Franchise Opportunity Guide

WELCOME TO 2ND FAMILY

The 2nd Family business officially started in 2012 when founders Chad Tracey and Josh Markland contracted with their first client. But the beginning of story goes back a little further as these two cousins, along with other family members, were searching for the proper care for their aging grandmother. At the time, they knew it was one of the most important decisions they would ever have to make.

Through the tedious and frustrating process of finding appropriate options for their grandmother, Chad and Josh quickly realized that the quality of care that was available did not meet the family's hopes and expectations. It was at this point that they felt someone had to fill the void between the level of care available in the marketplace and their expectations. Chad and Josh decided to take on this challenge themselves.

Today, after developing and refining our vision of in-home care and a support services business model, we have shown that consistently providing the highest level of care is possible, and that making a positive difference in people's lives is truly rewarding.

THE DIFFERENCE IS IN THE DETAILS

The 2nd Family commitment to quality care starts with the hiring process. The 2nd Family screening process identifies only caregivers who personally care and have the ability to build relationships with their clients. The home office based in Eldersburg, MD is completely staffed with certified nursing assistants who are compassionate, selfless, and have a strong desire to assist those in need. Franchise owners can leverage this hiring process model when building their local business.

Administratively and technologically, we also have laid the groundwork for a streamlined, organized business model. At 2nd Family, advanced technology is utilized to track care plans, scheduling, billing, payroll, and all communications between professionally trained staff and the clientele. 2nd Family provides unmatched access and coordination of care with the utmost in comfort, confidence, and flexibility. These are all tools that are available to in-home care franchise owners who join 2nd Family, helping build an effective, meaningful business.

WHAT SERVICES DOES 2ND FAMILY PROVIDE?

- **PHYSICAL CARE** – From assistance with bathing and grooming to personal hygiene assistance and incontinence, our staff help clients with all aspects of their personal care.

- **HOME CARE** – Our staff help clients with non-personal care related activities such as light housekeeping, meal preparation, laundry, dishes, and transportation assistance. These activities are necessary in allowing a client to maintain their independence.

- **FamilyFirst™ TRANSITION SERVICES** – This specialized care package helps to ensure that a client who is transitioning back home from a physical rehabilitation unit is able to do so safely and with the proper continuing assistance.

- **FamilyChoice™ PLACEMENT SERVICES** – Home care services are not the correct choice for all seniors. Those interested in facility living can work with a 2nd Family Advisor free of charge to receive guidance on choosing a facility and assistance with the necessary paperwork. By developing a network of placement agreements with the facilities in your area, you will then be position to collect a placement fee for each client whom you are able to place in a facility. *

** Not all locations offer the FamilyChoice™ program and there is no requirement to do so.*

HOW IS 2ND FAMILY DIFFERENT?

At 2nd Family, we've structured our business to compete in the 21st century. As the Baby Boomers begin moving into the age in which they will receive home care, businesses will need to adapt. Quite often, the Baby Boomer generation does not have the same expectations, communication style, or supporting family structure that the previous generation did. That means that the large, established senior in-home care providers will need to adapt their business processes down to the fundamental level in order to meet the needs and expectations of the Baby Boomer generation.

With that in mind, 2nd Family was intentionally established, designed, and developed looking towards the future, not the past. Our program is designed **intentionally** to be different than our fellow senior care brands, with the aim of meeting the new demographic of senior care recipients in just the way they'd like. With that, we've distinguished our service in several different ways:

- **FAMILY PORTAL TECHNOLOGY** – Our unique 2nd Family App allows clients, caregivers, and referral sources unmatched access to our abundant digital resources, all from a smartphone. Families can check their upcoming schedule and request schedule changes, caregivers can review care plans and request to have a day off, and referral sources can securely submit the name and contact information of a potential client who would like more information. And that's just the tip of the iceberg.

- **RN CARE COORDINATOR** – We place an emphasis on the clinical side of home care. Whereas many companies will simply pair a caregiver with a client, 2nd Family goes the extra mile to *manage* the care process. Each of our clients receive a dedicated RN Care Coordinator who manages the process of delivery top-quality home care – from training and instructing caregivers to helping coach and encourage family members.

- **SPECIALIZED TRAINING –** Each of our caregivers undergoes a specialized caregiver training course designed to elevate the level of home care which we can provide. By investing time and attention to properly train our staff, our families receive caregivers

who are more confident, capable, and caring. We also utilized the vast resources of a premier online caregiver training course to provide additional resources to our staff.

- **THE GRANDMA GUARANTEE™** - Finally, our Grandma Guarantee™ succinctly sums up our mission as a company, and that's simply to provide the type of care which we would expect for our own Grandma. So, the Grandma Guarantee™ states that, "If a caregiver isn't qualified care for our Grandma, then we won't send them to care for yours either." Our quality training program will allow you to make the same claim with confidence in your ability to deliver.

IS THE BUSINESS MODEL WORKING?

We tend to think so. Here are a few of the awards that our home office has won. This award-winning approach to senior care is the same one that we will teach you how to deploy at your 2nd Family location. Soon, your awards list could look something like this:

WHY SENIOR IN-HOME CARE?

- **DEMOGRAPHICS OF THE INDUSTRY** – As we briefly touched on already, the Baby Boomer generation is just now aging into the time of life when they will need homecare. Recently stats show that 20,000 people **per day** turn 65 years old in this country. They will need care. This market is just beginning to explode.

- **PREDICTABLE INCOME –** Unlike retail or food, senior care is not a 1-time sale. The average 2nd Family client receives care for more than a month, with many long-term clients utilizing our services for 3 years or more. At a financial level, each client becomes a source of recurring revenue.

- **LEVERAGE YOUR SKILLS –** Chances are good that you already have a significant background in sales and/or business development. Perhaps your experience is even in a related field, such as pharmaceutical sales or medical devices sales. If this is the case, you can directly employ your wealth of business skills and easily transition into generating home care leads. This shortens the learning curve and expedites your path to profitability.

- **PRIVATE PAY –** Because we perform activities which are classified as "non-medical," that removes the headache of complying with federal guidelines for reimbursement. The vast majority of our clients pay us privately, with a small minority using Long Term Care Insurance. Because we avoid Federally-backed programs, our Accounts Receivable balance is rarely more than 30 days old.

Click to see a TV special on the award-winning service provided by 2nd Family.

HERE ARE SOME OF THE WAYS WE SUPPORT YOU:

- **Pre-Opening Training Programs –** remote learning through our Franchisee Portal, corporate based training, and on-site training as you prepare for business launch.
- **Access to Exclusive Technologies –** centralized caregiver, family, and education portals that are multi-platform compatible and designed for effective business operations.
- **Advice on Finding Caregiver Staff –** we have time-tested systems in place designed to efficiently seek out and screen qualified caregiver candidates, which you can easily apply in your local business.
- **Ongoing Franchise Support –** including refresher training, on-site visits from our support team, and remote support when you need it.
- **A Confidential In-Home Care Operations Manual –** an invaluable daily resource, detailing key business functions.
- **Local Marketing Guidance –** help with networking, cultivating referrals, and promoting your local business and growing your client base.

PROFILE OF AN IDEAL CANDIDATE:

Background – Previous work history in sales or business development is preferred. Much of the success of the franchise will hinge on the ability to create professional referral relationships from local senior care facilities. In lieu of sales experience, a promising candidate may instead have experience in the nursing field, or in general business management.

Personality – Someone with a high level of energy coupled with a desire to succeed through hard work would fit the culture of 2nd Family. Ideal candidates will be good leaders, great listeners and communicators who have a heart for people and want to provide a solution to problems. Successful franchisees are also great at implementing processes versus trailblazing a new path, so an ideal candidate would be someone who buys into our system completely.

Passion – In order to effectively serve the senior population and to enjoy your career with 2nd Family, you have to be passionate about growing a business that provides service to a vulnerable segment of our population. Passion cannot be taught or fabricated.

Timeline – Due to the low startup costs and tiered ramp-up period, the ideal candidate would currently be employed and have a desire to continue on in their employment while working through the pre-opening tasks in preparation to launch a new business. Once the new business has gained the necessary scale, the franchisee could then resign and work on the 2nd Family franchise full-time.

HOW MUCH DOES A 2ND FAMILY FRANCHISE COST?

There are many reasons why you might be looking at a 2nd Family home care franchise business opportunity: You want to take advantage of an increasingly popular business model or leverage the growth potential in an established brand. Below is a chart of the costs, followed by a few things to consider as you evaluate the investment needed open your franchise.

Type of Expenditure	Amount	Method of Payment
Initial Franchise Fee	$49,500	Lump sum payment in cash or available funds.
Your Training Expenses	$1,950 – $2,500	As required for transportation, lodging & meals
Rent deposits	$1,000 – $1,667	As required by landlord
Utilities Deposits	$200 – $500	As required by utility providers
Office Furniture, Fixtures, Equipment and Supplies	$1,000- $3,135	As required by supplier
Signage	$600 – $2,500	As incurred
Licenses and Permits	$500 – $3,000	As required by government agencies
Computer Systems	$3,500 – $7,237	As required by suppliers
Initial Inventory to Begin Operating	$2,270 – $3,000	As required by suppliers
Professional Fees	$1,000 – $3,000	As required by providers
Grand Opening Advertising	$10,000- $20,000	As required by supplier
Insurance	$3,000 – $10,000 (annually)	As required by insurer
Operating Expenses / Additional Funds – 3 months	$18,000 – $44,000	As incurred
TOTAL		**$92,520 to $150,039**

Getting Started: The total investment necessary to begin operation of a 2nd Family start-up franchise is estimated to be between $92,520 and $150,039. This includes an initial franchise fee of $49,500.

Potential ROI: To give you a better idea of what franchise royalties 2nd Family requires, as well as to learn more about franchisees past return on investment ask about our item 19 information.

Financing: While 2nd Family doesn't offer any direct or indirect financing, we may be able to refer you to third party financing resources on a case-by-case basis.

We currently offer a 10% discount on the Initial Franchise Fee to veterans of the U.S. armed forces who have been honorably discharged from the military and who otherwise meet our requirements.

How to Become a 2nd Family Home Care Franchisee

Franchise Steps

We want to give you a complete picture of the steps to become a 2nd Family franchise owner. It's important that there is a good fit between franchisor and franchisee to strengthen the 2nd Family brand and ensure that franchisees have the greatest chance to create a growing, rewarding business.

This is what you can expect as you move through the process to become a 2nd Family franchise owner.

Step 1. First Call

The first call with 2nd Family will be a high-level discussion about you, your background and your business goals. It's an opportunity to not only answer any questions you may have, we can discuss the financial aspects of the franchise investment and determine whether the in-home care industry is the right business concept for you to invest in. If at the end of the call both parties are still interested, the potential franchise will be asked to fill out a candidate profile.

Step 2. Reviewing Your Qualifications and Motivations

During this more in-depth call we will discuss how a 2nd Family in-home care franchise can help you meet your goals for business ownership. It is also an opportunity to get to know one another better, to establish the beginning of a fruitful relationship.

Step 3. Overview of Business Concept Call

You will receive detailed information about our in-home care concept and the senior care industry as a whole. You'll get details about the day-to-day operations in a 2nd Family franchise as well as more information on the comprehensive support we provide.
This call may stretch over multiple calls and topics could include:

- 2nd Family's in-home care philosophy
- Best practices for caregiver recruitment and retention
- Marketing strategies for a in-home care franchise
- How to find clients
- Client and case management
- Details on what support and training you can expect as a franchise owner

Step 4. Review of the FDD

The franchise disclosure document or FDD is a critical legal document to explain the ins and outs of buying a 2nd Family franchise as well as the protections afforded to you, as the franchisee. It will detail, franchisee obligations, information on territories, include financial statements and have information on required contracts. We'll walk you through the entire document and help you to make a much more informed business decision.

Step 5. Training, Marketing, and Operations Call

When you join the 2nd Family system, you will receive a number of tools to help you run their business effectively. That includes effective marketing as well as thorough operational support. Training is also important for you as you manage your staff, as you will need to ensure the caregivers, who make up a key piece of your business, receive the training they need to do their jobs well, and that their clients get the quality care they need and deserve.

Step 6. Validation

Buying a franchise is a big decision, and it often requires a significant commitment in terms of both time and capital. You'll want to speak with other franchisees and hear their experiences. We'll connect you to them so you can get all of the information you need from someone who's experienced exactly what it's like to run an in-home care franchise.

Step 7. "Meet the Family" Day

Visit the headquarters and meet with the owners/leadership team at 2nd Family.

Step 8. Approval

Assuming you have met all the financial as well as any background requirements, you will receive a franchise agreement and assigned territory and be officially welcomed into the 2nd Family fold. You'll sign the necessary documents and get to work on officially opening your in-home care franchise.

READY TO LEARN MORE?

Congratulations on taking the first step toward achieving your goal – owning a business! We are excited to talk through this with you, helping you along your journey. If you're ready to take the next step and set up an initial, no-pressure discovery call, click the link below and schedule a time that works best for you. Or just give us a call at the number below. We look forward to connecting with your, hearing your story, and joining you on the journey towards business ownership!

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Click to Schedule a Call