

5 Franchises

for \$250K to \$500K

By Alison Ramsey

The best kind of business is repeat business, which these four franchises excel in. Three are consumables (one literally!), one involves early childhood education; all have a minimum total investment of between \$250,000 and \$500,000.

LGI® Industrial & Construction Supplies

Franchise Fee: \$45K

Minimum Total Investment Required: \$350K

Franchising has grown to encompass a huge array of highly specialized businesses that sell to and service customers of all sorts. LGI® Industrial & Construction Supplies is an even newer breed of franchise. Not only is knowledge about its myriad of products key, it is designed strictly as a business-to-business concept (retail customers aren't turned away, but they're not targeted).

This franchise, says Founder and President Greg Porter, is unique in North America, which explains its industry appeal.

The B. C.-based company just opened its first franchise outside the province with a unit in Clarenville, Newfoundland ("We're coast to coast!" he notes with a laugh.), and is in serious discussions with potential operators in the U. S.

LGI® has identified 120 potential Canadian locations, including natural resource-rich territories and manufacturing hubs. "People who work in this industry understand how underserved it is," says Porter.

The franchise sells products from the industry's 30 plus top internationally recognized suppliers (its online and paper-back reference guide runs more than 1,500 pages and 60,000 SKUs), carrying everything from fasteners to power tools, hoses, fittings, safety supplies and more. "If it makes sense for



us to order something for a customer, we'll do it," Porter explains. "It's all about being a one-stop shop. In the Greater Vancouver Area many of the largest accounts buy from us because we service them very, very well. From the aerospace industry to Joe's Welding Shop, the personal approach is the key to what makes our stores work."

One of LGI®'s largest accounts manufactures steel buildings that ship all over the world. "One thing they love about us is that we know every detail about their account. If they phone for a certain type of bolt, we're so intimate with their business process that we know what they need even when they don't."

To gain this kind of insider knowledge, LGI® interviews new customers to elicit detailed information and often suggests ways to customize orders that improve the business overall. "Smooth out the bumps, that's what we're there to do," says Porter. "You have to care about the client. It's our responsibility to make life easier for everybody."

Locations of between 2,000 and 5,000 square feet, located in clean, bright buildings in or near industrial parks, require two to three people to start. Usually one is the franchisee, who is already well versed in the business. If not, hiring experienced sales expertise is crucial.

Support is both personal – Porter takes multiple calls daily from new franchisees – and pervasive: LGI supplies hands-on, real-time help remotely by accessing the franchisee's computer system and walking them through any situation, he says.

"People say that a franchise is like a marriage, but I think it's more like a parent-child relationship. When franchisees are young they really depend on you for a lot of things. If we do our job well, they mature to become strong and independent," he says. "Their failure is my failure, and it cannot happen."

CEFA Early Learning Schools
Franchise Fee: \$60K
Minimum Total Investment Required: \$400K

When parents are introduced to CEFA Junior Kindergarten's advanced curriculum, they sometimes wonder aloud, "Wow, shouldn't the children be playing?"

"They assume it's two separate things, learning and playing. It's not," says CEFA Founder and CEO Natacha Beim. "School is an extraordinary, magical time at CEFA. If you ask any child in our school what they did all day, they'll say, 'We had an amazing day!'"

CEFA (which stands for Core Education & Fine Arts) combines the rigorous European curriculum, which Beim followed when she went overseas to teach in France, with the play-friendly, child-centred approach preferred by North American parents.

"Many countries have three years of schooling before Grade 1. Often, they put their best teachers in the first years. I was one of those." Beim, who initially dreamed of teaching in high school, balked when the administration asked her to



switch from Grades 4 and 5 to junior kindergarten. But, she recalls, teaching kindergarten "was so calm and refreshing. The children have the hopes of the world in their eyes; they haven't been told what they can't do yet."

When Beim returned to Vancouver she job hunted but found no preschool that mirrored her vision of a blended approach, so she started her own.

CEFA has since grown to 15 franchises in British Columbia, all owned by CEFA parents or CEFA teachers, and now seeks area developers to expand its groundbreaking program throughout Canada. A constantly expanding and updated "bank" of educational games devised by Beim and CEFA's 400 teachers is based on a core curriculum that develops children's reading, math, and writing skills while providing drama, music, and yoga as staples.

The approach is so highly involved that even fully qualified teachers require 10 months of additional training, which can be done on the job. Teachers teach; they don't cook (CEFA chefs prepare healthy meals) or clean (a common task in other preschools). "We attract really great teachers who believe what we believe," says Beim. "Without training, we'd never be able to pull off a program of this magnitude. It's impossible to find a similar curriculum elsewhere."