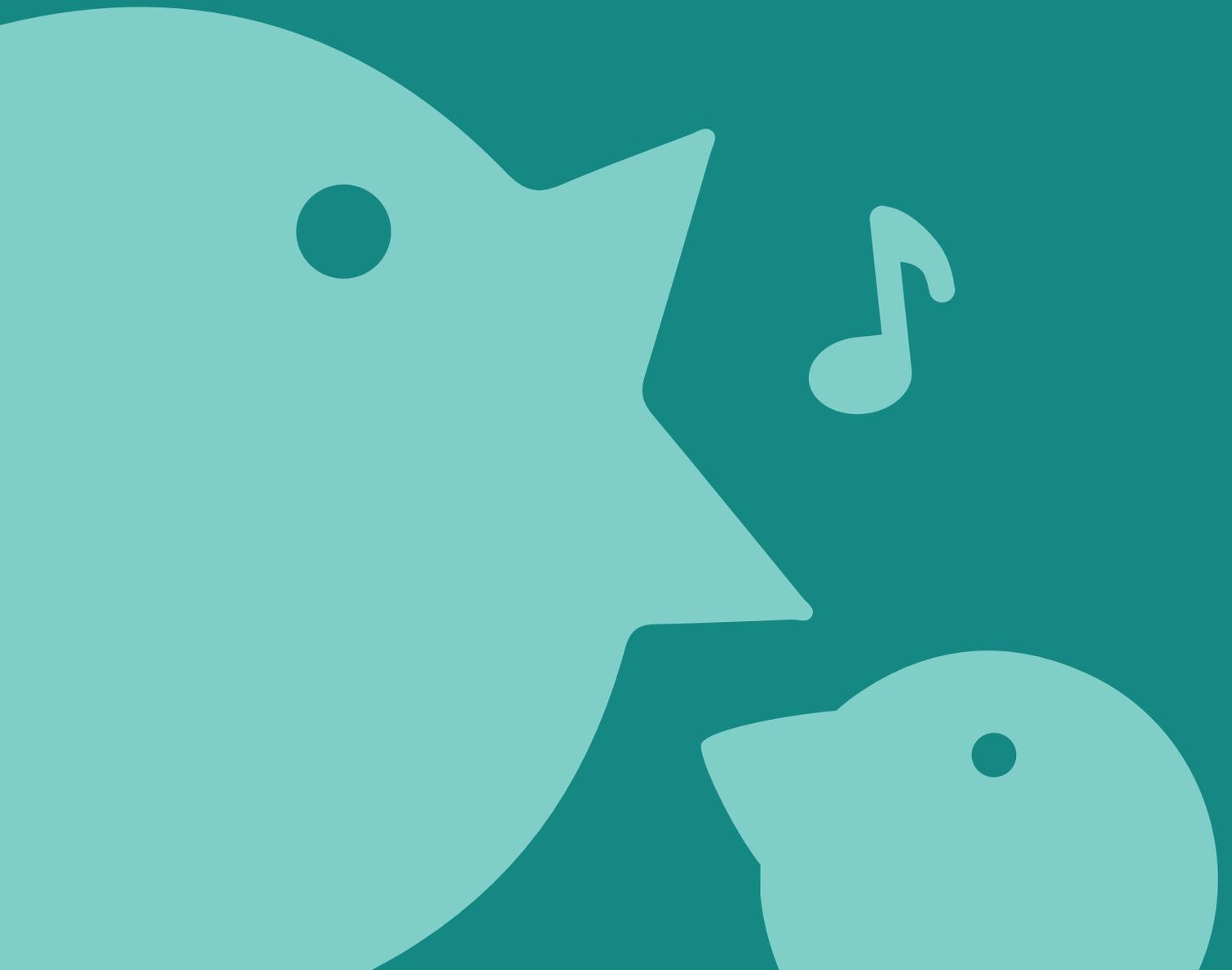


Hummy Mummies

Sing with your bump, baby or toddler in tow

Franchise Prospectus



About Hummy Mummies

Hummy Mummies is a modern, daytime choir for mums and carers of young children. No previous singing experience is required and no audition is needed, just a sense of fun, enthusiasm and willingness to get involved. Hummy Mummies aims to give mums the chance to do something for *themselves*, where their child is a welcome guest. The little ones play while the mums sing, without worrying that they'll get glared at if their children make a noise.

So far, hundreds of mums have relished the challenge of singing in three- and four-part harmony, and felt de-stressed, energized and uplifted from the joy of singing together in Hummy Mummies sessions.

Hummy Mummies was set up in November 2011 by Richard Swan. Richard is a musician, choir director, composer & arranger, teacher and musical entrepreneur. He set up Hummy Mummies as a response to a perceived need among the community of mums for a daytime musical activity that was focused towards the adults rather than the children. Hummy Mummies has been hugely successful in the SE London area, creating a growing number of mums who are passionate about being part of the Hummy Mummies community.



“Hummy Mummies is by far the best activity I signed up to after having my babies – something for me that they could enjoy so much too.”

How Hummy Mummies sessions work

Hummy Mummies sessions are 60 minutes long. Prospective Hummy Mummies can come to a session and participate free of charge. Once they decide to join they pay for either a 12-week term (£80) or a 6-week half-term (£45). The termly or half-termly membership gives the members the option to attend any or all of the classes, on whatever day they like. For example, within a territory of four branches, a term's membership theoretically gives you the ability to attend four groups × twelve weeks = 48 sessions per term.

Parents remain responsible for their children throughout the sessions and the leader admits no liability whatsoever for any accidents arising from the activities of the children. The session begins with about ten minutes of vocal warm-ups chosen by the leader. After this the group work on a selection of songs – usually three or four – predominantly learning and practicing the harmonies in readiness for an end-of-term concert. All arrangements and backing tracks are provided by Hummy Mummies Head Office. The older children tend to run around playing with toys, the younger ones stay with their parents. Parents are encouraged to take their children out if they are screaming, but general childish squeaks and shrieks are expected. Once a term there is a concert.

We are now looking to grow the Hummy Mummies business using a franchise model. We're therefore looking for exceptional individuals to become Hummy Mummies leaders and invest in a Hummy Mummies franchise.

What is a franchise?

The British Franchise Association describes franchising as follows:

Business format franchising is the granting of a license by one person (the franchisor) to another (the franchisee), which entitles the franchisee to own and operate their own business under the brand, systems and proven business model of the franchisor.

The franchisee also receives initial training and ongoing support, comprising all the elements necessary to establish a previously untrained person in the business. The legal contract, or franchise agreement, between the two parties sets out the obligations and rights of both franchisor and franchisee, and determines how long the franchise arrangement will last (including renewal options).

The principle is simple - rather than developing company-owned outlets, some businesses instead expand by granting a franchise to others to sell their product or service.

There are clear advantages to both franchisors and franchisees, just some of which are:

- You don't have to come up with a new idea - someone else has had it and tested it too!
- Larger, well-established franchise businesses will often have national advertising campaigns and a solid trading name
- Good franchise businesses will offer comprehensive training programmes in sales and, indeed, all business skills
- Good franchise businesses can also help secure funding for your investment as well as, for example, discounted bulk-purchases for outlets when you are in operation
- If customers are aware that you are running a franchise business, they will understand that you offer the best possible value for money and a consistent quality of service - although you run your 'own show', you are part of a much larger organisation
- You grow the business and, when you are ready to move on, can sell it for a profit

Who is in control?

Each franchise business outlet/unit is owned and operated by the franchisee. However, the franchisor retains control over the way in which products and services are marketed and sold, and controls the quality and standards of the business.

What are the cost implications?

The franchisor will receive an initial fee from the franchisee, payable at the outset, together with ongoing management service fees. In return, the franchisor has an obligation to support the franchise network, notably with training, product development, marketing and advertising, promotional activities and with a specialist range of management services.

The Hummy Mummies franchise package

A Hummy Mummies franchise offers

- an exciting, yet affordable opportunity to run your own business
- flexible working hours to fit around your home life
- low start up costs and a good return on investment
- session leadership training and detailed operations manual
- business development training to include advice on registering as self employed / limited company, securing investment funding, marketing and PR, social media etc.
- ongoing access to song arrangements (backing tracks and scores)
- intranet facility for resource access and internal communication
- ongoing business development support
- initial advertising, PR and promotional materials (25 A3 posters, 25 A4 posters and 2000 A5 leaflets ready printed)
- personalised Hummy Mummies email address
- your own Hummy Mummies territory in which you can run as many classes as you like

A Hummy Mummies franchise is right for you if

- You are able to lead a choir/singing group with three- or four-part harmony
- You are outgoing, friendly, approachable, committed, flexible
- You have keyboard or guitar skills (these don't have to be advanced but enough to accompany songs with basic chords), or would be very comfortable with using backing tracks
- You are relaxed with pre-school children
- You have, or are willing to obtain, a current, valid DBS check
- You are comfortable with MOR/easy-listening/pop genre
- You have your own transport (may have to transport keyboard/guitar/toys)
- You have your own transportable instrument/sound system
- You have morning/afternoon availability
- You are willing to throw yourself in, get involved and catch the vision

How much does a Hummy Mummies franchise cost?

The cost to buy a Hummy Mummies franchise is **£3,950**.

We do not take a percentage of our franchisees' profits, but instead charge a flat rate monthly management services fee of £150. This is an ongoing monthly fee payable throughout the year.

How quickly will I see a return on my investment?

We ask that franchisees run a minimum of two classes per week in order to offer the flexibility that Hummy Mummies appreciate and enjoy.

The figures shown in the table below are indicative of the potential turnover achievable based on a franchisee operating two, five or ten classes a week at the maximum recommended capacity of 25 people in each class, for three 12 week terms a year.

| | 2 classes / week | 5 classes / week | 10 classes / week |
|------------------|------------------|------------------|-------------------|
| Termly turnover* | £4,000 | £10,000 | £20,000 |
| Yearly turnover* | £12,000 | £30,000 | £60,000 |

Please note that these are turnover figures only. Franchisees will be responsible for weekly hall hire costs (which vary widely), annual costs for public liability insurance and marketing costs.

Your first year's investment would be:

| | |
|--|---------------------------|
| Initial franchise fee: | £3,950 |
| Ongoing monthly management services fee: | £150 x 12 months = £1,800 |
| Total year 1 investment required: | £5,750 |

You could therefore see a return on your investment in your second term of trading running just two classes a week and within your first term of trading if running three or more classes a week.

FAQs

- **How will I find people to come to classes?**
Don't worry – we will give you full training on how to attract people to your classes and keep them coming back
- **Why is there a franchise fee?**
The initial franchise fee covers the cost of training, recruiting, territory analysis, promotional materials, franchisee launch, etc.
- **Why is there an ongoing monthly fee?**
The monthly fee allows Hummy Mummies head office to cover the costs of ongoing services delivered to the franchisees, such as access to new arrangements and backing tracks, continued business support and marketing advice etc. It also provides us with a profit from our operations. Without this fee, Hummy Mummies would not be able to continue supporting the brand and its operations.
- **How will I afford the franchise fee?**
We are fostering relationships with the franchise departments of many of the high street banks and we are happy to discuss with you how best to secure investment funds if needed.
- **How long does the franchise agreement / deal last for?**
Our franchise agreements last for 5 years, after which time you will have the opportunity to renew at an agreed cost or to sell it on at a profit.
- **How do you decide whether I'm the right person to take on a franchise?**
We have a rigorous recruitment process in place and will only take on people who we feel have the right fit with our brand values and vision. We will always insist on meeting potential franchisees face to face to ensure they meet all our relevant criteria.

What's your recruitment process?

In the first instance, we ask for interested individuals to email catherine@hummyummies.com to express their interest in taking on a franchise. Please tell us why you're interested in a Hummy Mummies franchise and outline your relevant experience. If we feel you could be suitable to run a franchise we will ask you to come and see a class in progress and meet us for lunch and an informal chat after the session.

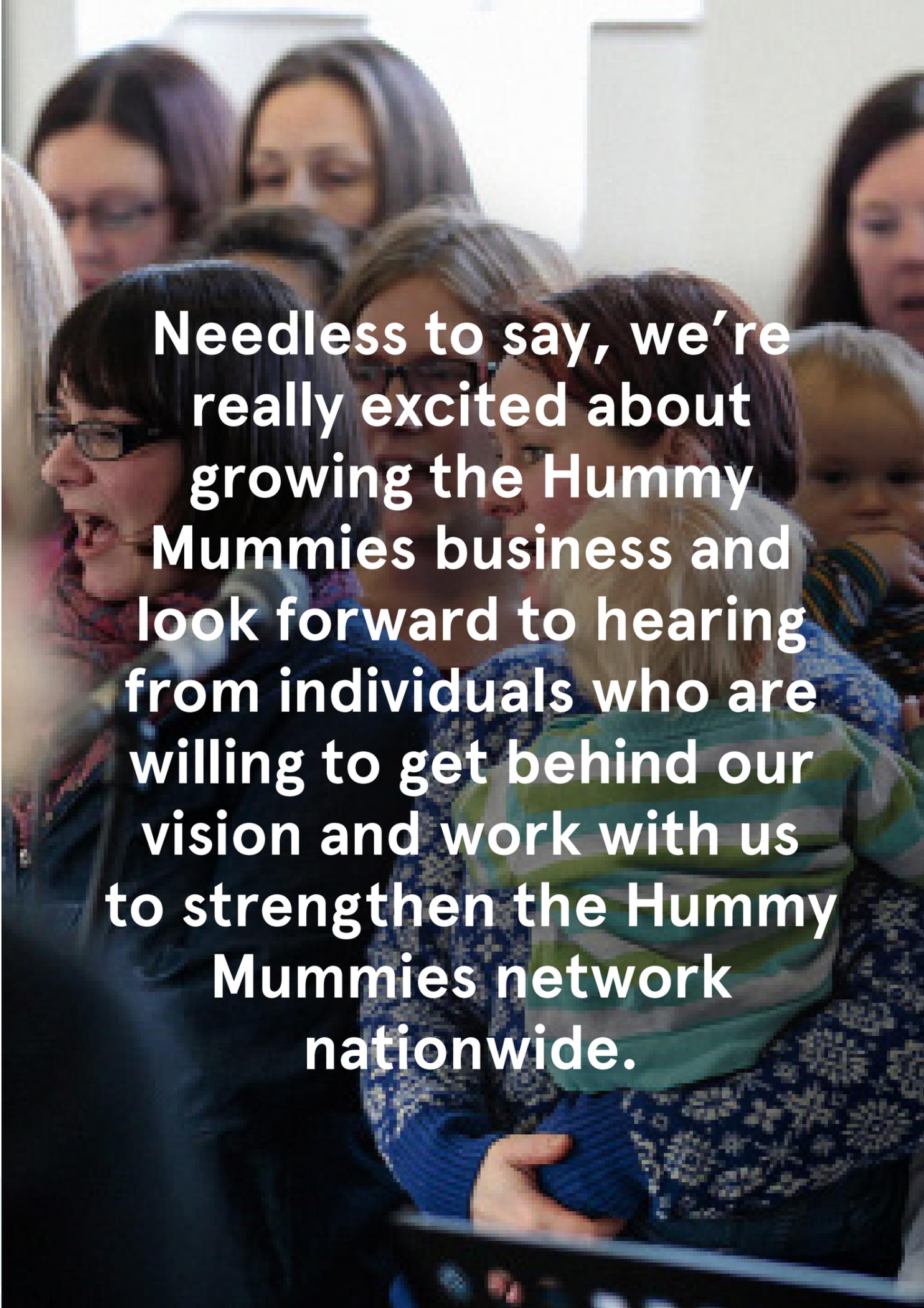
If we still feel you fit the criteria, we would welcome the opportunity to see you in action – leading a class or choir. If you don't run an appropriate ensemble at this time, please don't worry. We will agree the final element of the recruitment process on a case-by-case basis.

*Disclaimer

The figures set out in this prospectus are indicative of potential turnover achievable based on running two, five or ten classes a week at the maximum recommended capacity of 25 people per class, for three 12 week terms per year and charging £80 per person per term. We make every effort to ensure that the information is accurate and up-to-date, however all figures given as examples are approximate and for information purposes only. Please note that there is no guarantee that you will achieve these figures and it is not intended that you should rely on these figures as a warranty or guarantee of what you will achieve. Your level of turnover will depend on a number of factors including your commitment to the business, levels of activity, number of classes run per week, work ethic and motivation, territory, demographics and local factors.

Before making any decision regarding the Hummy Mummies franchise, it is imperative that prospective franchisees undertake their own due diligence and preparation, and prepare a business plan suitable for their respective franchise territory. Prospective franchisees are strongly advised to seek independent legal and financial advice before proceeding.

No information set out or referred to in this Prospectus shall form the basis of any contract. In order to take up a Hummy Mummies franchise, a prospective franchisee shall be required to enter into a franchise agreement acknowledging that he/she has not relied on, or been induced to enter into such an agreement by, any representation, warranty, assurance or undertaking save as expressly set out in that franchise agreement.



Needless to say, we're really excited about growing the Hummy Mummies business and look forward to hearing from individuals who are willing to get behind our vision and work with us to strengthen the Hummy Mummies network nationwide.

Useful links

The British Franchise Association is an organisation dedicated to promoting and accrediting excellence in franchising. We're in the process of gaining BFA accreditation for Hummy Mummies.

www.bfa.org

If you're serious about investing in a franchise it would be worthwhile taking advantage of the BFA's free 'Prospective Franchisee Certificate'.

More details can be found here:

<https://www.thebfa.org/about-franchising/prospect-franchisee-certificate>

Encouraging Women into Franchising – a useful resource for franchise advice, particularly for women.

www.ewif.org

