

# What is Click IT?



# VERTICALIZED SOLUTIONS

Click IT is an emerging fullformat IT franchise whose and products services cut typical industry across distinctions. This is because Click IT is both a retail shop managed service and provider (MSP). We fix laptops and setup networks, but we

also offer a robust suite of enterprise-level IT services, granting individual customers and organizations access to a level of best-in-class solutions that only large corporations can afford. Together, these two sets of services constitute Click IT's two-door model.

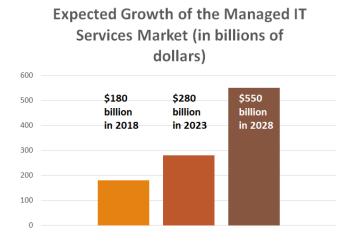
## MAIN STREET ETHOS

Importantly, Click IT nestles its storefronts within neighborhoods and communities, townships, and city blocks, integrating into the surrounding marketplace, becoming part of the local geography. We have been able to address grossly underserved markets by emphasizing a concierge-style sales approach from these brick-and-mortar, main street locations.

## "YOUR LOCAL IT DEPARTMENT"

Since 2012, Click IT's company store has thrived because of our dedication to developing systems and revenue models that are streamlined, integrated and scalable. Having built an IT services company unlike any other, we decided Click IT had great potential as a nationally-branded franchise opportunity. The know-how, intellectual property and developmental guidance Click IT now offers its franchisees is unrivaled in its depth and competitive value.

## The Market



#### HIGH GROWTH

The market for IT service providers has been booming. According to Statista, the US IT Services market is slated to be worth \$411.8 billion in 2022. Moreover, the industry is expected to double by 2027, with annual growth in the double-digits. From just 2018 to 2023, the industry will be seen to have grown by 60%.

## WIDE TERRITORIAL NICHE

The estimated number of "Main Streets" in the US exceeds 7,600. Franchisees may also operate along other well-trafficked roads and commonplaces going under alternate designations.

## EVERYONE HAS A DEVICE

Anyone who uses an electronic device is a potential Click IT customer. Similarly, all organizations—from small stores to medium-sized firms to large offices with hundreds of employees—have needs that Click IT is geared to address.

## VERTICALS FOR ALL SITUATIONS

Yes, we do computer repair and enjoy helping walk-in customers. However, our service offerings run much deeper than this. Click IT delivers 12 categories of compliant solutions across 12 industries. Whether streamlining internal workflows, managing networks, printers and POS systems, or consulting on data maintenance and e-marketing, there is always a match between a customer's needs and Click IT services.

## TWO-DOOR RESILIENCY & ESSENTIAL BUSINESS STATUS

Click IT delivers adaptable and comprehensive IT services in a rapidly growing market, helping shelter us from the typical swings to which many businesses are susceptible. As an MSP that is also a retail store, Click IT

sells IT services out of two doors: one virtual and online, the other for pedestrians passing by and visiting the storefront. What's more, our economy's vital reliance on IT has kept Click IT, an essential business, running through the COVID-19 pandemic.

# The Competition

#### COMPUTER REPAIR COMPETITORS

Many of Click IT's direct competitors are computer repair businesses operating within the you-break-we-fix model. Because Click IT is also an MSP, the comparison is often tenuous. That said, much of the business a Click IT store generates begins from conversations initiated over the computer repair counter. It is often the case that such customer's own businesses down the street and need additional IT services or know someone who does.

## MSP COMPETITORS

As an MSP, Click IT is in the unique position of being a brick-and-mortar retail store. This gives us a differential advantage when it comes to offering managed services. All the same, there are many places to shop for managed services, from anonymous online options to large corporate vendors to more local providers.

## **Competitive Advantage**

Key Performance Indicators	Click IT Franchise	Industry Average	Competitor 1	Competitor 2	Our KPI Comparison Score
Number of Franchisees	4	6	240	200	Planned Investment in Marketing Increasing budgets significantly
Rate of Growth	High	Low	High	High	Planned Investment in Sales Hiring Sales Manager
Net Profit Margin	35 to 45%	1.5 to 1.9%	22%	15%	<b>↑</b> Strong
Annual Income	\$160,000	\$80,000	\$110,000	\$90,000	<b>↑</b> Strong
Cost to Open	Medium	Medium	Medium	Low	♦ On Par
Payback Period	18 months	4 years	3 years	2 years	<b>↑</b> Strong
Franchise Fee	\$50,000	\$30,000	\$60,000	\$40,000	♦ On Par
Time to Open	3 months	5 months	2 months	1 month	Average
Training Hours	40		118	107	Planned investment in building an Online, Self- Paced Training Course
Ongoing Support Level	High	Low	Medium	Low	Planned Investment in Support, Hiring Franchise Support Personnel

# COMPLEMENTARY SALES STRATEGY

The best advertisement is a satisfied customer. Understanding this, Click IT is equipped to sell IT services within two markets, markets usually conceived as distinct. B2C computer

repair, walk-ins and house calls complement our B2B MSP revenues by generating introductions and augmenting local awareness of the Click IT

brand. We have yet to find any competitors building their businesses around this two-door model.

# Our Unique Selling Proposition to Customers



## WE ARE MORE LOCAL

Click IT stores are designed to look like part of the community of which they are a part, always establishing themselves as "Your local IT department." Locations are chosen for their level of pedestrian and auto traffic, with great consideration given to ease-

of-access and sidewalk appeal. Using various locally oriented marketing strategies, locals soon learn where to turn for their IT needs.

## WE OFFER MORE PRODUCTS & SERVICES

Click IT offers 12 categories of IT solutions across 12 industries. This service



menu reaches from home to the workplace, from small-scale transactions to multi-phase infrastructural projects.

## WE ARE MORE DYNAMIC

Our concierge-style sales approach means that we can mix and match services according to the particular needs of our respective customers. "Your local IT department" does not merely suggest that, yes, we are just around the corner; it also means that we will work with customers to develop solutions that work for them.

# Our Unique Franchise Proposition

## WE ARE THE ONLY RETAIL MSP FRANCHISE

Click IT is the only MSP serving customers from a brick-and-mortar retail space. This hybridized, two-door format uniquely positions us to extend diverse IT services to a steady flow of local consumers and organizations in severely underserved markets.

## WE OFFER MORE GUIDANCE

Franchisees receive 20 hours of classroom training at our company store and 20 hours of on-the-job, task-by-task training. Our franchisees learn how to

plot a course to sustainable growth and profits through the development of a start-up plan. When it comes to the success of our franchisees, our phone line is always open. A serial entrepreneur, Founder A.L. Harlow has decades of experience building businesses and leading teams in the technology and IT space.



## WE DELIVER BETTER SYSTEMS

Since 2012, Click IT has developed systems and procedures geared to streamline day-to-day operations. These systems and procedures are indispensable to Click IT's competitive edge. As a company making use of substantial IT infrastructures ourselves, we aim to exemplify what it means to make IT work for a business. For instance, our "pick it and click it" platform allows franchisees to select products and services by moving

through a series of menus, all while on the phone or standing across the counter from a customer.

## WE GENERATE THE HIGHEST MARGINS

Offering best-in-class solutions at volume-discounted prices is a recipe for profit. In recent years and in the IT services franchise space, the Click IT company store has made better-than-average EBITA on growing sales from a continually expanding customer base. Increasing MSP endpoints and seats for customers is easy when you have systems like the ones at Click IT.



#### WE ARE A FULL-FORMAT FRANCHISE

It is not always the case that franchisees gain full access to all proprietary brand materials, expertise, vendor relations and business development strategies available to the franchisor, but that is what we're offering.

#### WE HELP YOU GET A LOAN

Funding is essential when purchasing a franchise. Our partners have been funding America's entrepreneurs for over 35 years, offering a suite of funding options spanning nearly every type of business situation.

# Get More Familiar with Click IT

## CORPORATE STRUCTURE

All IP of Click IT is licensed and managed by Motherboard, Inc., an independently operating franchise company. Thus, on our legal documents, you will see "Click IT® Franchise by Motherboard, Inc." Alternatively,

"Click IT Group" is merely a name for all entities involved hereabout, from all IP divisions and stores to Motherboard, Inc. itself.

## FRANCHISING TEAM



#### ACCOLADES & INDUSTRY DISTINCTIONS

Click IT received an "A" from Franchise Grade. We have an "A+" rating from the BBB and our company store has a 5-star Google rating from verified customer reviews. Furthermore, Click IT has been pre-qualified by the Franchise Registry and is an approved franchise on the SBA franchise registry site. Since 2012, we have offered best-in-class MSP solutions. This means that we have partnered with top vendors to match enterprise-level IT resources with customers who would otherwise struggle financially and organizationally to attain such resources.



## METHODICAL CANDIDACY PROCESS

At all moments, franchisee candidates are kept abreast of their status and place within the candidacy process. Throughout, both parties are encouraged to discover and evaluate whether there is a match.

## ON BEING AWARDED A TERRITORY

Well-managed territory selection is essential to a thriving Click IT store. Once a candidate has completed the candidacy process, the candidate becomes a franchisee. Thus begins the territory awarding process. Indeed, finding the appropriate location for a Click IT store is so important, the process is led by experts, Click IT partners who specialize in franchise real estate.

#### THE COMPANY STORE

Having opened in 2012 on Main Street in the historic Village of Chagrin Falls, Ohio, about 30 minutes east of Cleveland, Click IT's company store now monitors and maintains thousands of endpoints, from computers and websites to email addresses and applications.



The company store has fixed thousands of personal devices for our customers, starting conversations across the POS counter that often lead to more business and ongoing relationships. Accessible from the street with an inviting design, the Click IT company store, also serving as Click IT headquarters, announces itself to the town in which it thrives. Its standardized floorplan and blue workshop-like interior emphasize our Main Street-ethos. Ordering IT products and services at 16 S. Main Street, Chagrin Falls, Ohio, is not much different from ordering landscaping services at a hardware store, or tailoring and dry-cleaning services at a drycleaner.

# The Candidacy Process

## **BEFORE CANDIDACY:**

## ✓ COMPLETE FORM TO EXPRESS INTEREST (A)

If you are reading this brochure, you may already have used this form to express interest. Doing so is how to initiate a correspondence about the candidacy process.

## ✓ GET ACQUAINTED (B)

Similarly, if you are reading this brochure, you may already have had a "get acquainted" phone call. Such a phone call will have taken place between a Click IT representative and you, the potential candidate, helping to assess whether there is a plausible fit.

## ✓ SKILLS & PERSONALITY TRAITS TEST (C)

Taking this test will help both parties get a sense of whether your professional interests align with the demands of running a main street-oriented IT business.

## ✓ REQUEST FOR CONSIDERATION (D)

If you have not already, we will invite you to complete this brief application so that our team may determine your enrollment into the candidacy process. In this form, you will be asked to fill out some preliminary financial information so that we may begin to assess whether you will be requiring financing through a broker.

## PHASE 1:

## ✓ FRANCHISE CANDIDACY PROGRAM ACCEPTANCE (E)



Upon enrollment, you will be invited to register as a member of our proprietary Members Portal, where you will gain access to more information about Click IT, information that will include the financial prospects of owning a store.

## ✓ SIGN NDA (F)

Having gained access to the Members Portal, you will be induced to sign our NDA so that you may proceed with candidacy. You will thereby be granted Level 2 security access.

## ✓ CONCEPT COMPATIBILITY MEETING (G)

We must compare Click IT's particular business concept with your aspirations and goals. During this screen-share meeting, successful candidates will again exhibit the interest and passion necessary for running a main street-oriented IT business. Level 3 security clearance is granted during this meeting.

#### PHASE 2:

## ✓ COMPLETE & SUBMIT ADVANCED APP FORM (H)

The initial phase of candidacy is over. If you find yourself filling out the advanced application form, we at Click IT have determined that you possess serious franchisee-potential. Within this form, further detail regarding your financial profile will be requested. You may return to this form throughout the second phase.

## ✓ A DAY IN THE LIFE (I)

This serves as a mini seminar in operating a Click IT store, held over the phone or by video call with the company store manager.

## ✓ MUTUAL EXPECTATIONS (J)

Gut check: here we review what you can expect from us, the franchisor, and what we will expect from you, should you become a franchisee.

## ✓ BEGIN WRITING START-UP PLAN (K)

By now, you will have been involved in several discussions about what it would take to open your own Click IT store. As such, you will want to begin forming your own start-up plan, taking into consideration all the templates and guidance offered in the Members Portal.

## ✓ INITIATE ONBOARDING FORM (L)

You will be encouraged to begin filling out Section A of the onboarding form. Should your candidacy reach closure, this form will be needed for (M). You may complete it as you move through the second phase of candidacy.

## ✓ DOCUMENT INTRODUCTION (M)

We will conduct a mutual review of the franchise legal documents relevant to becoming a Click IT franchisee: the Franchise Disclosure Document (FDD) and Franchise Agreement (FA).

## ✓ DOCUMENTS REVISITED (N)

Once you have had the time to review the FDD and FA on your own, you will reconvene for another review, this time with Founder, A.L. Harlow, so that he may address any questions you may have.

## ✓ START-UP PLAN REVIEW (O)

This is both a review of the start-up plan you will have been working on and a review of the tasks that succeed closure. We must detail the costs and commitments necessary in acquiring the proper licenses, training, real estate, built-out materials and other start-up inputs.

## **CLOSURE:**

## ✓ SIGN DOCUMENTS & PAY FRANCHISE FEE (P)

By this moment, all parties should feel comfortable with the terms elaborated in the documents (cf. (M) and (N)). All that remains in the candidacy process is for these forms to be certified with the appropriate signatures and for you to pay the franchise fee. Once you sign and pay, you are no longer a candidate but a franchisee. We will escalate your Members Portal permissions so that you have access to the Stores Portal and our Knowledge Base, where, at the highest security clearance, you will find all digital materials pertinent to the operation of your new franchise.

# **Before Opening Your Click IT Store**

## ✓ FINALIZE YOUR ONBOARDING FORM (Q)

If you have not done so already (cf. (L)), finish filling out the onboarding form. This form will help organize and direct prerequisites leading to your store's opening.

## ✓ DEMOGRAPHIC STUDY (R)

In conjunction with territory research, studying the relevant demographics of a territory under consideration is crucial. A Click IT store requires that a territory—defined by a 5-mile radius—have at least 60,000 residents, 3,000 businesses, a medium household of \$65,000 and an average housing unit value of \$175,000. Potential storefronts must see 5,000 automobile passages per day.

## ✓ TERRITORY AWARDED (S)

Once the franchise documents are signed and the fee is paid, the process of finding and being awarded a territory begins. Territory identification and real estate acquisition are both overseen by our expert partners in franchise real estate.

## COMPLETE & SUBMIT FA ATTACHMENTS (T)

Once a territory is awarded, you must fill out the proper attachments in the FA. These attachments certify and guarantee terms related to your territory assignment and lease agreement.

## ✓ SETTLE WITH BUSINESS FINANCING (U)

Up to this point, you have had several discussions with our franchise real estate experts and brokers about your business's financial needs. If you require a bank loan, the bank will need a letter of intent from the landlord at this juncture.

## ✓ DISCOVERY DAY (V)

After closure, you will be invited to a Discovery Day, during which you will walk through a running and humming Click IT store. You will be encouraged to listen in on discussions held between personnel, sit in on the day's meetings, have lunch and enrich your sense of Click IT, its national brand development strategy, daily store operations, systems, company culture and the like. What's more, we will review and verify the details of your start-up plan.

#### ✓ IMPLEMENTATION & STORE OPEN (W)

It's time to execute your plan. That will mean managing the built-out, hiring the employees, and getting systems up and running—and, depending on your start-up plan, maybe even throwing an opening party!

# **FAQ**

## DO I HAVE TO BE AN IT EXPERT?

Certainly not. However, we prefer candidates who plan to operate the Click IT store they want to own. Gaps of understanding and acumen between an owner and the employees can greatly burden the smooth operation of a business. We have made the systems and procedures it takes to run a Click IT store as accessible and comprehensive as possible. Our "pick it and click it" platform is a great boon to those



franchisees less familiar with technical environments.

## WHAT DOES A BUILD-OUT ENTAIL?

We offer SketchUp drawings of key store fixtures, such as the POS counter and workbenches. With these plans, contractors you hire will be able to construct the interior to spec. All signage, awnings, flags, wall decals and other street-view and interior branding is provided in the Stores Portal. The materials pertaining to outdoor branding will be constructed, erected and applied by sign vendors, experts who will assist in navigating the local regulations and allowances of the relevant municipality.

# HOW MUCH MONEY CAN I MAKE?

Click IT's company store outperforms its

competitors in numerous IT services categories. Moreover, its earnings are



exceptionally high in comparison to the national average across franchise opportunities. Once you are admitted into the candidacy program, you will be granted access to the Members Portal, where operational and financial figures will be made available to you.

## WHAT ARE THE PRIMARY RESPONSIBILITIES OF A FRANCHISEE?

A Click IT franchisee is responsible for operating her business. This includes acquiring and growing a customer-base, developing marketing strategies, implementing our concierge-style sales approach when selling IT services, building a team and managing that team well. The training and support Click IT administers franchisees helps them understand how to fill all necessary roles.

# What's Next?



# COMPLETE REQUEST FOR CONSIDERATION

Although this brochure has been designed to satisfy many of the questions you may have about being a Click IT franchisee, it serves only as an introduction. If what you have read excites you and you would like to pursue candidacy, please complete our Request for

Consideration Form, (C) in the first phase of our candidacy process.

## THANK YOU FOR YOUR INTEREST IN CLICK IT

We at Click IT would like to thank you for reviewing this brochure and considering what Click IT has to offer potential franchisees looking to own and operate an IT services business. Should you have any questions or concerns about our candidacy process, use the contact information below.

## CLICK IT COMPANY STORE & HEADQUARTERS

16 S. Main Street P.O. Box 2 Chagrin Falls, OH 44022

Company Store: 1-440-247-4998 Corporate Line: 1-800-368-7416

www.clickitfranchise.com

<u>LEGAL NOTICE</u>: This brochure is not an offer to sell a franchise. Any offer to sell this franchise will be made by a Franchise Disclosure Document and only following registration by Click IT® Franchise in any state requiring registration prior to sale.