

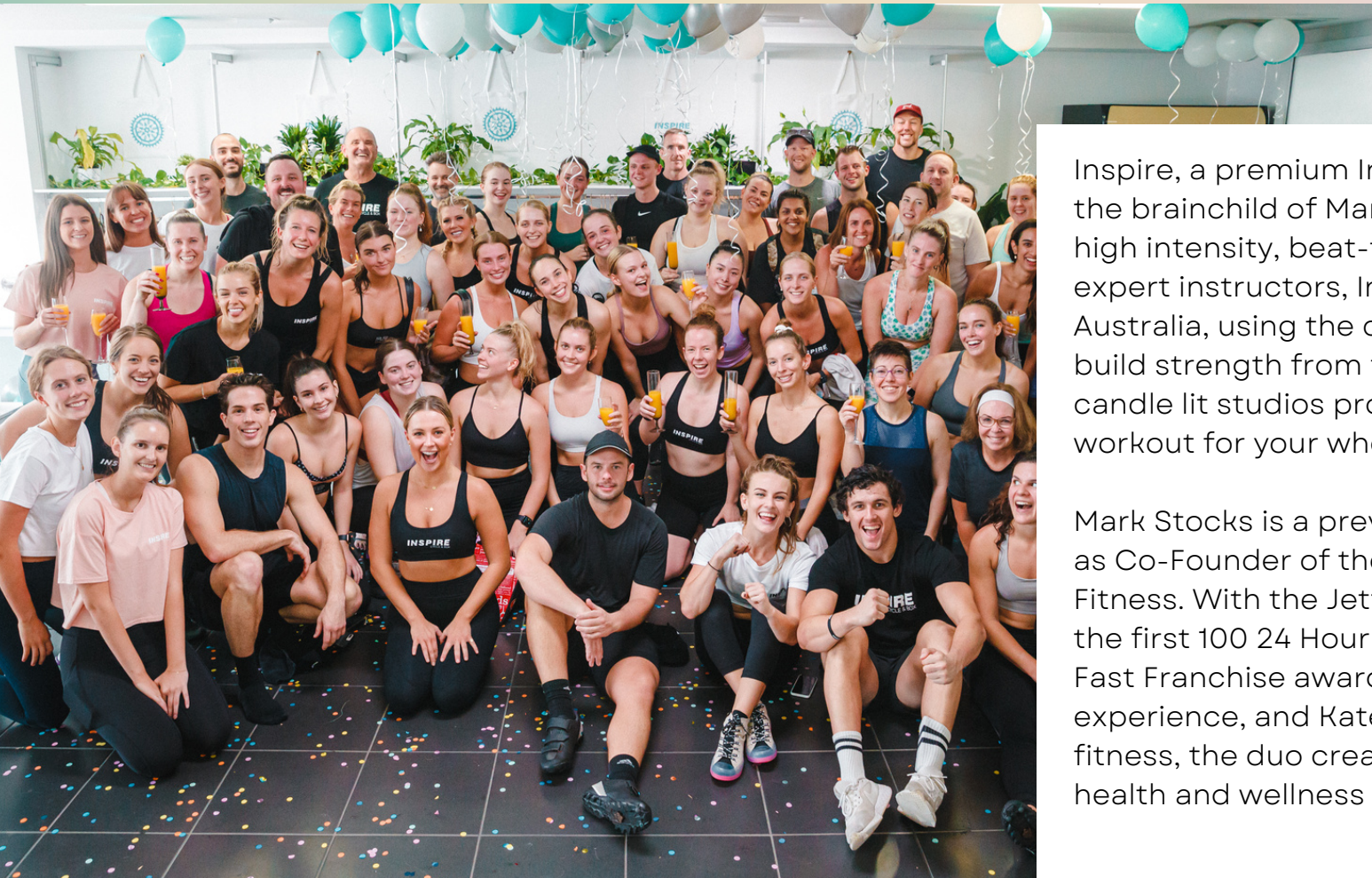
INSPIRE

CYCLE  
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# FRANCHISE OPPORTUNITY

OVERVIEW 2022 - 2023



# THE BEGINNING

Inspire, a premium Indoor Cycling and Boxing brand, is the brainchild of Mark and Kate Stocks. Focusing on high intensity, beat-filled workouts with inspirational, expert instructors, Inspire is the first of its kind in Australia, using the combination of music and energy to build strength from the inside out, mind and body. The candle lit studios provide a breath taking, beat based workout for your whole body.

Mark Stocks is a previous pioneer in the fitness industry, as Co-Founder of the powerhouse brand, Jetts 25 Hour Fitness. With the Jetts team, he established and grew the first 100 24 Hour clubs in Australia (winning BRW Fast Franchise awards along the way). With his experience, and Kate's passion for mind, body and soul fitness, the duo created Inspire to bring a new era of health and wellness into the Australian market.

Inspire has been nationally recognised by ClassPass APAC as the Best Fitness Studio in Australia (2021), with 5 Best Instructor awards(2016, 2017, 2019, 2021).

# THE INSPIRE BRAND

## COME FOR YOUR BODY, STAY FOR YOUR MIND



### **WE ARE INSPIRE, MORE THAN A FITNESS STUDIO**

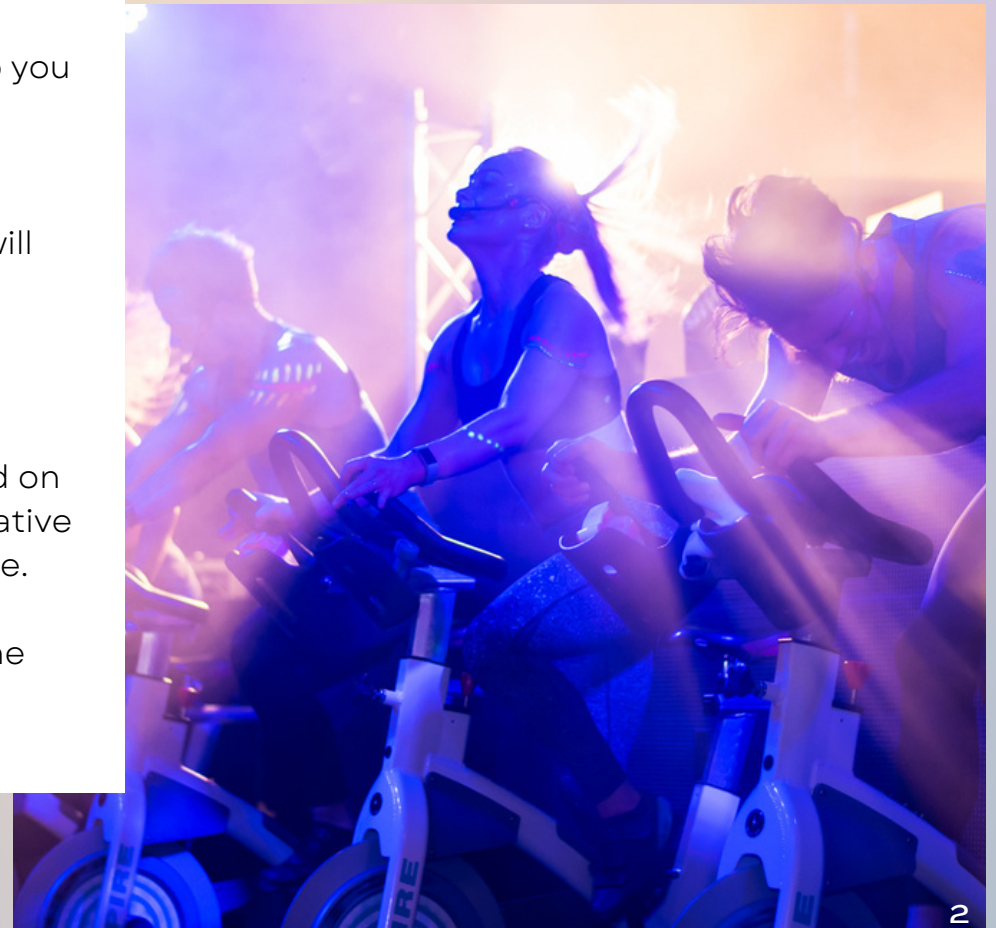
Inspire is an experience, a space you enter to celebrate who you are and leave feeling stronger and inspired.

We are a premium fitness studio delivering a beat-based, choreographed and sensory stimulating environment that will challenge the body and the mind.

### **OUR PURPOSE**

Come for your body, stay for your mind. Inspire was founded on this principle. The classes act as the "hook", while the meditative effect, inspiration and caring community culture are the glue.

It is our mission to support our clients' journey to become the best version of themselves, both physically and mentally.



# WHY CHOOSE INSPIRE?

1

## VISIONARY FOUNDERS

Mark and Kate Stocks conceived, established and seed funded Australia's first 24-hour gym (Jetts), then franchised that concept to 100 sites open from 2005-2010.

2

## PROVEN COMMERCIAL EXPERTISE

Since 1999, Mark Stocks has been working with major Australian businesses such as Coles, Kmart, Officeworks and Bunnings to help them execute strategy and grow profitably.

3

## THE INSPIRE CONCEPT

The Inspire concept was developed from scratch after extensive overseas benchmarking (US, UK) and was the first to market in Australia.

4

## LEADER IN CYCLE FIELD

Inspire has developed its Brisbane site to hit best in nation numbers and showcase the concept. Inspire won ClassPass Australia Studio of the Year 2021.

5

## RETURN ON CAPITAL

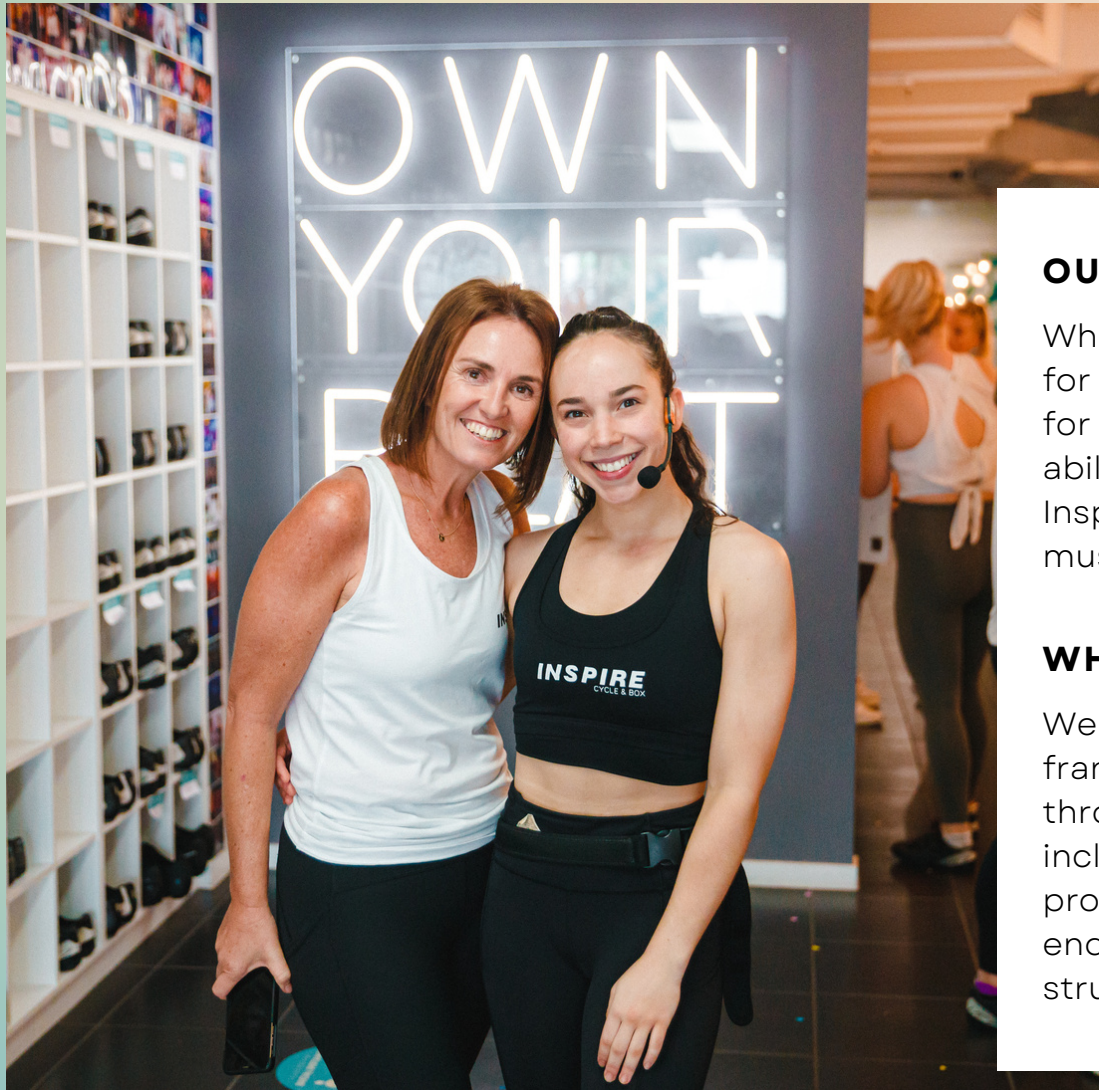
We understand the journey goes well beyond getting a club open – it's about return on capital and payback. Our returns compare favourably with F45, Jetts etc.

6

## INDUSTRY KNOWLEDGE

We have taken six years to develop, launch and perfect the systems, operations and models for the studio.





### **OUR FRANCHISEES**

What do prospective franchisees require? Passion for the product and a love for people! It's important for our prospective franchisees to demonstrate the ability to lead from the front and work within Inspire's framework. Just as much as our franchisees must 'get it', they must love the product.

### **WHAT TO EXPECT FROM US**

We offer extensive coaching and support to our franchisees. Before your studio opens, you will go through a comprehensive training programme that includes a business immersion and handover process. The program covers everything from back end operations to talent development and class structure.

# THE FRANCHISE JOURNEY

# FRANCHISE OPTIONS

## 3 FRANCHISE OPTIONS

Franchisees have the choice of 3 options based on their preferences and available capital.

Inspire Cycle & Box (450m2) OR  
InspireCycle (300m2) OR InspireBox (260m2)

The Cycle or Box only studio requires a significantly smaller studio space, allowing for a much lower level of investment. This can be ideal for suburban or regional locations.

The combined Cycle and Box offer is ideally suited for more highly populated urban areas.



CYCLE  
**INSPIRE**  
CYCLE  
CYCLE

BOX BOX  
**INSPIRE**  
BOX BOX  
BOX BOX

CYCLE  
**INSPIRE**  
BOX  
CYCLE BOX

# GROWTH MODEL

## DIGITAL ADVERTISING

Develop awareness of the studio, and promotions that lower barrier to entry and drive potential clients from consideration to initial conversion.

## LOCAL AREA MARKETING

Immersing the brand in the local area and developing the Inspire studio into an integral part of the community.

## SOFTWARE AND INSIGHTS

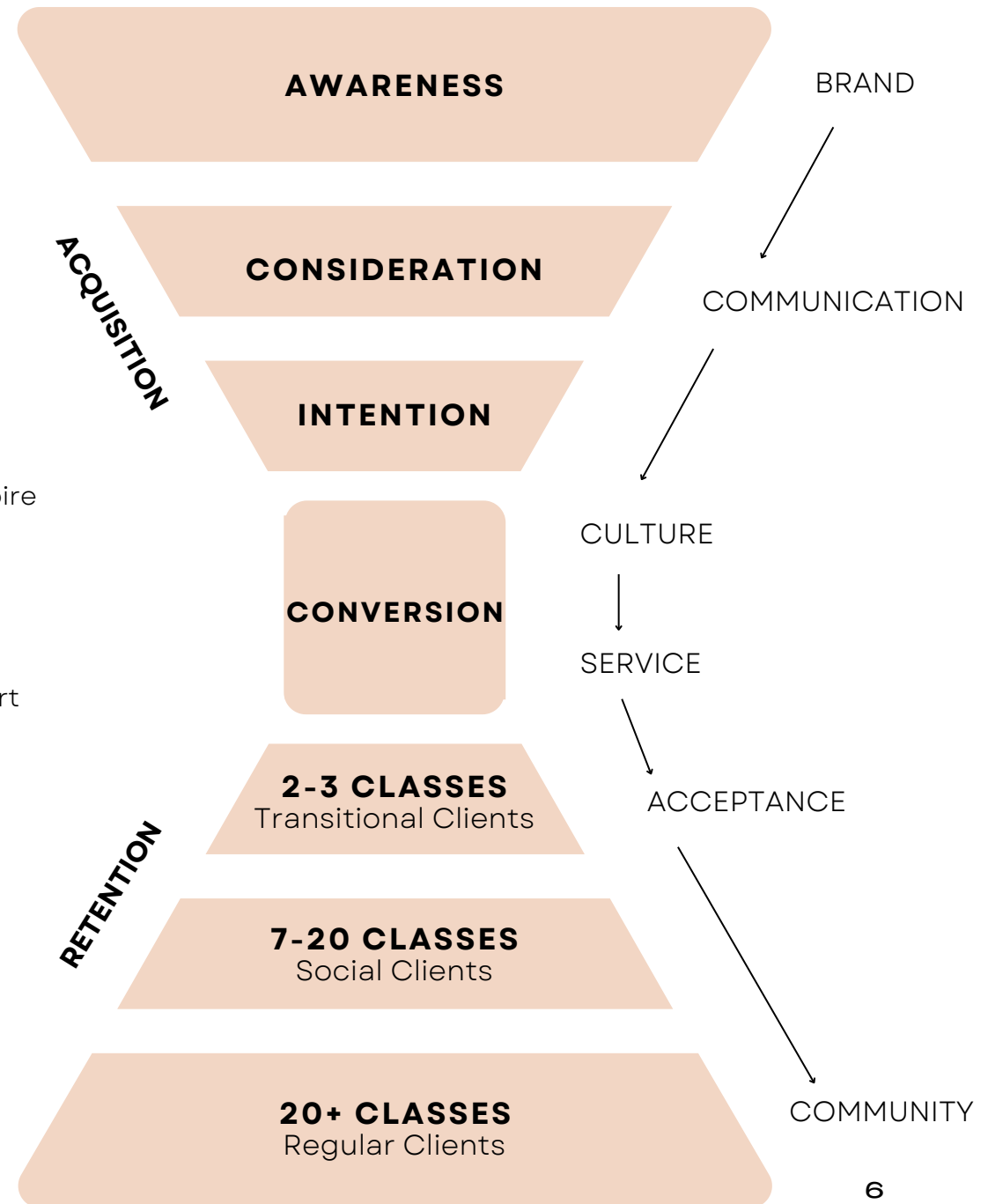
Head office tracks financials and key drivers to provide support for profitable growth.

## LEAD FROM THE FRONT

With the help of Inspire's training and insights, ensure the team are well trained and effective.

## TRAINING AND SUPPORT

Team devote resources to the pre-launch and ongoing training programme. Comprehensive understanding of operating Inspire studio in terms of operation proficiency and in-class experience.



# THE INVESTMENT

## INITIAL COSTS - CYCLE AND BOX

FRANCHISE FEE	\$75,000
EQUIPMENT FINANCE	\$187,026
FITOUT	\$307,205
CASH BUFFER	\$50,000
OTHER SET-UP COSTS	\$2,500
MARKETING	\$10,000
BANK GUARANTEE	\$50,000
<b>ESTIMATED TOTAL</b>	<b>\$456,330</b>

Note: The above table is indicative of costs. Estimates are subject to change. Actual costs will only be determined when a specific location is identified. The size of the facility, its fit-out requirements and the location will all affect costs.

## INITIAL COSTS - CYCLE OR BOX

FRANCHISE FEE	\$50,000
EQUIPMENT FINANCE	\$155,550 (C) \$95,550 (B)
FITOUT	\$164,560
CASH BUFFER	\$50,000
OTHER SET-UP COSTS	\$2,500
MARKETING	\$10,000
BANK GUARANTEE	\$50,000
<b>ESTIMATED TOTAL</b>	<b>\$382,610 (C)</b> <b>\$322,610 (B)</b>

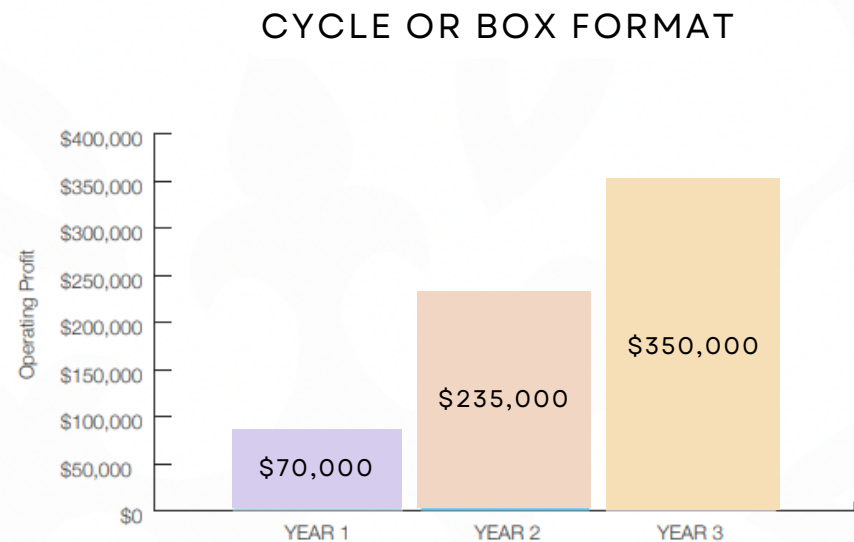
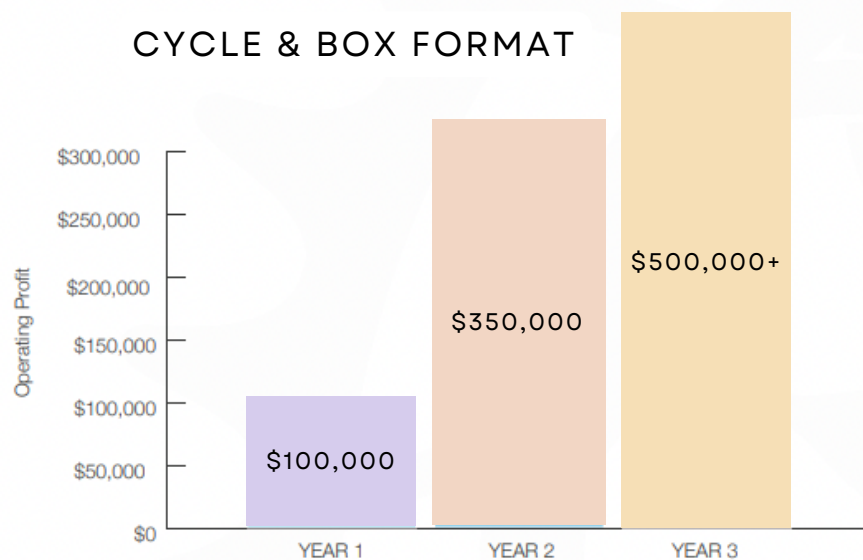
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# THE PAYBACK MODEL

The business model is generated around a low capital, high return on capital model, based on a 2-3 year growth model before peaking at capacity. Returns will vary based on site selection, strategy execution and business capability. Generally, returns will be very competitive against other fitness and franchise models. The team at Inspire can step you through each concept in a comprehensive model that details investment, returns, drivers and risks.

## ESTIMATED RETURNS



# FEES AND PROCESSES

## FEE DETAILS

\$75,000 total investment for the Cycle and Box format, and \$50,000 total investment for the Cycle or Box only formats. 50% taken at the beginning of the franchising process (disclosure phase and sign-up) and the remaining 50% at lease signing.

**Year 1:** Franchise royalty at 5% turnover and a Marketing Levy of 2.5% per annum

**Year 2+:** Franchise royalty rises to 7% of turnover while the Marketing Levy rises to 3% per annum.



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