



Hello,

We would like to welcome you to the highly profitable industry of waxing where "time" really is "money". Waxing is a temporary method of hair removal where clients normally schedule their appointments every 4-6 weeks, making it a lucrative "repeat customer" business.

Dane: After 15 years in the mortgage industry and being forced to search for a new career, I discovered the huge opportunities that existed in hair removal. I not only needed to replace my high income and have a flexible schedule, but I also desired security since I was tired of having the markets determine my income.

Tricia: After becoming an esthetician and working in the industry, I discovered that there was more money in waxing than there was in skincare. I also realized that I could improve upon the methods that I was taught and the level of customer service that was being provided.

Upon learning the secrets and developing our techniques, we formed "The Pretty Kitty"® and have 2 locations with more to come. Within the first month, both locations broke-even and began turning a profit in the 2nd month. Since then, revenues have continued to increase.

In 3 short years we have used our concept to become San Diego's premier waxing salon and make a six-figure income. Without any prior experience on your part, we can show you our success secrets and how to become a premier waxing salon in your area. With the huge profit margins and increasing demand, now is the perfect opportunity for you to profit from the exciting business of waxing!

Please read our Company Overview and FAQ's as they will answer most of your questions. We'd love to hear from you if you have any other questions or want to reserve your area for a Pretty Kitty® waxing salon.

Sincerely,

Dane and Tricia



Company Overview & Income Potential

The Pretty Kitty® was created in San Diego, CA in 2006. The Pretty Kitty® is offering Business Opportunity Licenses throughout the United States and internationally, with the exceptions in CA, NV, and AZ.

The Pretty Kitty® operates as a specialized waxing boutique that focuses primarily on the Brazilian Bikini Wax with a proprietary technique. This technique, along with our trademarked name and logo, has helped us attain rapid success in just 2 years. There are currently 2 locations operating with plans for several more in the near future.

We have received many requests from interested parties who would like to own a Pretty Kitty® waxing salon in other cities around the country. In response to the demand, we have prepared a Business Licensing Opportunity which includes our name, trademark, and trade secrets.

The Pretty Kitty® Generates Income from 3 Sources:

- Waxing Services
- Sale of Aftercare Products
- Sale of Women's Custom Logo Apparel

Benefits of Owning a Pretty Kitty® Waxing Salon

- Potential 6-Figure Income
- No Previous Experience Required
- Proven Concept That is Easy to Learn
- Low Product Costs with Very High Profit Margins
- Huge Growing Demand with Repeat Clientele
- Ability to Have a Flexible Schedule
- Additional Income From Product and Apparel Sales
- Low Start-Up Costs with Minimal Equipment Necessary
- As an Owner, You do NOT Need to Be a Licensed Esthetician



Business Opportunity Details

INVESTMENT BREAKDOWN

Licensing Fee:	\$25,000-\$40,000 Initial Area (additional areas are \$22,500)
Working Capital:	\$50,000-\$100,000 *
Consulting Information Package:	Included

CONSULTING PACKAGE: We provide you with "The Pretty Kitty® Secrets to a Highly Profitable Waxing Salon", which includes:

- An Educational guide for location, employees, setup, operating procedures, Grand opening
- List of vendors, resources and recommendations
- Lists of initial inventory and supplies needed to open
- An instructional DVD that demonstrates our proprietary technique
- Marketing strategies
- Recommendations to improve customer relations

*** Note: There is no working capital to The Pretty Kitty®. Everything is included in the license. The above figures are estimates of working capital to open one location. Actual costs will vary with size and location.**

The following is an example of the potential growth income you can make as a Licensee. We are basing these figures off our models from our own experiences. Your gross, growth, and income will depend ultimately on your efforts and location(s).

<u>Licensee with 1 Pretty Kitty® store</u>	<u>\$300,000- \$400,000 gross sales</u>
<u>Licensee with 2 Pretty Kitty® stores</u>	<u>\$600,000-\$800,000 gross sales</u>
<u>Licensee with 3+ Pretty Kitty® stores</u>	<u>The Sky's the Limit!!!</u>



Expanding Markets & Income Potential

The waxing industry continues to grow even with the state of our economy, because many of the services simply cannot be performed at home. In Middle Eastern societies, removal of the female body hair has been considered proper hygiene, necessitated by local customs, for many centuries. Evidence of pubic hair removal in ancient India dates back to 4000 to 3000 BC. Waxing is popular throughout Asia and South America as well. With immigration on the rise in this country, so is the demand for these services. Waxing has been an honored and time tested way of hair removal for women to maintain themselves.

Demand:

- **In 2008 the salon service industry alone had revenues of 65.9 billion up 3.2% from the previous year.**
- **It is estimated that the hair removal industry will grow by 24% over the next 5 years.**
- **Clientele will repeat their service every 4-6 weeks.**
- **85% of all men and women will remove hair sometime in their lives.**
- **(May 2008 Zoomerang) Women who wax will spend an average of \$23,000 in their lifetime.**



Key Benefits of Owning Your Own Pretty Kitty tm Concept Salon

Highly Profitable Business:

The Pretty Kitty® is a proven business model that provides you with an opportunity to make a potential six figure income. The startup costs are low and the profit margin is high.

Recession Proof:

During an economic downturn, many clients tighten their budgets on perceived luxury services, such as facials and massages. Waxing on the other hand, is a repeat business and has become a necessity for many. Waxing maintains a strong demand even in a poor economy.

Simple Proven Business System:

The Pretty Kitty's® success has been proven in a highly competitive market: San Diego, California. The Pretty Kitty® system, with all of our opportunity and waxing information, is given to licensees so you can follow our path to be successful.

You Can:

- **Successfully compete in the beauty industry.**
- **Choose to be an absentee owner.**
- **Earn up to a six figure income.**



The Company

The Pretty Kitty® is located in San Diego, CA and was created by Tricia Hetherington and Dane Dishman in 2006. It was their idea to create a unique marketing theme that would set them apart from the competition. In 2 short years they have become San Diego, CA's premier waxing salon.

After serving time in the Navy, Tricia went back to school to become an esthetician and started working in a day spa. With the majority of clients booking appointments for the Brazilian Bikini Wax every 15 minutes, she quickly realized that the money wasn't in the facials and body treatments offered, it was the waxing services. The women were consistent with their monthly waxing appointments as waxing was more of a necessity to them.

After obtaining a bachelor's degree in real estate finance from San Diego State University, her partner Dane went into the mortgage industry where he worked for 15 years.

Tricia and Dane met in June of 2005 and soon realized they both shared an entrepreneurial spirit and within a year they opened the first Pretty Kitty®. Upon finding a location of only 435 square ft. and to save on construction costs, they completed the renovation themselves. By the second month they made a profit and continued to grow month over month and within two years were able to open a second location. The new location is 750 sq. ft, has a third treatment room, and was completed by a contractor. Because of an established name and reputation, the new location was able to bring in a profit in the first month of operation. As their business continues to grow, they have plans to open more locations and are inviting you to share in this unique ground floor opportunity.



Management

The owners of The Pretty Kitty® are currently offering Business Opportunity Licenses to those select individuals that seek a high income and have a desire to excel in the exciting business of hair removal. We will provide you with all of our trade secrets and information that helped create our success. This following is a list of items that are necessary for your success.

All Business Systems Have Been Documented Including:

- **How to Find a Desirable Location**
- **Basic Lease Information**
- **Permits and Licenses Needed to Operate**
- **Recommendations for Floor Plans and Decor**
- **Handling Problems or Concerns Unique to The Hiring, Training, and Management of Employees**
- **Tips on Marketing and Promotion**
- **Front Desk Set-Up Recommendations**
- **Equipment, Fixtures, and Decor Advice**
- **A List of Recommended Pretty Kitty® Vendors**
- **Basic Accounting Methods for Small Business**
- **Secrets to Building Clientele Loyalty**
- **We Include An Instructional DVD Showing Our Proprietary Waxing Techniques**



Low Start-up and Product Overhead

The start-up costs will vary by location, size of your salon, and whatever improvements are required after locating your space. Generally, the amount of total space required will only be about 500-800 square feet which will allow 2-3 treatment rooms, a waiting area, restroom, and a small storage area.

- Our first location is only 435 square feet and has 2 treatment rooms. We personally completed the improvements, decor, and furnishings at a total cost of only \$30k.
- Our second location is 750 square feet and has 3 treatment rooms. We started with an open shell with concrete floors and used a contractor to build the walls, ceiling, and install marble tile flooring at cost of about \$40k.** We spent an additional \$30k on custom furniture, fixtures, decorating, and equipment.
- Product costs will be minimal and the amount required for merchandise will vary with the type and quantity of inventory desired.
- Payroll expenses will be based on business volume. Typically only 1-3 employees are necessary run a single location.

**These costs will be significantly lower if your location already has walls, ceilings, and flooring.



Frequently Asked Questions

Q. What is waxing?

A. Waxing is a method of temporary hair removal that involves pulling hair from the root, resulting in hairless areas for 3-4 weeks.

Q. How do I know if I'm the right person to own The Pretty Kitty®?

A. Waxing services are a mainstay in the beauty industry. If you are self motivated, have the desire to earn great money, are fairly organized, and enjoy helping others feel good about themselves, then this business is for you.

Q. What specific skills do I need to operate The Pretty Kitty®?

A. You need to have the ability to make decisions, be organized, and be able to hire and oversee the estheticians and receptionists. We will share with you the rest in "The Secrets to our Success Guide".

Q. Is becoming a licensee more profitable than being a Franchisee?

A. Yes, for two reasons: First you pay NO royalties as you would in Franchising, keeping more money for you and your family. Second, you get to make your own decisions without being restricted and controlled. What you derive from your business in 100% YOUR gain, 100% YOURS to keep, and 100% YOURS to enjoy!

Q. How does a licensee differ from being a Franchisee, financially and otherwise?

A. You are in complete control of your store(s) creating everything from choosing your color scheme to choosing your environment. While a Franchise fee can average between \$75-\$100K, a License fee is \$25-\$40K. Franchisers also often require you to have a net worth of \$100-\$250K to buy a Franchise. When you License The Pretty Kitty®, there are no minimum capital requirements, no marketing fees or any special assessments.



Q. How much time per week would this business entail?

A. It's entirely up to you. After your location is properly set up you have the choice to be hands-on and be full-time or you may elect to be absentee and only work a couple of hours per week.

Q. Do I need to give a percentage of my income to your company, as Franchisees do?

A. As a Licensee, you will never be required to pay "Royalties" to the Licensor. That is a major benefit of Licensing over Franchising. You will only be required to pay a \$1,200 per year renewal fee. This fee includes the continued use of the Pretty Kitty® name, logo, trade secrets and all other Intellectual Property. In addition, you have the option of having your salon on our corporate website for referrals to your area, and you also will receive 10 hrs. of consulting, as it relates to The Pretty Kitty® opening and public relations.

Q. What are the "Minimum Capital Requirements" to qualify for The Pretty Kitty® Business Opp/ Licensee?

A. There are NO Minimum Capital Requirements. If you have come this far in pursuit of an independent future and a business to implement it, we give you credit for knowing and appreciating that you will need to have adequate capital to cover the Licensee Fee and access to enough additional working capital to acquire a lease, equipment for your new business, and have some cushion for contingencies. We have neither the need nor the right to know more about your personal finances than that.

Q. Can I skip any steps and move directly to the Licensing Agreement?

A. The Non-Disclosure must be signed, but you may choose to skip the Intent to License and move directly to the Licensing Agreement. You will still need to put down a non-refundable deposit before you sign the Licensing Agreement (which could take a few weeks to complete and for you and your advisors to look at) in order to reserve your area while we finalize the details.



Q. What happens after I receive a License for my area?

A. As soon as you have signed the Licensing Agreement, you may immediately begin work on your marketing material. You will also receive our user friendly, "Secrets to our Success Guide." This will provide you with everything you need to know in opening your store. This guide will provide you with information on suggested vendors for supplies, advertising insight, equipment and fixture choices, and an instructional DVD on waxing techniques.

Q. How many locations can I open in one area?

A. There is no limit to the number of locations that you can own; we have a sliding scale for the License Fee for multiple locations. We will set your area together after you've indicated you want to go forward.

Q. What do I stand to gain from being a The Pretty Kitty® Licensee?

A. The potential of making a six figure income. Having the flexibility to make your own schedule and open as many as you like. You get to be your own boss and work as little or as much as you desire.

Q. How big will my area be and will it stay protected?

A. Area size will be based on location, demand, and population density. No licenses will be issued that will come close to the area we set aside for your salon.