

THE HEALTHY ANIMALTM



COMMITTED TO PET NUTRITION AND WELLNESS



**A NEW AND EXCITING
FRANCHISE OPPORTUNITY
IN THE \$75 BILLION
PET INDUSTRY**



SELECTING THE RIGHT --- ***BUSINESS***



“Selecting the right business to launch a new career doesn’t have to be a difficult task. While there are many factors to consider, the most important is finding one that offers exceptional growth potential and financial stability while offering the quality of life you deserve.

When you invest your hard-earned dollars, you want to select a business that is not greatly affected by fluctuations in the economy. The Pet Food Industry is an industry that has proven it can weather the inevitable economic ups and downs far better than many other industries. And, every day is “bring-your-dog-to-work” day!

Congratulations on taking your first step towards financial freedom.”

Lawrence P. Friedman
President / Founder





WHY FRANCHISING?

Be Your Own Boss

If you've always liked the idea of being your own boss but worried about being out there on your own, franchising is your answer. Successful franchising systems provide a proven plan, and if you follow that plan you will earn the rewards of operating your own business... without the risk of doing it by yourself.

Success

According to the Small Business Administration and Gallup Surveys: 89% – 97% of all franchise operations are still in business 5 years after they open. Yet, 65% of independent business ventures fail in the first 5 years. 65% of franchise owners would invest in the same franchise business again. Only 39% of American workers would repeat their job experience. Franchisees are bigger today. 20% own an average of 2.6 units.

Support

No matter what your background, a good franchisor will provide the training and expertise you may need to avoid traditional startup problems. It's like being a step up on the learning curve. We've already made all the mistakes and learned from them. A good franchisor helps you avoid costly startup and operating mistakes. We are that franchisor.



WHY THE ————— ***PET INDUSTRY?***

While there are many reasons why some businesses succeed and others do not, one of the most important factors is choosing the right industry at the right point in time. One of the industries that many investors are currently betting on is the pet industry, and here are some reasons why.

It's Predictable

Predictability is worth more than high demand during Halloween (e.g. for a costume shop) or summer (e.g. for a water-front restaurant), because it reduces the risk of having too much inventory and allows for long-term planning. As seen on the Google Trends traffic, the pet industry has peaks in December but maintains a steady level of base demand throughout the year.

The Customer is Well Educated

The vast majority of new pet products need no explanation whatsoever. Pet owners know that the health, training and entertainment of their furry family members is important. Therefore, they are happy to try new, innovative and healthy products in the hope that it will benefit their pets. While knowledgeable customer service is important, an educated shopper provides an advantage over other industries.



WHY THE --- ***PET INDUSTRY?***

The Benefits of Kinderschema

Ethologist and biologist Konrad Lorenz studied what set of traits makes things appear cute to us. This set of traits is known as the Kinderschema, which describes the head-to-body ratio, the position of the eyes, and size of the eyes relative to the size of the head and more. Kinderschema states that we are hardwired to find certain things cute. We are attracted to puppies, kittens or any young animal for that matter because they have the perfect Kinderschema. Big eyes, a large head, the right head to body ratio and other traits that our subconscious perceives as adorable. This results in higher and higher pet ownership numbers!

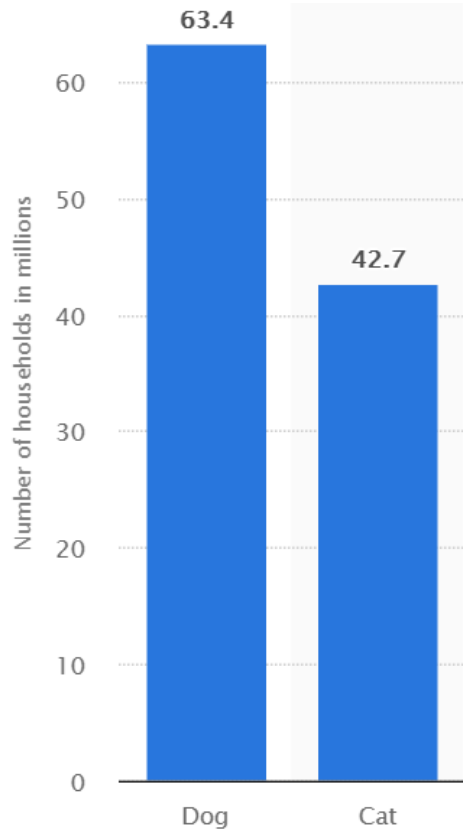
A Rapidly Growing Market

There has been a steep increase in demand over recent years as the number of pets has grown to 312.1 million. Since 1994, the market has more than tripled in size and grown from \$17 billion to over \$60 billion in 2015 in the U.S. alone. **In 2020, the market is expected to grow to \$75 Billion.** This means that not only are there more pets who need to be fed, but pet owners continue to spend money per pet owned as well. Dog owners spend an average of about \$1,641 and cat owners approximately \$1,125 per year.



MORE ABOUT THE *PET INDUSTRY*

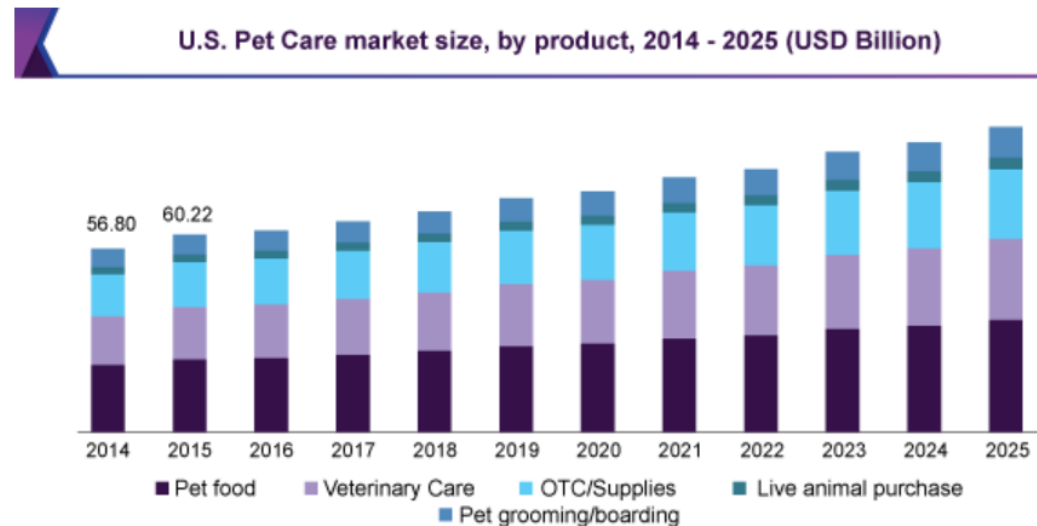
Number of pet owning households in the United States in 2019/20, by species (in millions)



Statista

With more than 106 million households in the U.S. owning dog(s) or cat(s), the Pet Care market is growing and is forecast to continue to do so.

U.S. Pet Care market size, by product, 2014 - 2025 (USD Billion)



Grandview Research



THE
HEALTHY ANIMALTM



THE — ***HEALTHY ANIMAL***™



We are Committed to Animal Health and Wellness

Over 15 years ago, Diane Dewberry, founder of The Healthy Animal, wanted more nutritious food options for her pets. Realizing that most of today's top selling brands weren't a good choice, she researched smaller companies that manufactured healthy and wholesome food, treats, supplements and remedies.

This was the beginning of what became The Healthy Animal. Recently she decided to franchise The Healthy Animal and bring her knowledge to the rest of the world. Diane is our resident pet food and pet nutrition expert for dogs and cats and their pet parents, ensuring that our furry friends stay safe and healthy.

Because they deserve it!



WHY CHOOSE THE HEALTHY ANIMAL?

It's a Pet-Lover's Dream

There is something special about pet people, especially dog and cat people. When you own a The Healthy Animal store, you will spend your days surrounded by animal lovers and their pups and kitties. But we understand that The Healthy Animal is a business. To that end, we have worked hard to develop a model and system, supported by a product offering, that we believe will provide you a great competitive advantage in this rapidly growing industry.





THE HEALTHY ANIMAL FRANCHISE OPPORTUNITY

It Begins with a Strong Foundation

Choose a franchise company with a proven leadership team that understands the needs and concerns of its franchisees.

The Team at The Healthy Animal has:

- Over 100 years of highly successful retail leadership experience;
- Developed and grown a well-known dry-cleaning franchise business;
- Leadership / franchisor experience in billion-dollar retail businesses;
- Direct experience as franchisees as well as franchisors (we have been in your shoes!);
- Deep knowledge of the pet industry and the specialized area of pet nutrition.



THE HEALTHY ANIMAL LEADERSHIP TEAM



**Lawrence P. Friedman,
President & CEO**

Larry opened his first restaurant at the age of 17. He went on to spend 15 years in the corporate world, starting with running the first bank-owned credit card division at Chemical Bank. Larry was recruited by Chase Bank to create a Student Loan Origination Division. In 1987, Larry decided the time was right to go into business for himself. He learned the dry-cleaning industry was extremely profitable and recession resilient and quickly grew a chain of dry cleaners. Since then, Larry has owned and operated a very successful restaurant, founded and operated Next Step Franchising, and grew the Lapels Franchise brand. He is currently the Treasurer of the Plymouth, MA chapter of SCORE, a division of the SBA and Finance Committee member for the town of Duxbury, MA.



**Laura A. Hurley,
Director of Franchise Development**

Laura has over 25 years of experience managing small business. Her expertise is in business development and operations and she has supported multiple entrepreneurs in their start-up endeavors by assessing the goals of the business and developing procedures and operations manuals. She has developed multiple training programs, written training manuals and provided on-site staff training. Laura joined Larry Friedman at Next Step Franchising as Director of Franchise Development during its first year in operation and was an integral part of growing the business. She then went on to help Larry re-build, re-open and manage the Sun Tavern Restaurant, for the second time, to its current success.



**Andy Bailen
Board of Advisors**

Andy is highly experienced in P&L management, strategic planning, business development, Pop-Up Store retailing, e-commerce, social media, merchandising, marketing, store operations, supply chain logistics, finance, franchising and real estate. His experience includes EVP Product Development, Marketing, e-Commerce & Global Sourcing at Alex Brands, General Manager of Specialty Retail at Toys "R" Us, CEO and Board Member at KB Toys, President of Loew-Cornell (a Jarden company), EVP of Merchandising and Marketing at Party City and SVP, General Merchandise Manager at Blockbuster, Inc.



THE HEALTHY ANIMAL COMPETITIVE DIFFERENTIATION



Our Highly Curated Product Assortment Sets Us Apart!

- ✓ We only offer products that are healthy, wholesome and nutritious for your pets. These items are often sourced from smaller, specialized manufacturers that place quality above all else. Their commitment to the well-being of your pets is equal to ours.
- ✓ Our products are often so specialized that consumers will not find them for sale in grocery stores, mass retailers and even big box pet stores. This creates a great opportunity for you to establish your The Healthy Animal store as “the place to go” for healthy pet food and treats!



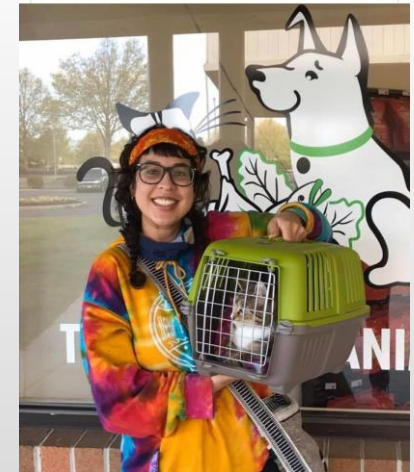
THE HEALTHY ANIMAL COMPETITIVE DIFFERENTIATION

Service, Stores & Community

- ✓ The Healthy Animal is committed to providing our guests with industry-leading customer service driven by a deep knowledge of pet nutrition and the specific benefits of the products we sell. We support this commitment with a world-class training and product knowledge program for you and your team. Our service levels simply cannot be matched by chain retailers!
- ✓ Our curated product assortment allows for smaller stores which are easier to shop for our guests and easier to manage for you. No endless aisles and parking hassles for our customers. Our smaller footprint also provides you with lower rents (and thus lower risk), a larger selection of potential store sites, reduced payroll costs and easier maintenance.
- ✓ Our smaller “right-sized” stores allow you to locate your The Healthy Animal store close to your customers and become a true member of your community. From on-site pet adoptions to supporting local organizations, you can build goodwill that large, chain competitors cannot compete with.



Beautiful Midna went home today with the help of The Healthy Animal of Robbinsville! Happy life little girl! Enjoy looking out your new window at all the birds 🐾🐾🐾



CUSTOMERS LOVE THE ——— ———HEALTHY ANIMAL™

Cassie Gress, Plymouth MA



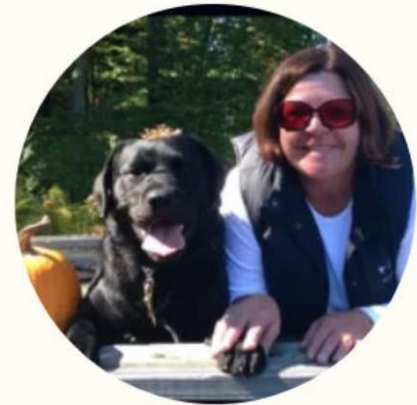
"So glad I found this place. My 8 month old puppy was suffering some on and off digestive upset and recently wasn't as interested in his food without a topping, so I thought it might be time for a change. The staff was so friendly and helpful, and knowledgeable! Went home with about 5 dog food samples and a project to see which food he liked."

Stephanie Kanagie, Hull MA



"Awesome raw food selection, super helpful and very caring staff!"

Renee Rasinski, S. Boston MA



"My go to place for all things holistic!! Knowledgeable, friendly, communicative, cutting edge -- what more could a dog owner ask for??"



WHAT YOU GET WHEN YOU BECOME A “THE HEALTHY ANIMAL” FRANCHISEE

- ✓ A Proven Business Model designed with your success in mind
- ✓ A Rapidly Growing and Respected Brand
- ✓ Affordable Startup Investment
- ✓ A Highly Curated Product Assortment that resonates with pet owners while creating competitive differentiation for you
- ✓ Ongoing Operational Guidance and Support provided by a team of passionate and highly experienced professionals
- ✓ Company-wide Advertising, Social Media & Web Presence
- ✓ Store-specific web page development with ongoing hosting, updates and maintenance
- ✓ New store and grand opening marketing program, as well as ongoing marketing programs, and assistance
- ✓ The opportunity to “give back” by partnering with local pet adoption agencies and other animal causes



BUT WAIT, THERE'S MORE!

- ✓ Prime Territories Available
- ✓ Single and Multi-Unit opportunities
- ✓ Small Footprint and Flexible Location Criteria to maximize ROI
- ✓ Site Selection Assistance and support using leading edge demographic data and analysis tools
- ✓ Site Development and Store Design Guidance
- ✓ Comprehensive 89 Hour Training Program consisting of hands-on in-store, classroom, and online sessions
- ✓ Operating Standards Manual containing all the information you need to start your franchise business and run your store
- ✓ Purchasing Power: The Healthy Animal has negotiated, and continues to negotiate, for the lowest prices on everything from inventory to payroll processing
- ✓ The opportunity to work with pet lovers to improve the nutritional well-being of their cats and dogs while having your best friend by your side!



UNPARALLELED --- ***FRANCHISE SUPPORT***



Your Success is Our Success!

- ✓ The complete training and expertise you need to avoid traditional start-up problems
- ✓ Customized marketing programs that are designed to bring in new customers while retaining existing customers
- ✓ Open lines of communication via email and telephone to corporate personnel for ongoing support and consultation
- ✓ Seven-day-a-week computer software technical support
- ✓ Periodic meetings, seminars, and training sessions to learn, exchange ideas, and network with fellow business owners.



THE HEALTHY ANIMAL — — ***FRANCHISE***

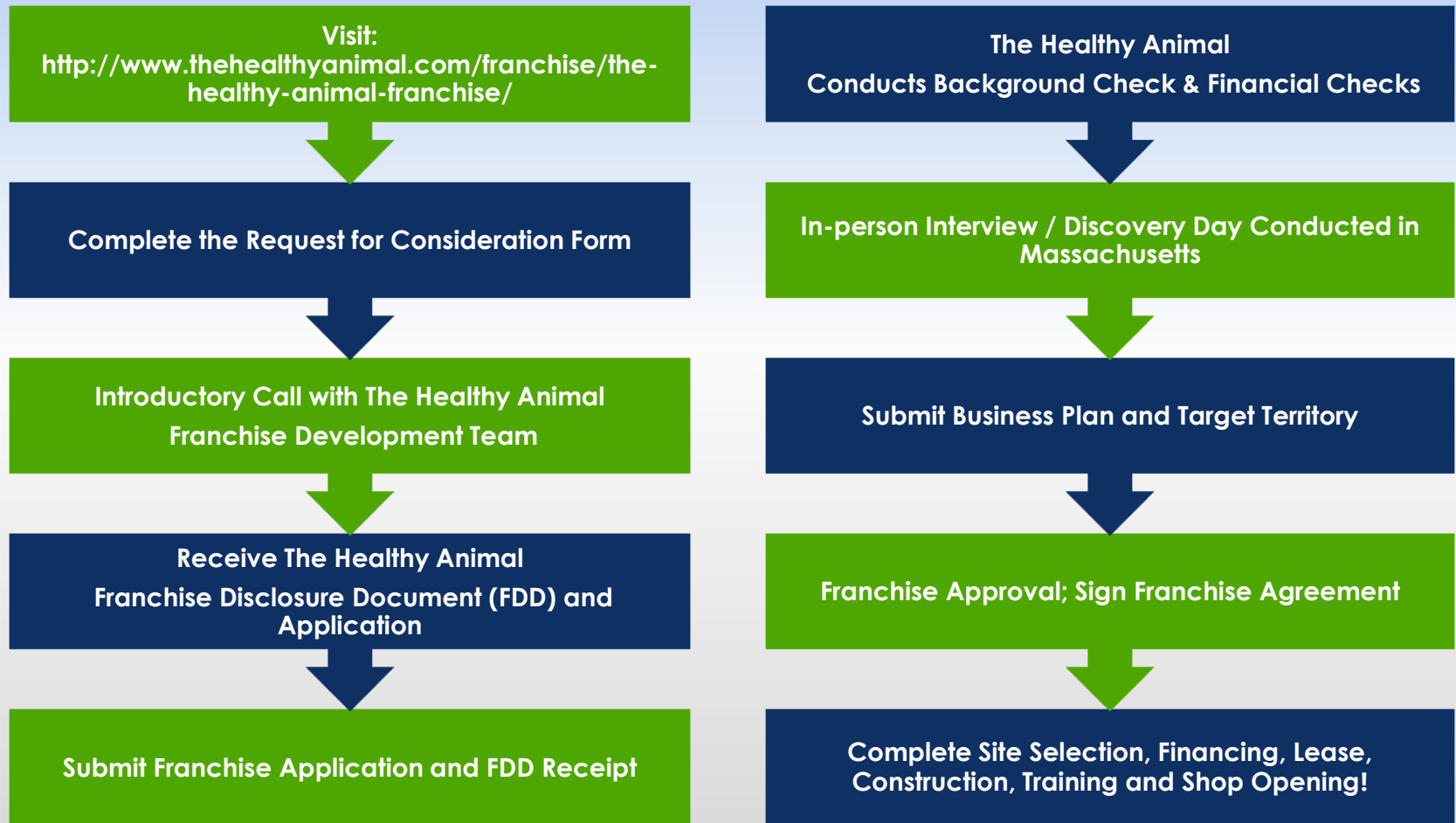
The Key Numbers

- Single Unit Franchise Fee: \$25,000
- Multi-Unit Incentives Available
- Royalty: 5% of gross sales
- Marketing: 1% ad fund contribution
- Total Estimated Initial Investment (includes franchise fee):
\$101,700 – \$198,700
- Personal Requirements: \$300,000 net worth and \$100,000 liquid capital available for investment and a commitment to succeed!
- Store Size: 800 – 1,600+ Square Feet

"Entrepreneurs who have the desire and drive to succeed are given the opportunity to live the American dream – owning and operating your own business."



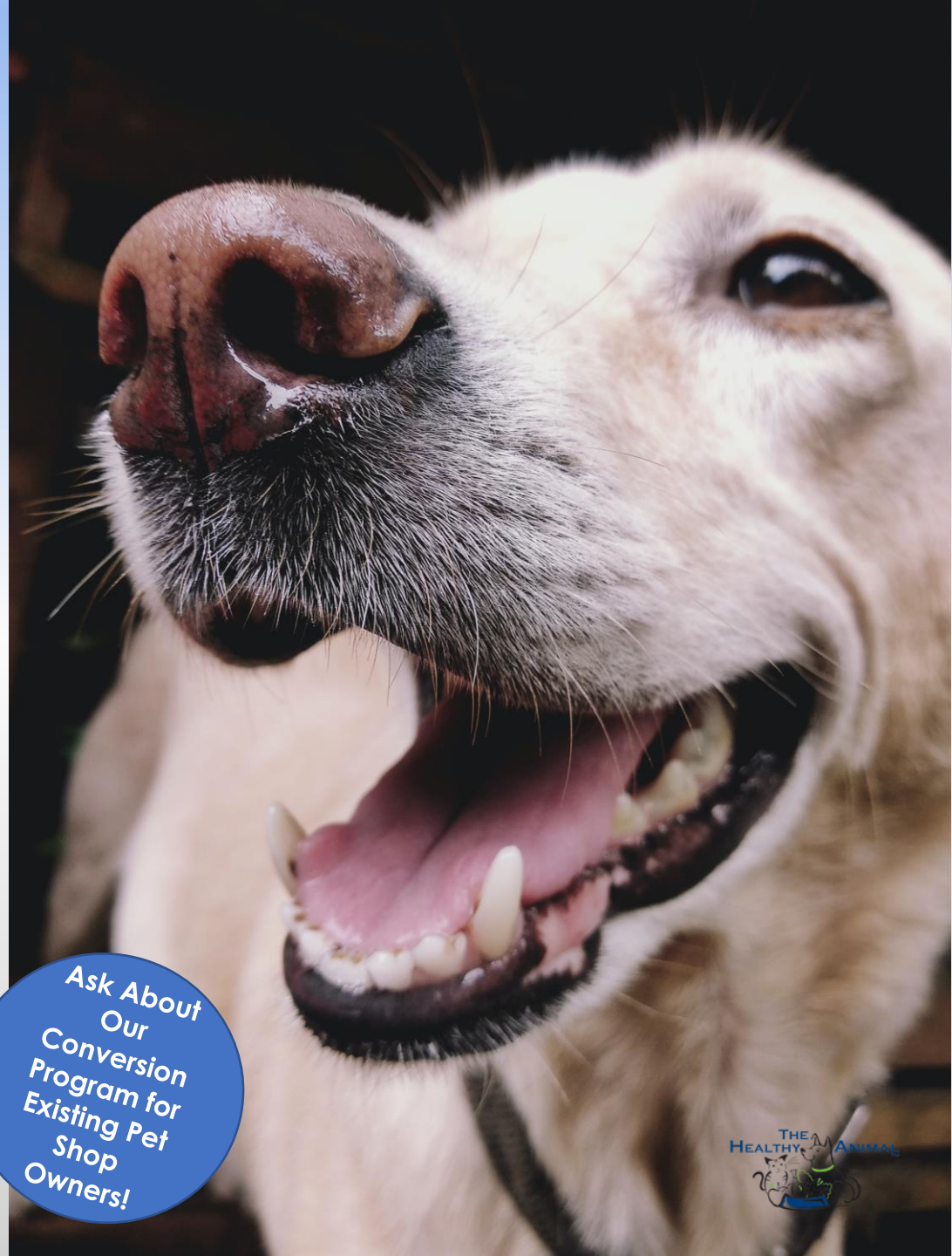
STEPS TO OWNERSHIP



***THE HEALTHY
ANIMAL IS
SEEKING HIGHLY
MOTIVATED
FRANCHISEES TO
CONTINUE OUR
EXCITING
GROWTH STORY!***

Based on hundreds of requests, we are now offering the opportunity to own your very own The Healthy Animal store. If you're an entrepreneur, business professional, military veteran or existing franchise owner and you have a commitment to providing unparalleled guest service and a love of animals, we would love to hear from you!

Ask About
Our
Conversion
Program for
Existing Pet
Shop
Owners!





CONTACT US

The Healthy Animal is looking for experienced and qualified single and multi-unit operators who share the same passion for animals and for providing customers high quality, nutritional pet products to help grow this exciting brand nationwide.

To learn more about this exciting opportunity, visit:

<http://www.thehealthyanimal.com/franchise/the-healthy-animal-franchise/>

and complete the Franchise Consideration Form or

Contact Andy Bailen at abailen@3PeConsulting.com
or by calling 862-432-6111

to schedule a no-obligation discussion about your future plans and how we may be a part of them!





<https://www.facebook.com/The-Healthy-Animal-131105492019745>



https://www.instagram.com/the_healthy_animal/



This document and the franchise sales information contained herein do not constitute an offer to sell a franchise. The offer of a franchise can only be made through the delivery of a franchise disclosure document. Certain states require that we register the franchise disclosure document in those states. The communications on this web site, social media post or advertisement are not directed by us to the residents of any of those states. Moreover, we will not offer or sell franchises in those states until we have registered the franchise (or obtained an applicable exemption from registration) and delivered the franchise disclosure document to the prospective franchisee in compliance with applicable law.