information about our brand and connecting with real Batteries Plus franchisees. You'll learn more about the high demand for batteries, bulbs, and smartphone repair.

**4 DEVELOP YOUR LOCATION**  
We know how important it is to choose the best location for your Batteries Plus store, so we work with you to help you find the perfect one, build it out, stock it with our incredible inventory, help you market it, and so much more!

**2 TAKE PART IN A DISCOVERY DAY**  
Visit our headquarters for the day, where you'll have the chance to meet with and get to know our leadership team firsthand and delve into what makes our company culture so supportive and first rate.

**5 GO TO TRAINING SCHOOL**  
With our experts to guide you, you'll learn how to leverage our time-tested business model, as well as how to capitalize on the systems and processes we've put in place to keep your business running smoothly.

**3 BECOME A FRANCHISEE**  
Congratulations! Signing your franchise agreement means you are officially a Batteries Plus franchisee. Now, we can help you start to build your business and establish yourself in your community.

**6 ENJOY YOUR GRAND OPENING**  
Once you open your doors to your community, you can count on our ongoing support for as long as you're part of the Batteries Plus franchise family. You'll be in business for yourself but not by yourself!

As you research your earning potential with Batteries Plus, keep in mind that multi-unit opportunities could help you grow your bottom line considerably. Multiple locations can expand your customer base, and we offer exclusive incentives for multi-unit owners, making it an even more effective way to invest!

NOT AN OFFER TO SELL A FRANCHISE  
Information Purposes Only

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