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It's Time for Calendar Zero

Protect your time like the precious resource it is. Here's a simple way to start.

REMEMBER WHEN “inbox zero” was everyone's goal? The idea was that, someday and somehow, it was possible to clear your thoughts by clearing your inbox.

As I write this, I have 131 unopened emails waiting for me. Inbox zero is a fantasy, and I accept that. I have come to believe that we should not define our success by (or tie our sanity to) things we cannot control ourselves. If anyone can email us—you could email me right now!—then the number of emails in our inbox at any given moment is out of our control.

So instead of shooting for inbox zero, I have shifted my goal to something that is within my grasp. It's called “Calendar Zero.”

This is my term for a day without meetings. It is a day to do deep work, to think without interruptions, and then, when the time comes, to take care of your body and mind as well.

Sound impossible? I assure you, Calendar Zero does not come naturally to me either. My instinct is to pack my days with meetings, deadlines, and tasks, with one thing crashing into the next. I'm embarrassed to admit this, but I feel a kind of sick pride when I have a headache at the end of the day—as if I used my brain to its capacity. But a few months ago, a happy accident occurred: I

looked at my calendar and, by pure luck, I had absolutely no appointments that day.

I stared at this open calendar with wonder, like a baby seeing the night sky.

Then I realized what it meant: I could do the kind of work that is only possible without interruptions. That big project I'd only glancingly tackled? Today it gets done. That big idea I'd had no time to explore? Now I could think it through. By 2 p.m., I'd accomplished so much that I went for a long bike ride—and felt no guilt or worry! As I was breezing down the road, it occurred to me: *I need to do this more often.*

But I couldn't just wait around for more happy accidents. This would require proactive action. I looked for the next appointment-free day on my calendar. It was weeks away. I blocked it off and wrote “NO MEETINGS DAY.” As the day grew nearer, I guarded it fiercely.

Are other people doing this? I wondered. I surveyed my LinkedIn followers and learned that 62% block off a day at least once a month. Some told me they do it weekly. One guy, Third Nature founder Brian Helfman, said he blocks off a *full week* once a quarter. “It's like a staycation, but I'm more productive than any normal week,” he wrote. But many others said they *try* to do it and



often fail or forget.

That's why I'm telling you about this now.

Even the most hard-charging among us must admit: Greatness does not happen when it's squeezed in between meetings. And the meetings themselves sure don't produce greatness. Here, instead, are the three truths we must remember:

1/ We cannot confuse productivity with a packed schedule.

2/ There is no award for being the busiest.

3/ If we do not claim the time we need, others will claim it from us.

Unlike inbox zero, which requires constant maintenance and oversight, Calendar Zero allows you to start small. You, like me, may not be able to imagine a meeting-free day

every week, or even every two weeks. Fine; do what you can and build from there. Prove to yourself how valuable it can be. Weave it into your habits.

Start like this: Pull out your calendar right now and look for the next day that's yet to be booked. Can you block it off? If yes, do it. If not, find the next one. Do not stop until you've written those magic words in your calendar: “NO MEETINGS DAY.”

That is your day. You deserve it. You will do great things with it. Don't let anyone take it from you.

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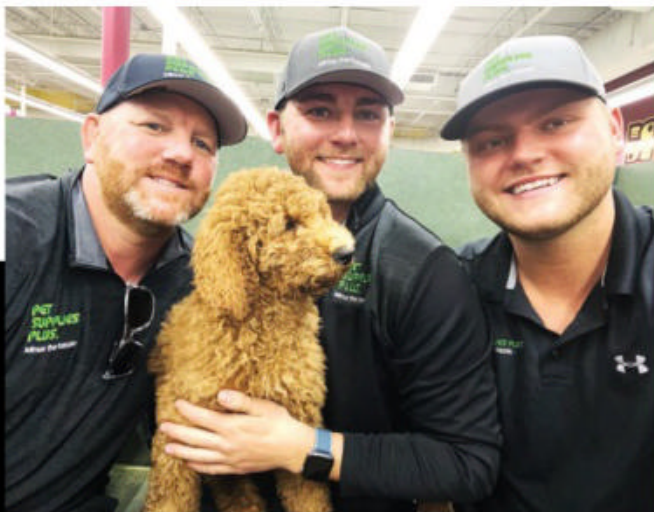
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Starting Small Can Generate Big Buzz

How do you build a community around your company? High-profile tech investor **Andrew Chen** has a counterintuitive answer: Don't take it to the masses—yet. **by JASON FEIFER**

PHOTOGRAPH BY ETHAN PINES

→ DISRUPTION DIALOGUE

Andrew Chen
speaks onstage at
TechCrunch Disrupt.



What do a dating app, Uber, a nightclub, and Airbnb all have in common? “If your customers come to this product, and there aren’t enough other people around, then they’re just going to bounce,” says Andrew Chen, a general partner at the high-profile Silicon Valley VC firm Andreessen Horowitz, who sits on the boards of Clubhouse, Substack, and a dozen other buzzy tech startups. These companies require what’s called a *network effect*: They become more valuable as more people use them. (After all, nobody hangs out at an empty club.) That means founders need to attract an active and connected base of users quickly, or they may fail to attract anyone at all.

This isn’t easy, but it is possible—and one strategy to make it happen applies to any business aiming to foster a community. It’s the subject of Chen’s new book, *The Cold Start Problem*. Here, he explains how to attract the masses ... by starting with the few.

When a company is new, how should it begin to build a community?

In my job as a venture capital investor, I see a lot of startups launch by going to big blogs and getting press. As a result, you get a lot of different users showing up—but none of the users know each other. You might get 1,000 users or 10,000 users. But if they’re not in the product at the same time to connect with each other, those 1,000 users aren’t that valuable. It turns out that the *quality* of users, and how interconnected they are, matters a lot.

Think about Tinder. If a new user came in, swiped a few times, and then ran out of people, they’d feel like, “The people I want aren’t in this app.” That’s why it’s not enough to just do a big announcement. You need to focus on a densely connected population that you can onboard at the same time. I think that’s why so many companies, even though they want to get to millions of users and millions of dollars in revenue, start with really small groups. Facebook, Tinder, and Snapchat all started with individual high schools and colleges. Dropbox, Slack, and Zoom started by onboarding individual teams within larger companies. Marketplaces like eBay start in little niches, like collectible cards. Then it spreads from team to team.

I see—because then people find a community they want to engage with, rather than just a bunch of random users they don’t care about.

One of the case studies that I use in the book is Theodore Vail, who was president of AT&T in the early 1900s. He wrote an amazing investor update that

was so prescient. He said the telephone is useless on its own. It's not even a toy or a scientific instrument. It's only valuable in whom it lets you call, and its value increases with the number of connections. And the point of a product like the telephone—and like a marketplace company like Airbnb or a product like Zoom—is that, even if you nail all the features, it's all about whom you can use that product *with*.

That seems applicable far outside of tech, too.

Yeah. There's a really interesting story about how the first credit card was launched. They picked a specific city—Fresno, CA—and went to the downtown area and basically told the businesses, “Look, we're about to send tens of thousands of these credit card things to your customers. They're going to show up and start trying to use them. Maybe you should accept credit cards.” It required some education, but they got more than 300 merchants in the city to pick up these credit card machines. Then they literally mailed live, activated credit cards to people—with no underwriting!—and people just started using them. Then once they proved it could work in one city, they were able to expand to other cities. Or take CrossFit. You feel like you're part of a network, and you do things together, and it creates an opportunity for you to recruit your friends or family. So if you wanted to launch a CrossFit-like program, you could try to do it all over the world all at the same time—but what does it look like to start in one place and just get it working once? If you can prove that it worked once, then it's a lot easier to hypothesize about

adding more cities and regions and languages. It's how you bake the idea of a network into your product or service and take advantage of one network at a time.

How do you know when you're ready to expand into another community?

Clubhouse is a great example of this. When we led its Series A, we invested more than \$10 million in a company that only had 500 daily active users. That's a really small number. But even with 500 daily active users, you could do an analysis. You could look at the retention curves—so you could ask, of 100 users who join, what per-

centage are still active a day later? Seven days later? Thirty days later? For a daily-use product, I tend to think that if you still have more than 15% of your users using it on day thirty, that's a good benchmark. If it's a B2B SaaS product, you want to make sure that, after a year, at least half those users are still paying you.

The other big thing that I look at is how fast the product is growing on its own. Is it 20% a month or 30% a month—you know, big double-digit numbers? The best part about products built on networks is that, if they're working, your users and community will tell their friends and bring in new people. You're going to see that top-line number start to move. If that's happening, even

If an entrepreneur doesn't see that growth, how can they figure out what's not working?

That's when you have to figure out, OK, is this because the product features aren't there? In many cases, they aren't.

But the other part could be that you just don't have enough people. When Tinder started, for example, it nailed the features—it built the swiping feature, it added profiles. But in the earliest days, Tinder's founders were just inviting all of their friends. They were like,

This reminds me of a new fashion designer I just spoke with. She spent a lot of money on ads but has seen almost no traction and is considering giving up. I asked if anything has worked, and she said only one thing did—an ad she ran in a niche publication. But she didn't know why it worked. I told her she needs to figure that out because it could be that she's casting way too wide when her product is actually perfect for a hyperspecific audience she hasn't identified yet.

I think that's totally right. On one hand, yes, maybe this founder needs to figure out more advertising avenues. But the other way is to ask: Is there



YOU NEED TO FOCUS ON A DENSELY CONNECTED POPULATION THAT YOU CAN ONBOARD AT THE SAME TIME. I THINK THAT'S WHY SO MANY COMPANIES, EVEN THOUGH THEY WANT TO GET TO MILLIONS OF USERS...START WITH REALLY SMALL GROUPS.”

“Hey, you should try out this app.” And they could not get enough people on the app at the same time. So the founders did this whole crazy thing where they threw a birthday party for University of Southern California students, they posted bouncers outside the door, and they got 500 people to install and use the app at the same time. That's what solved the cold-start problem for them.

You have to precisely diagnose the root causes of your problem. That's often very tricky. Create a series of hypotheses and experiments, and start checking them off to make sure that you're validating things before you decide to completely change your product.

something special about that community or audience that the founder should actually build a community *around*? Start to build a network around the idea. Of course, the fashion can be one form of monetization, but there may be many other forms of monetization that this audience would like, including a blog or podcast.

If you own this network, and you're doing a really good job engaging them, giving them content, talking to them, and so on, then they're going to recruit other customers who look and act like them. That's better than the model of spending money on Facebook and Google, where dollars are just flying out the door but you still feel like you're renting an audience as opposed to owning one.

How to Make a Scary Decision

Growth often requires doing something a little dangerous. Here, six entrepreneurs share the calculus behind their biggest risks.



1/ Go with what you know.

"After a year in business, we broke even without spending much on advertising. So I looked at the media landscape. The digital and paid social spaces were saturated by DTCs. TV and print would be hard to break through. But radio was a channel I'd had great experiences building brand equity on. So we went all in. I remortgaged my house five times, but by the end of our second year, we had grown 10 times."

—SCOTT TANNEN, cofounder and CEO, Boll & Branch

2/ Trust your vision.

"When I was 21, I raised capital to build a six-story megahostel in Eastern Europe. Days before we broke ground, the Russian ruble crashed. Suddenly we had 30% of the \$3 million budget in investor commitments and a 25-plus-year lease with my name on it. I was terrified. But I signed personal guarantees left and right, promising to pay everyone in future profits. It became one of the most profitable youth hostels in that part of the world."

—DAN MISHIN, founder and CEO, June Homes

3/ Know what makes you needed.

"The scariest business decision I ever made was pivoting from my first startup, which grew 20 times in less than three months, to pursue FameBit. What gave me courage was that FameBit was born of a real problem I experienced at my first startup. I was confident that others were experiencing this problem, too. Having a unique insight that others aren't seeing feels like a superpower. FameBit was acquired by Google in 2016 and became YouTube's branded content arm."

—AGNES KOZERA, cofounder, Podcorn

4/ Break big moves into smaller steps.

"When I started at one of the nation's largest pizza brands, we received capital to build an e-commerce platform for all of the United Kingdom franchisees. Getting it right was critical to building credibility and trust. I found courage by reminding myself to start small with a system that learns quickly. The only way to make big scary decisions is by breaking the problem down into small and testable hypotheses. Mistakes are inevitable. The key is being able to reverse and fix them."

—HELEN VAID, CEO, Foundry

5/ Ask what benefits your customer.

"We spent more than a year developing our AC unit. When it was finally ready for user testing, it wasn't as easy to install as we had hoped. We faced a conundrum: Do we redo the design and risk our launch date? Or do we push forward with something less than ideal? We realized we cared too much about customer experience. The redesign was risky, scary, and anxiety-inducing, but over a year after the launch, Wirecutter called our AC the 'easiest we've ever installed.'"

—MIKE MAYER, cofounder and CEO, Windmill

6/ Focus on your purpose.

"One of the scariest decisions we ever made was suing the Metropolitan Transportation Authority [for stopping us from advertising on public transit]. Our purpose is to help people integrate sexual pleasure into their well-being, and to grow, we needed to put that message out there. When we realized suing the MTA could engage the conversation in a really cool, kind of legal, systematic way—which completely aligned with Dame's purpose—I knew it was the right decision."

—ALEXANDRA FINE, founder and CEO, Dame



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→ **UNBRIDLED MISSION**

Founder Shannon McLinden (right) and Elise Khan take a “meeting” with a few of their rescues.



When Animals Run the Business

FarmHouse Fresh makes organic, homegrown botanical skin-care products. But at HQ, the team takes self-care to a whole new level. **Interviews by LIZ BRODY**

Look up from your office desk, and there’s a lamb gamboling by in a diaper ... Uh, are you dreaming? Not if you’re working at FarmHouse Fresh. The multinational botanical skin-care company, which launched 17 years ago from Shannon McLinden’s kitchen sink (where she made its first foot scrub), did \$40 million in retail sales last year with products in thousands of spas, salons, and resort hotels. But the staff is equally inspired by “colleagues” like Flower (that’s the lamb’s name), whom employees have been bottle-feeding after his mother rejected him.

FarmHouse Fresh didn’t originally intend to run an actual farm. But that changed 10 years ago, when McLinden and her sister-in-law Delia McLinden, who serves as vice president of sales and business development, took part in a common practice: They sent

treats to their top clients for the holidays. “We spent \$19,000 on dessert,” says Shannon, “and thought, *What are we doing?*” Going forward, the McLindens decided to use their resources more meaningfully—by rescuing abused and neglected farm animals. Today 10% of profits go to that mission, and the sheep, donkeys, horses, and goats are right there (when not in the office) on a 10-acre sanctuary that surrounds the McKinney, TX, headquarters, which also has a test spa and outdoor greenhouse. “You can compete on a very high level like we do,” says Shannon, “and still do that extra step of changing the world in some way.” The employees feel it. They know the harder they work, the more Flowers they can save. And there’s nothing like a good lamb nuzzle.



HOLLY WYDRA / treatment engagement director

“Let me be clear: Our team works extremely hard. But we get so many opportunities to stop and laugh together because of something one of our furry rescues does. And when you’re trying to meet deadlines or dealing with an inventory issue, you can’t resist a smile when you look out the window and see the donkeys playing soccer.”



OLIVIA JOHNSON / videographer

“I started in September. When I walked in, I was, like, *Is this an office?* But yes, it’s got mood boards to keep us inspired, plants and greenery everywhere, super cute bunny-themed bathrooms, and even dogs are allowed. Every piece of furniture and detail are unique. I definitely use the animals to refresh. Especially when I start second-guessing myself or get in my own head, it’s really helpful to go down to the farm.”

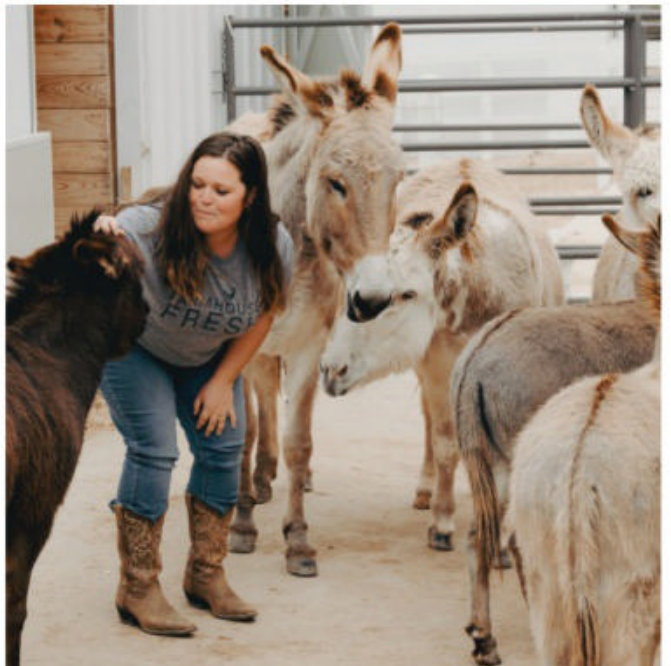
ANA VICTORIA AGUIRRE / graphic designer

“Whenever I have a creative roadblock, I take my pup Cleo outside—and just seeing the animals relaxes me. I’m, like, *Damn, you’re doing all of this.* The mission is so tangible and literally a five-minute walk outside. It instantly changes your mood.”



WENDELIN GALLAGHER / vice president of operations

“I’ve been with Shannon for almost 14 years. In the beginning, we were working out of her living room, and it still feels more like a family than a place of work. We all vote on new scents, have a say in design, and get to test out products, so you have a sense of ownership and the products are not just something we’re selling.”



ELISE KHAN / sanctuary manager/ animal care specialist

“I think there is a stigma about self-care that it can be indulgent. But our animals were never prioritized, let alone allowed to indulge. When one arrives, we give it a treat, we talk to it, we are patient with it, and we celebrate every moment of improvement. I think that is exactly how self-care should be.”

HIMESH HOLKAR / supply chain analyst

“I remember being in a Zoom meeting in the conference room. You could hear Flower loudly going, *baa*. We had to explain to the other people on the call what the noise was. They were surprised that we had a baby lamb with a diaper running around! Honestly, if I have to work from home, I actually miss the office.”



If They Like This, Will They Like That?

My company **Kettle & Fire** was selling broth like crazy. But when we tried to sell soup, we learned how hard product expansion can be.

by **JUSTIN MARES**

When I launched Kettle & Fire with my brother, Nick, I knew nothing about retail. Like a lot of entrepreneurs, we just set out to make something we couldn't buy—in our case, an organic bone broth made from grass-fed, grass-finished animals, with no additives, and cooked for a long time. In 2015, after Google Trends and Keyword Planner showed us that other people were also searching for something like this, we introduced our first product.

This was three years before bone broth became a thing, with celebrities like Halle Berry and Chrissy Teigen swearing by it. But we found this group called PaleoHacks, which had some 800,000 members at the time, and these people were into all the health benefits. Once we let the group know about Kettle & Fire, we did close to \$5,000 in sales in two days. By the end of the first year, we'd done about \$3 million and made it into Whole Foods. It was insane. In 2018, our biggest problem was going out of stock.

And then we made a mistake.

That year, we decided: *Hey, we're so great at making broth... let's go into soups! And we should buy a whole year's worth of inven-*



tory so we won't go out of stock!

What we failed to realize was that “bone broth” and “soups with bone broth” are very different markets. Looking back, we'd been just kind of licking our thumbs, holding them to the wind, and saying, “Hey, we think the product is going to move X number of units—let's order that many.” We didn't appreciate the importance of having a finance team to do strong forecasting and supply chain analysis. We also didn't realize the folly of entering a new market without studying it and testing the waters. Had we only asked our current customers, “Would you like to pre-purchase our new soup product?” we could have gotten a signal on how it was going to sell.

The answer was: It did not sell well.

What we learned, as we dug in, was that people typically buy soup because they want a quick, cheap meal. Through that



→ BONING UP
The author learned a lot about entering a new market. First, research the heck out of it before you jump.

lens, our soup was expensive. Our original customers, on the other hand, consume bone broth multiple times a week for health reasons. So they're willing to pay more for high-quality nutrition but also more likely to say, “I'll just make my own soup with my Kettle & Fire bone broth.”

One of the key advantages of being a startup versus a big company like Campbell's is that you can move fast and iterate, but we ended up sitting on a massive amount of inventory with our cash tied up for more than a year. We couldn't take customer feedback and adjust the product—add salt or whatever wasn't working—until we sold what we'd already made. That happened painfully slowly.

Ultimately, we did a lot of customer interviews and other research we should have done in the first place. We changed our marketing strategy to appeal to our core. Rather than selling our

fans on how bone broth is the future of soup, we shifted to how our soup is a healthy, quick meal replacement, especially for those who follow strict diets like Paleo. That resonated, and eventually the soups sold. (They still do.)

But our biggest gain came when we channeled what we learned into a new line of keto soups, which you better believe we tested and launched on Kickstarter to make sure there was demand. Now they're one of our top sellers, and we've grown more than 70% from the \$35 million we did in 2019, the year we introduced them. We also realized how important our brand values are. Because of that, we now offer regenerative bone broth—not necessarily because it will be a huge seller, but because we want to take a stand in pushing for a more sustainable food system. Not surprisingly, our customers are with us. The response has been amazing.



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Three Tricks to Make Hard Decisions Easier

Entrepreneurs often face what feel like impossible or unknowable choices. Here are three decision-making tricks I relied upon as cofounder and CEO of Netflix—and that I still use today. **by MARC RANDOLPH**

Everyone makes decisions. But entrepreneurs have an especially challenging time of it because so often we must make decisions based on incomplete, inconclusive, and often contradictory data.

In my four-decade career as an entrepreneur, I have learned a few things about how to make those decisions, including the most important thing of all: *Just make a decision*. It may sound trite, but it's also just plain true. When so much feels like it's on the

line, it's easy to become paralyzed, unable to choose which direction to take. But even a wrong decision is better than no decision because at the very least, by implementing a wrong decision you'll learn a little more about the problem you're trying to solve, making

it easier to know which way to go next time.

That's why, whenever I'm forced to make difficult decisions, I rely upon a few tricks that usually make the process easier.

Here are three of my favorites.

1/ Knock the flagpole down.

In 1970, in the wake of the Kent State shootings, a group of students marched into their local McDonald's demanding that the store's flag be lowered to half-staff. The store complied. Shortly afterward, the company's then-chairman, Ray Kroc, was offended and demanded that the manager once again raise the flag. He did. Upon seeing that, the students threatened to burn the restaurant to the ground unless the flag was again lowered. With things spiraling out of control, the store manager called Fred Turner, then the president of McDonald's. Turner thought for a moment and, as the story goes, he said, "Tell you what you do. The next delivery truck that arrives, have him back into the flagpole and knock it down."

Rather than obsessing about which of several bad outcomes is preferable, sometimes it's worth turning your creativity toward how to make your problem disappear altogether.

Most often I've used this approach to solve personnel problems. Once, when Netflix was only a few years old, I learned that one of our key directors was leaving the company. While dealing with her loss was manageable, deciding which of her two equally competent managers should take her place was going to be a no-win decision. Both had different but equally valuable skills. Both were ambitious and made no secret of their desire to move into the director position. But worst of all, both made it clear they wouldn't work for the other one. My solution? I simply reorganized the company in a

way that let me promote both.

I'm sure they each thought it was skill and experience that led to their promotions, but what was really happening was me knocking the flagpole down.

And if that doesn't work ...

2/ Decide if your decision is a one-way door or a two-way door.

According to Amazon founder Jeff Bezos, there are two types of decisions: *One-way door decisions* require stepping through a door that then slams and locks behind you, and *two-way door decisions* allow you to step through, look around, and if you don't like what you see, simply step back.

Decisions affecting customer financial data, confi-

success was correlated with how many things we were able to try and that the number of things we could try was correlated with how quickly, cheaply, and easily we could try them. That in turn led to the growing realization that we didn't need to get things right the first time.

As we cut more and more corners and did things faster and faster, our tests got sloppy; we had typos, bad links, and we crashed the site. But we learned that none of it made a difference because getting something out quickly—*that we could fix later!*—was more important than doing a much smaller number of higher-quality, error-free experiments.

There are certainly aspects

3/ Accept that there is no good answer.

We all want to make "good" decisions, but I've found that many problems just don't have perfect solutions. Your current approach might be good for customers and good for margins but bad for employees. You could fix that with a second approach that's good for employees and customers—but now it's bad for margins. A third approach might be good for margins and employees, but now it's bad for customers! And around it goes. One of the most important things you can do is to recognize when you are in a decision-making loop with no exit because it frees you to break the logjam with an



EVEN A WRONG DECISION IS BETTER THAN NO DECISION, BECAUSE AT THE VERY LEAST, BY IMPLEMENTING A WRONG DECISION YOU'LL LEARN A LITTLE MORE ABOUT THE PROBLEM YOU'RE TRYING TO SOLVE, MAKING IT EASIER FOR NEXT TIME."

dential personal information, and healthcare records are classic one-way doors. With the costs of an error so high, it's appropriate that great diligence goes into a decision to move forward.

But even for the most highly regulated and high-stakes businesses, the great majority of decisions do not have long-term consequences. There is no need to subject your pricing, your feature set, your marketing, or your sales process to the same degree of diligence that you apply to your drug-testing regimen.

At Netflix, we stepped through thousands of two-way doors. We learned that

of your business that are existential risks, and you must get those right. But the skill isn't preventing yourself from making mistakes; the skill is learning how to recognize the very small percent of decisions that actually need deeper consideration.

Without developing the ability to discern the difference between one-way door and two-way door decisions, your default will be to treat every decision as a one-way-door decision, greatly slowing down the rate of innovation.

And if asking if it's a one-way or two-way door decision doesn't make things easier ...

imperfect solution.

Finally, if you're trying to decide which of these decision-making techniques to use, keep in mind that you must find the techniques that work for *you*. You need to experiment. During my career, I've had to make tens of thousands of decisions—so I've had the chance to try out dozens of different approaches and learn for myself which ones work the best for me.

And if you are still stuck? There is always the Magic 8 Ball. That thing never fails.

Marc Randolph is cofounder of Netflix and host of the podcast That Will Never Work.

When Letting Go Lets You Grow

These founders killed off their sacred cows and discovered whole new fields of opportunity. **by MARGOT BOYER-DRY**

Do you know what makes your company successful? You may think you do. Perhaps it's a certain feature, strategy, or signature ingredient. But what if you're wrong? Sometimes, letting go of what seems important becomes the very thing that drives your growth.

The process starts by listening, says Matt Hartman, partner at the seed-stage venture capital fund Betaworks Ventures. "Take the opportunity to learn why you're hearing 'no' from a customer," he says. You might learn, for example, that the problem you're solving isn't big enough for people to pay for. That discovery can be followed up with a question like: "If this isn't an important near-term issue, what are the top two or three problems on your mind today?"

Here are four examples that show just how transformative this change can be.

1/ When something isn't working.

Rachel Johnson founded ah.mi, a virtual club for healthy living, and believed that content was key to her brand. But members weren't opening the emails with rec-

ipes and tips she sent multiple times a week. Then she noticed a hum of organic activity on ah.mi's Slack channel, so she decided to invest her energy there instead. Not only has that channel become a vehicle for growth and retention, she says, but "I took a step back and realized most of our members are working women who get inundated with emails." Now that she's focused on one a week, "our open rate has jumped."

2/ When you have a different problem.

In 2018, Cliff Kennedy, CEO of the ice pop franchise Frios, was intent on a rebrand. But after a "listening tour" of the 25 stores, he learned that franchisees needed communication, not a new aesthetic. So the company set up a text platform for them to connect with corporate leadership—which meant that everyone was able to quickly coordinate and pivot when the pandemic hit and store sales declined. At Kennedy's suggestion, franchisees started selling their ice pops out of tie-dye-themed vans, which, as it turned out, cost less to operate and reached a wider audience than the stores ever did. Now Frios sells mobile-van franchises.



→ **TRUE BLUE**
Sunwink's Ganesh (left) and Schenck learned what to keep vs. ditch.

3/ When you've ignored a customer base.

Matt Doll, founder of American Fire Glass, thought he had to remain a B2B business. Even though he was itching to sell his firepit glass direct to consumer, he assumed that his wholesale customers would resent him for competing with their sales. But in 2018, the close of a struggling side brand gave him the push to launch DTC. Not only were his wholesale customers supportive, but his consumer marketing ended up driving new business: Customers asked wholesalers to stock his products, and Doll was now able to prove that they sold well at full price. As a result, the company grew by 80%, and at the end of 2021, DTC made up 50% of his profits. "Our market share is growing at the fastest rate we have ever seen," he says.

4/ When you confuse packaging and branding.

In 2019, the wellness-beverage company Sunwink launched a line of sparkling tonics in glass bottles coated in cobalt blue

paint. This drew consumers' attention and made the brand a hit at Whole Foods, but it led to explosions in its packing facility. Cofounders Eliza Ganesh and Jordan Schenck were loath to touch their main differentiator, but they did some testing and discovered that customers were not actually attached to the paint. Instead, they just loved the brand's blue design. The company ditched the paint, kept the color, expanded into new categories and retailers, and grew nearly 500% from 2020 to 2021. "You have to protect yourself against getting attached to one thing you thought was going to work," Schenck says.

In the cases above, a leader started with an experiment—and then leaned into the results. That's the way to go, Hartman says: "When we talk about learning you were wrong, the emphasis is on learning, not on wrong. Now you have the information you need to do something that is more right."

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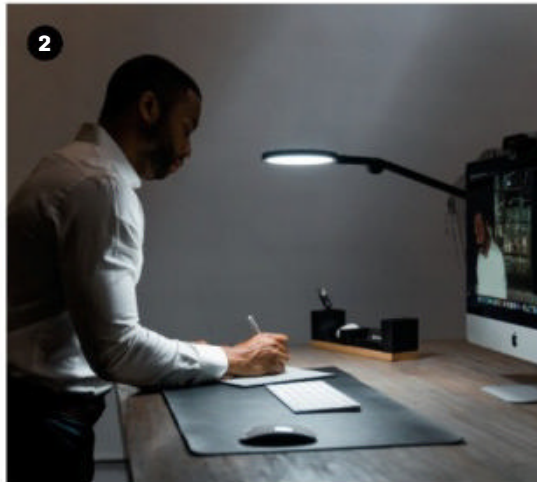
Optimize Your Home Office

From endless video calls to busy households, working from home is often more complicated than it seems. These upgrades can help boost your efficiency. **by SAL VAGLICA**



1/ The toy chest for adults.

Everyone's favorite childhood toy earns a spot on your desk with this 4½-by-12½-by-5-inch solid oak drawer. Set the **Lego Wooden Desk Drawer 8** (\$220; lego.com) out on a workspace, pull out the drawer, then stash devices, Post-it Notes, that gaggle of pens, or whatever else is cluttering your desk. Or get more than one—both this 2-by-4 configuration, and the smaller 2-by-2 size (\$130) are stackable (of course!) so you can build a wall of them.



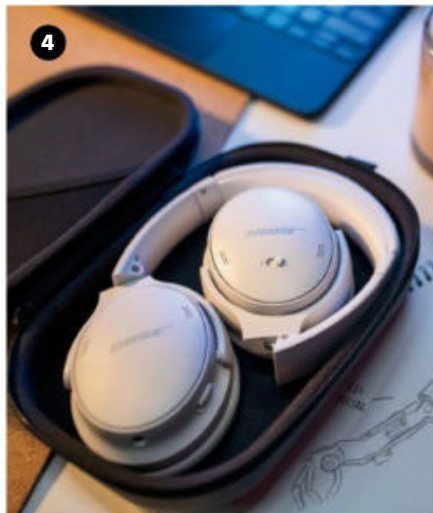
2/ The limber lamp.

Until the **Edge Light by Lume Cube** (\$120; lume-cube.com) came along, your desk required two lamps: a bright one for working and a more diffused (and flattering) source for video calls. The five articulating points on the 36-inch-tall Edge let you point the light in any direction—and because it has a softening lens, you can evenly flood yourself for Zoom meetings. The arm houses touch controls that let you dial in the LED bulb's brightness and temperature, with plugs to recharge USB-A and USB-C devices.



3/ Your tiny office assistant.

When situated on a nightstand, the **Lenovo Smart Clock 2** (\$70; lenovo.com) gives you quick access to alarms with a soft white night-light, and it wirelessly charges a smartphone and watch. But on your desk, its 4-inch screen can display photos and calendars, play music, show the weather, and control your smart home's tech without occupying precious screen space on your laptop.



4/ Smarter noise canceling.

When Amar Bose released the first noise-canceling headphones in 1989, they were meant to quiet the roar of airplane engines. Today, the technology is useful anywhere you work. The **Bose QuietComfort 45** (\$329; bose.com) has plush, over-the-ear cushions for all-day comfort and the battery power to last 24 hours. Inner microphones pick up your voice, so you can wear the headphones for video calls. And if someone is talking to you, that person's voice rings clear—so you can hear the airport cashier say, "The Kind bar will be \$9."



5/ The better second screen.

Finally, a portable monitor as sleek and simple to use as a tablet. The **Dell 14 Portable Monitor—C1422H** (\$270; dell.com) comes with a base that gives your setup an additional 14-inch FHD screen, at the perfect viewing angle, with independent controls for brightness. The screen has pass-through power so you can charge devices tethered to it when using an optional USB adapter (\$56). But the key is the pliable, 39-inch-long USB-C cord that makes it easy to set the Dell to the left or right of your keyboard.

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The Impasse Is the Path

When you hit an obstacle that's out of your control, be transparent with your team and your customers. You may improve your business in ways that have nothing to do with the problem at hand. **by ADAM BORNSTEIN**



I can't deliver for my customers, but it's not my fault! What now?

—LISA, MISSOULA, MT

PLANS AND STRATEGY are great ... when they work.

But if the past two years have taught us anything, it's that plans are made to be disrupted. Running a business in unpredictable times can feel debilitating. Any problems outside of your control, like supply-chain issues, are extremely frustrating. But businesses that survive and thrive know that a customer's frustration is both a stressor and an opportunity.

In his best-selling book, *The Obstacle Is the Way*, author Ryan Holiday shares how stoic philosophy teaches, "What stands in the way becomes the way."

For you, this means reframing unfortunate circumstances as a way to improve your business.

First, assess the opportunity and determine if you should be patient or pivot. Problems are always most daunting when they first appear, so you should act quickly but not overreact. Play out scenarios and determine the worst possible outcome. Can your company withstand your doomsday scenario? If not, you may need to pivot. But if your company can weather the worst, stay the course with small adjustments.

Next, create a collaborative strategy. Great leaders recog-

nize they don't have all the answers, and chaos can either break or bond your team. To facilitate the latter, talk to your employees, advisers, friends, and colleagues. You'll find better solutions and develop closer relationships, which is crucial during tough times.

Once you have your strategy, execute. Start by putting yourself in the shoes of your customers or clients. Think of their pain points and turn them into opportunities to connect, support, and provide value where others can't (or won't). Be open and honest with your customers about the obstacles you face, and listen closely to their feedback. You may find ways to improve your company that have nothing to do with the problem presenting itself at that moment.

Tesla is a great example of these principles in action. Today, the company has the largest market cap of all automakers. But just a few years ago, it was in manufacturing hell, struggling with production and parts, and on the brink of collapsing. How did it go from one extreme to another? It embraced the obstacles.

First, it was transparent and became one of the first companies to "build in public." Tesla founder Elon Musk controlled the narrative by sharing (granted, somewhat chaotic) updates on Twitter and via email. There was no cover-up. Musk told people exactly what was happening, why it was happening, how hard it was,

and what was needed to resolve the situation. This approach can both win your customers' trust and pull them into the narrative of your company's struggle. If they know what you're up against, they'll be rooting for you that much more. When hard times hit, be open about what you're managing and how you're attacking the problem.

Next, Tesla doubled down on customer service. Anyone who preordered a Tesla received email updates about the estimated delivery time. More importantly, Tesla created a "white-glove service" experience and gave every customer a dedicated account manager ("delivery specialist") to answer questions. It also set up individualized profiles so buyers could upload documents to streamline the purchasing process (things like a driver's license and proof of insurance). Every point of friction is an opportunity to reimagine the traditional experience. Never underestimate how much improving small burdens can make a big difference.

In the end, Tesla's success—much like yours will—came down to the quality of the product. But if you can bring your team closer together, share your struggles with your customers, and build better solutions in real time, then your company can withstand the storm and, potentially, come out better than when you started.

Adam Bornstein is the founder of Pen Name Consulting, a marketing and branding agency.



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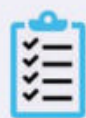
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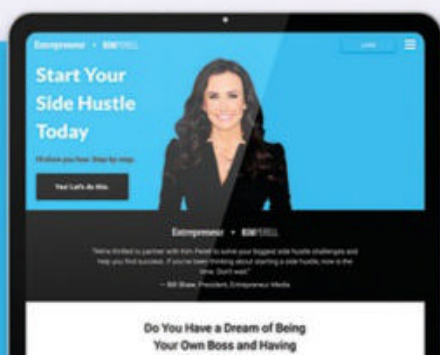
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Let Them Underestimate You

Building a billion-dollar brand has taught **JESSICA SIMPSON** that when people assume you're clueless, it only gives you more time to prove them wrong.

by **FRANCES DODDS**

“

Ringing the bell was a wild experience, I have to say.” Jessica Simpson is sitting in her company’s Los Angeles office on a cold January afternoon, near a small mountain of shoeboxes emblazoned with her name. “Everyone was, like, this is amazing! This is amazing! People were really digging it for me, and I was, like, ‘OK, guys ... I’m going to ring the bell now,’”

Simpson lifts a hand into the air, long green nails curled around the imaginary gavel at the New York Stock Exchange.

“Ding! I don’t know what I just did.” She widens her eyes and turns her head from side to side, consulting invisible onlookers. “*Wait, does this mean I have to run Wall Street now?*”

She does a big Texas cackle, deep from the diaphragm, sliding up a few octaves at the end. After 20 years in the spotlight, Simpson, 41, has mastered this particular note: laughing at herself, playing a little dumb for your enjoyment. But if, by now, you still think the pop singer (turned reality star, turned actress, turned fashion mogul) is clueless, well, then—you have a thing or two to learn about the perks of making yourself the punchline. Simpson knows that when your audience is laughing at you, they’re distracted. And that gives you time to size them up.

“Being underestimated is the superpower,” Simpson says. “It makes you want to soar over everyone. But really, it’s better to do it patiently. I play along in a way that I let people know I’m playing along.”

And Simpson’s long game has paid off. Today her most enduring and lucrative venture is the Jessica Simpson Collection, a clothing and lifestyle brand that first cleared \$1 billion in annual sales in 2012. But even this journey has been riddled with lost time and underestimation. From the start, she did not have complete ownership; she and her mom Tina cofounded the business in 2005 with the shoe titan Vince Camuto, and later sold a majority share to the public company Sequential Brands (which earned Simpson her starring role at the stock exchange). But Sequential was an unsteady owner. “For a good three and a half, four years, every time we visited the Sequential offices, I told our team, ‘Guys, we’re on the Titanic, and we’re circling the iceberg!’” Tina says. In November of last year, after Sequential declared bankruptcy, the Simpson women finally took control: They paid \$65 million to buy back their brand in full.

“I think back to when we were starting out and we were super young and naive,” Tina, 62, says. “People thought, ‘Oh, those silly women. We can pull the wool over their eyes. You know, it’s Jessica Simpson and her mother!’ It’s pretty funny when you think about it.”

Like mother, like daughter: Tina and Jessica get a kick out of being underestimated. They’ve discovered there’s power in flying under the radar, in reading the room when no one thinks you’re paying attention, in speaking up even when you’re not sure you’re right, in stockpiling knowledge for the moment you’re ready to say, *This is what we’re going to do.*

“So many men in suits have made me feel underestimated, at this point I just have to laugh, like, ‘Oh, you need a hug,’” Simpson says. “I can’t even think of one moment in particular because it’s happened my whole career. I was always the little girl who had to come in and sit with men in suits, you know? But now I get to wear the suit.” ▶

ON JESSICA / Green sweater, Christopher John Rogers

ON TINA, JESSICA'S MOM / Orange sweater, Jessica Simpson Collection



**“I do like catching people off guard.
That is one thing about me.
I know how to say something that
will drop a jaw.”**





ON JESSICA / Top, Balmain;
Flare pants, Safiyaa;
Necklaces, Jacquie Aiche;
Earrings, Jennifer

ON TINA / Skirt and blazer,
YSL; Top under blazer,
Elyse Walker; Necklace,
Zara; Earrings are vintage

THE IDEA FOR the Jessica Simpson Collection first came to Tina in 2003, when Jessica was on *Newlyweds: Nick & Jessica*. The hit MTV reality series documented the beginning of Simpson's short-lived marriage to Nick Lachey, resident heartthrob of the boy band 98 Degrees. At that point, Simpson had put out three albums with hits like "Irresistable," "With You," "I Think I'm in Love with You," and "I Wanna Love You Forever," but Jessica's dad and manager at the time, Joe Simpson, didn't like that the record label was branding Jessica as a sex kitten. A former Baptist minister, he thought fans would see a more down-to-earth side of her at home, farting in sweatpants (this happened a lot). It worked. *Newlyweds* got Simpson noticed in a whole new way—in large part for the gaffes she was prone to making on camera. Curled on the couch, picking at a bowl of tuna from a Chicken of the Sea can, 23-year-old Simpson asked, "Is this chicken that I have, or is this fish?" Lachey turned to her in confused horror, and the moment was cemented in pop culture memory.

In her 2020 memoir, *Open Book*, a No. 1 *New York Times* best seller, Simpson wrote: "I know there are people who think I can't string two thoughts together ... In the beginning of my career, somehow, I was always the joke. Everybody made fun of something I'd say, and I admit, I definitely played into it. People's laughter meant a lot to me, and being the joke validated me being smart to myself. It felt like I could pull one over on somebody.

I thought, *How dumb are you to think I'm that stupid?*"

Simpson's "blonde moments" always seemed authentic, but also like there might be a split-second calculation between the moment something popped into her head and the instant it came out of her mouth. She clearly enjoyed watching the shock waves of a ditzy comment ripple outward. "I do like catching people off guard," Simpson says. "That is one thing about me. I know how to say something that will drop a jaw."

Simpson was funny and relatable, and everything she wore on *Newlyweds* sold out. "I said to Jessica, 'It's great that we're doing this for everybody else,'" Tina recalls. "But what if we do it for ourselves?" Tina had always been entrepreneurial, running the numbers at her grandparents' gift shop in Texas when she was a kid, and when Jessica and her younger sister, Ashlee, were growing up, teaching step aerobics at church. (Her class was called "Heavenly Bodies.") Once Jessica started performing, Tina designed all of her outfits and costumes, working with seamstresses to sew looks from scratch. But the Simpsons thought it made sense to license Jessica's name to an already established manufacturer. So they reached out to Vince Camuto, the shoe designer who cofounded Nine West and the multibrand conglomerate Camuto Group.

Jeff Howald is now the CFO of the Jessica Simpson Collection, but back in 2005, he was CFO of the Camuto Group. He remembers Camuto's decision to pay \$15 million for the Jessica Simpson Collection master license. "I think he saw younger versions of himself in Tina and Jessica," Howald says. "*Newlyweds* gave this impression that Jessica was kind of the dumb blonde, but he saw a very intelligent businessperson in her. Vince had an eye for the smallest of details, and that's how Jessica and Tina are. Tina is in every product meeting, and Jessica is in many, giving feedback to the

licensees. A lot of celebrities want to sign up and let everybody else do the work, but Tina and Jessica really work the brand."

From the beginning, Tina says, "We knew we wanted it to be affordable. We never wanted to be in Neiman's or Bergdorf's or anywhere like that. We wanted to hit the midtier because those are her fans. Those were the people coming to see her shows and buying her records. And Jessica's personal style and the way she dresses are really pretty happy. It's approachable and attainable."

Simpson's line was sold in mall department stores like Macy's and Dillard's, where she already spent a lot of time. "There's not much to do on tour," she says. "So I would go to the mall and shop. I liked seeing how people dressed. I'm very observant, and I would totally be that person sitting on the bench staring at everyone. I get why my grandparents did it—it's fun! You can get a sense of what people are shopping for, what they're needing."

The Collection has always been a balancing act between what Jessica would personally wear and the trends her customers are buying. "There was a time when these tall heels and platforms went away in the marketplace," Tina says. "But Jessica was, like, 'That's what I like to wear. Keep doing the Dany—our big platform heel that's been going forever—which Jessica can literally wear to the beach. So she wanted to take the risk and stick with it, and now the platform

trend is back and it's been a great year for us because we always made them so people know to come to us."

On the other side of the equation, one of the brand's all-time top-selling shoes is a ballet flat called the Mandalaye, which Cynthia Nixon's character Miranda wore on an episode of *And Just Like That...*, the *Sex and the City* reboot. "Jessica would never personally wear that shoe," Tina says, "but we know there are people who would, so we took a risk on it."

Jessica and Tina say many of their risks come down to instinct. "For my mom and I, intuition is everything," Simpson says. "Like, if we're

not feeling it in our gut, you didn't feed us dinner."

And certain things that didn't feel quite right in the first place didn't turn out as they hoped.

In 2015, Vince Camuto died unexpectedly, after a quiet battle with cancer. "He didn't let anyone know he was sick, not even his closest employees like myself," Howald says. "One of my first calls was to Jessica. She was so shocked, in tears, it was like her own father had died."

In the year before his death, Camuto had given Tina some advice. He said the retail landscape was changing, so it might make sense to sell some of the brand while they were ahead.

"He said to take some chips off the table," Jessica says. "I don't know that he really meant as many as we did." She laughs. "We were, like, chips off the table, cool, OK!"

But when the final agreement with Sequential came through, Tina says, "I'll be honest with you. I wasn't happy with the 62.5%, and the people negotiating that deal for us knew it. But our lawyer put in a very strong operating agreement that gave Jessica 175 pages of rights. I wouldn't have signed it without that because even if they owned 62.5%, when it came to the product—the look and the feel—we got final approval. In my daily life, I don't think of myself as a control freak, but when it comes to Jessica's brand, I am. I wanted to protect her." ►

"Being comfortable with saying something you're not completely confident about is important... I always advise people to be very open and let it all out because some of the weirdest ideas are the ones that stick."

THERE IS A TERM that Simpson uses often in her memoir, *Open Book*, to describe painful moments of vulnerability: “nekkid.” “Not naked, nekkid. Truly bare.” And she’s had a lot of those moments. For years, as a child, Simpson was sexually abused by a family friend’s daughter. When she finally told a friend about this, the friend spread cruel lies about Simpson around their middle school, and Simpson was ostracized. At 13, she was a finalist for *The All New Mickey Mouse Club*, along with Justin Timberlake, Ryan Gosling, Christina Aguilera, and Britney Spears. But before her final audition, Simpson made the mistake of watching Aguilera’s audition on the backstage monitor. When Simpson got out onstage, she froze. She lost the spot and didn’t get signed to Columbia Records for another four years. That was only the first time she was ranked against Spears and Aguilera—a recurrence throughout her career. Turning off her inner critic was often exhausting. Before she aced her breakout role in *The Dukes of Hazzard*, she’d heard the director was resistant to casting her. “I think he thought I was too dumb to play a character as strong and smart as Daisy Duke,” she wrote in *Open Book*. And when John Mayer broke up with her before she performed at a Dolly Parton tribute, she had a whiskey-abetted meltdown mid-“9 to 5,” telling the audience: “This song is too good for me.”

Many aspects of Simpson’s life settled into place once she met her second husband, the former NFL football player Eric Johnson—with whom she now has three children. But other things fell apart. As she prepared to give birth to her oldest daughter, Maxwell, her dad came to see her in the hospital and broke the news that he was leaving her mom after 34 years of marriage. He said it was she, Jessica, who had inspired him to do this when she walked away from her first marriage. For Simpson, her parents breaking up was world-shattering. By 2017, she was drinking vodka and flavored Perrier from “glittercups” at 7 a.m. before taking her kids to school, drowning out the pain and anxiety she felt. After browning out at a Halloween party, while dressed up as her friend and “spirit animal” Willie Nelson, she realized something had to change. “When I stopped drinking, it was because I had stopped hearing the voice I really trusted, and I was lost without her,” she says.

During the last four-plus years, Simpson has been learning to hear that voice again. But some of those early traumas still haunt her. In moments of extreme pressure or conflict, she often finds herself paralyzed. “Any audition, you name it, I’ll blow it,” she says. “It’s a weird pressure that I freeze under, and it’s all these words in my head. I’m like, *Ahh!* I put a lot of pressure on myself, so I expect other people to hold me to a higher standard.”

This kind of brain-wipe panic is a logical part of being underestimated. Proving yourself to doubters means living up to your own expectations, and those are often the hardest to meet. But Simpson has developed strategies to cope with the dreaded “freeze.”

“When I have a really important meeting or audition or performance, I try to just meet the stage or the audition or the fashion where it’s at in that moment,” she says. “Be present. People are always forward-thinking, and it’s good to have goals and dreams. But being in the moment and checking out your surroundings—noticing what is around you—that’s so important to growth.”

According to her mom and Howald, one of Simpson’s defining characteristics is how tuned in she is to her surroundings—even when it appears that she’s not. “We’ll be sitting in a board meeting and I’ll think she’s not listening to anything because she seems really checked out,” Tina says. “But then all of a sudden, she’ll come out with the most brilliant question that’s been asked all day. I’ve always thought her mind processes things differently from other people.”

Howald mentions this as well. “When we’re in the middle of a

big meeting with lots of people,” he says, “out of the blue, Jessica will ask a very good financial question or suggest a specific solution, like, wouldn’t it be better if we handled that deal this way?”

Simpson says that when she seems spaced out, it’s often because she’s evaluating what everyone is saying—holding their opinions up to the light, wondering why they specifically would think this or that, and how other people in the room might be perceiving the information. “I hear everything. I know four conversations going on around me right now,” she says, gesturing to the open office behind her. “I’m always thinking about the person who is delivering the information and the people at the reception area or in the back. I’m very conscious of my surroundings. Even if I’m in the middle of something really chaotic, I can be still. I’m quiet until I’m not.”

But also, unsurprisingly, when a thought is spinning through her mind, and she’s not sure other people will think it’s smart, Simpson is a huge believer in just saying it. There is a concept of a boss, a very masculine idea, that assumes a leader should always project confidence. Simpson doesn’t have time for that.

“Being comfortable with saying something you’re not completely confident about is important,” she says. “Just because you’re not confident doesn’t mean it’s not an amazing, bright idea. I always advise people to be very open and let it all out because some of the weirdest ideas are the ones that stick.”

NATURALLY, now that the Simpson ladies are running the business on their own, questions arise. In the office, burrowing into the neck of her chunky sweater, Jessica says, “Literally it was so cold in here today, I was, like, ‘Mom, did you pay the electricity bill?’” This cracks her up. “No, no, all the plumbing and electricity are good.”

After utility bills, one of the Collection’s first orders of business is continuing to build out its e-commerce offerings. Back in 2015, Sequential had promised the Simpsons a top-notch website, but it never materialized. Tina got so tired of waiting that she took it into her own hands (and then paid Sequential royalties on the profits from the site it never helped her build). “Everybody told us it would take at least five years for us to see any type of profit from the site, but we had profit in year two,” Tina says. “So that was one of those ‘aha’ moments. Like, OK, we can do this ourselves.”

For Tina, reclaiming ownership of the Collection has been a kind of coming home. “It’s fulfilling the destiny I didn’t realize existed when I was younger,” she says. “You know, I started over. I got divorced. And it was, like, *well, crap, if he was going to leave me, why didn’t he do it when I was, you know ... younger and hotter?*” She laughs, a hearty laugh that almost fills the void of injustice. “But with the business, it’s, like, hey, we did all that. So to me, the brand represents that you’re never too old, and it’s never too late.”

Jessica is not one for regrets, but when asked if there were any “uh-oh” moments in the brand’s journey, she thinks of that morning at the New York Stock Exchange, after the sale to Sequential. “I just feel like ringing that bell put a lot of expectation on my name and my brand to be this moneymaker,” she says.

Simpson has never liked high-stakes, high-pressure situations. But she’s also come to realize that just because a moment is high stakes doesn’t mean it has to be high-pressure.

“Being underestimated ... it’s like a shield,” she says. When people overlook and undervalue you, they’re leaving you to “prep yourself for the future you want.” She continues: “Don’t put too much pressure on yourself because it’s never make-or-break, you know? There’s always a way to make that break. Let time move a little slower so you learn and grow along the way. Then, by the time you get there, you’ll be ready.” **E**





RACING THE





GIANTS

The sneaker industry is crowded and dominated by the likes of Nike and Adidas. So how did a little Swiss brand called **ON** become the fastest-growing athletic shoe company in the U.S.? By breaking every rule.

by **LIZ BRODY**



→ TAKE AN IDEA
AND RUN WITH IT

On's first shoe prototype was made with pieces of cut-up garden hose.

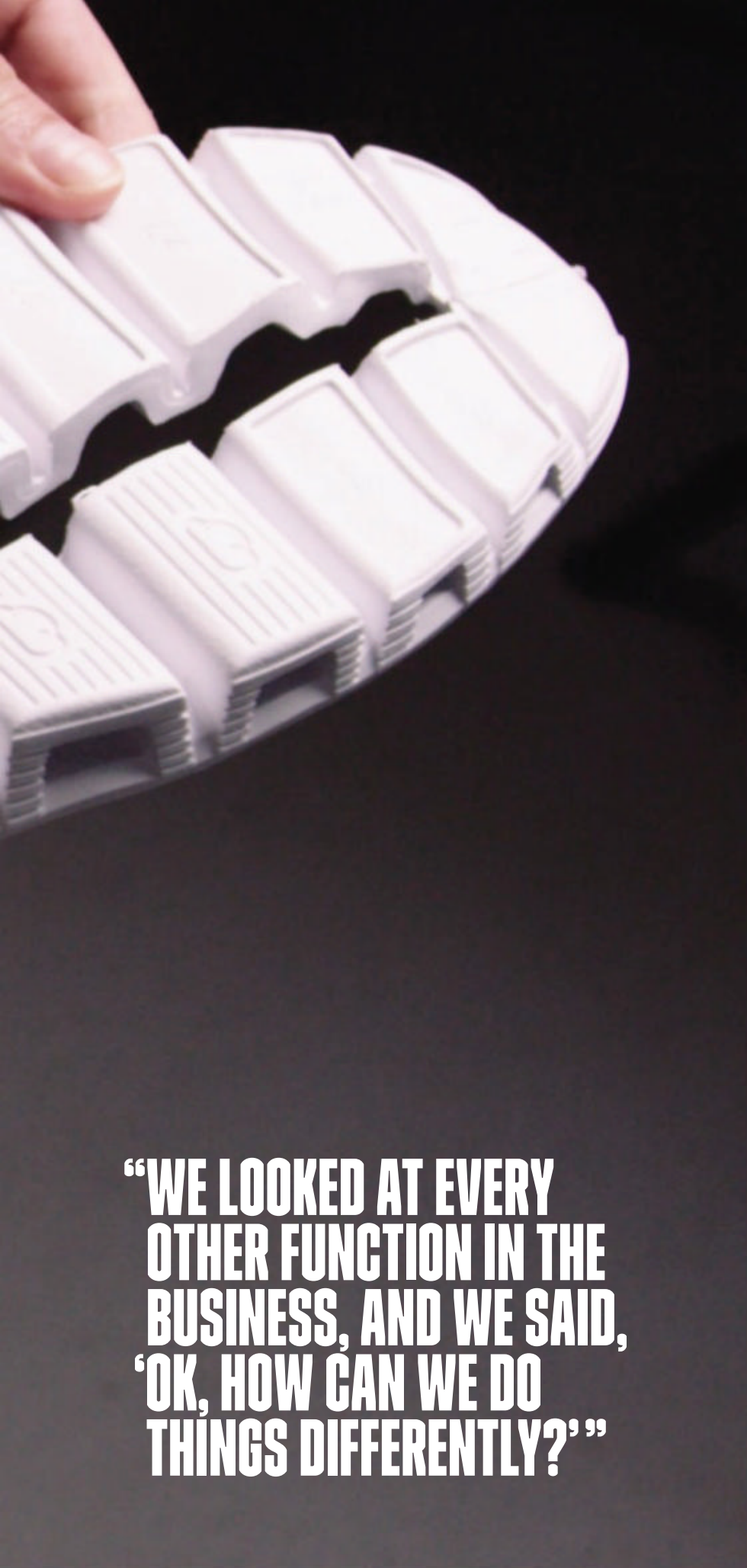


One day in 2005, Olivier Bernhard, a superstar athlete sponsored by Nike, got a call from a stranger asking for his shoes. “Do me a favor and send them to me,” the man said. He was an engineer. “I’ll put something on them, and you go run.”

Bernhard, a duathlon world champion and six-time Ironman winner, is famous in Switzerland, where he grew up running in the mountains. He’s also a performance junkie; he loves tinkering and pushing to find an edge. Intrigued by the call, he mailed off a pair of his Nikes. “I got my Swoosh shoes back with cut-up garden-hose pieces on the bottom,” Bernhard says with his Swiss-German accent.

“So on a February night—even in my little village, I didn’t want anybody to see me in the shoes; they were really ugly. And I went for a run. I felt, *Wow, this is so cool*. It’s playful; it’s different. I came back, and before even showering, I had a list of 50 things I would adjust to make it a really comfortable performance running shoe.”

Bernhard spent the next three years building on the engineer’s work—cutting hoses and gluing them on shoes to invent a wildly springy sole that turned feet into pogo sticks and made people feel like they were running on clouds. By 2008, he was thinking about launching a shoe company and went to see his former agent, Caspar Coppetti, now at a global marketing company, for advice.



“WE LOOKED AT EVERY OTHER FUNCTION IN THE BUSINESS, AND WE SAID, ‘OK, HOW CAN WE DO THINGS DIFFERENTLY?’”

“Don’t do it,” Coppetti said. “Just drop it. ASAP.”

This seemed wise. The athletic shoe market is crowded, competitive, and defined by juggernauts. Nike was the leader back in 2008 (with more than \$18 billion in annual sales), and it remains so today (with about \$44 billion). Adidas is currently in second place, with about half of Nike’s sales. Then there are Asics, Puma, Under Armour, plus running brands Brooks, Hoka, and more. It’s nearly impossible for a startup to outspend, out-market, or out-innovate these titans. Why bother?

Bernhard made his old agent try the shoes on anyway. “I hated running,” Coppetti confesses. But he laced up. “After three steps

I was, like, *Holy crap*. Here’s a technology that you can feel. It’s in a gigantic consumer market; it’s a point of differentiation. If we don’t do this, we’re never going to have an opportunity like it again.”

Coppetti called a former colleague, another huge outdoors guy, David Allemann, who by then was CMO at the prestigious furniture-design firm Vitra, and had him come over and try a pair. That didn’t go quite as well. “On the first run, part of the sole fell off! And they looked like Frankensteins,” Allemann says. But even so, he, like Coppetti, was blown away.

The three decided to go into business together and committed to a long haul: They each put in \$150,000 and signed a contract that they would lose their shares in the company if they took another job in the next three years. Then they bought the original concept from the engineer who’d first pitched Bernhard, incorporated in January 2010, and agreed to call their company On because the shoes made people feel “switched on”—and also because they hadn’t considered how hard it would be to find the brand if you googled “On” in English. (It’s not a word in German.) “But hey, it still works,” Coppetti says a bit sheepishly. “On our [most popular model], the left shoe has an ‘O’ and the right one has an ‘N.’ And we like to joke that if you put them on the wrong feet, it says ‘no.’”

In retrospect, “no” also sums up their pathway to success—by rejecting every conventional way of competing in a mobbed space. Instead of playing Nike’s game against Nike, they came up with their own. And some 12 years later, their brand—in 60 countries and with more than 1,000 employees—is practically burning rubber as the fastest-growing athletic shoe company in the U.S., according to the market research firm NPD (at least among the top brands it analyzes). In 2019, On welcomed tennis megastar Roger Federer as a partner, went public in 2021 with an \$11 billion valuation, and today is worn by everyone from Kate Middleton to The Rock.

“The interesting story about this brand is that they’re not shoe people!” says NPD vice president and senior industry adviser Matt Powell with a laugh. “They didn’t come at this in the traditional way. They just broke all the rules about how you’re supposed to start a sneaker company.”

ON LAUNCHED IN SWITZERLAND in a time before Instagram, Snapchat, and TikTok, when only 7% of purchases were made online. At that time, the playbook was—and often still is—to establish your brand in a focused market, or at least in your home country, before trying to expand. But right off the bat, On broke that rule: Within six months, it was in Germany and Norway and presenting itself as a global omnichannel company. “You can’t think of a running shoe brand as local, just as you can’t now think of an electric car company that way,” Allemann reasons. “It was very clear to us: If we want to have a fighting chance, we have to build a global brand from the start.”

Their excitement over the original invention set the course. “We were emboldened by the fact that we could enter the market with a very differentiated technology,” says Coppetti. “So then we looked at every other function in the business, and we said, ‘OK, how can we do things differently?’”

Style was a good place to start. The going look for running shoes at the time evoked a tricked-out sports car with racing stripes and flame accents. Allemann wanted to stand out from the crowd with a minimalist aesthetic and hired a designer who’d never worked in footwear. “All the experts we talked to said, ‘That won’t work. You have to bring in the typical “running shoe bling” because it has to say, I’m a performance machine,’” he recalls. “So there was a long debate of: Should we take not one but two big leaps reinventing the technology



→ **SPEAKING “ATHLETE”**

Tennis star Roger Federer (*right*) consults triathlete Olivier Bernhard, champion to champion, as On’s cofounders innovate in the back, (*far right*, Allemann; *far left*, Coppetti.)

and the design? And as outsiders, we decided to do both because it would not be our way if we would give in.”

Then there was advertising. The big competitors ran ads in running magazines, so On decided not to. Instead it looked at what drove the most sales—and the brand’s data showed that its average customer recommended On shoes to three or four friends. “People who purchase the shoe are actually our biggest marketing investment,” says Allemann. So On began pouring energy into expos and organizing its own events—not just 10K races, but unique happenings around Europe like “squad” races where people go in opposite directions, mountain runs, and major urban art jogs. Often these activities drew hundreds of people; all shoes were welcome, but On would invite people to demo theirs.

By 2013, On felt ready to make a run at Nike’s homeland—America. Allemann hunted for U.S. talent on LinkedIn and ultimately found Britt Olsen, who was head of marketing for an outdoor gear brand called The Clymb, to direct On’s stateside marketing. She thought it would be an easy job—until she discovered how unprepared On was for the challenge. “I showed up and realized that some Swiss guys dropped off a few laptops and a bag of shoes and wanted to start a brand in the U.S.,” she says. “There was really a lot of pushback at first. I was meeting with retailers, who’d say, ‘This is too Euro; this isn’t what customers are looking for.’ And you kind of just leave feeling deflated, like, *Oh, wow, is this actually gonna work?*”

The founders faced the same problem. Coppetti and Bernhard showed up personally at JackRabbit in Manhattan, the leading running retailer in New York City, which at the time had four stores. “We go into the basement, where the buyer has her office. We put the shoes in front of her—we had brought her size. ‘Do you want to try them?’ And she was, like, ‘No,’” says Coppetti. “Can you imagine, we fly all the way from Switzerland and this lady that, for us, was like the gatekeeper to the New York market didn’t even try them. She just refused.”

Today, Lee Silverman, founder of JackRabbit, explains that moment from his perspective. His buyer was one of the best in the business, and she knew that the top six brands in the country accounted for about 90% of JackRabbit’s sales. Unknown names were most often a money loser. “I’m paying Manhattan retail per-square-foot floor rates,” says Silverman, who sold JackRabbit in 2015. “By the time you put your ‘must-haves’ in the already packed shoe storage closets, there’s not a lot of room to experiment with new brands.”

When Coppetti and Bernhard walked out of JackRabbit that day, they knew they had to go back to breaking rules. With Allemann, they came up with what they fondly dubbed the magic formula: They’d call up influential retailers and editors in important markets and say, “Hey, we happen to be in your city. Would you be up for a lunch run? And by the way, what’s your shoe size?” That worked better. “I knew I was going to get three ‘nos’ before a ‘yes,’ so I coped by telling myself I’m just going to try to go from ‘no’ to ‘no’ faster,” says Coppetti. Bernhard nods in agreement: “We did a lot of running with retailers. For two years, we were super fit.”

Slowly, people started to take a chance on On. That includes JackRabbit (now part of Fleet Feet), which is now one of the brand’s biggest retailers.

ON HAD BEEN HAPPILY TOSSING away conventions—and then it ran smack into “seasons.”

The sporting goods industry, just like the fashion industry, introduces new inventory, such as new looks and models, every season, which means usually twice a year. Brands show their collections and retailers place orders about nine months ahead. But some of On’s shoes kept selling out midseason. It would take at least four months to manufacture new inventory, at which point the season was over and the shoes were old. Then the unloved sneakers would go on sale, eroding their margins. The founders asked their factory partners how they could do it differently. The result was to ditch the whole entrenched model. Instead of seasons, On now designs timeless styles with a shelf life of 12 to 36 months, produced continuously throughout the year. Because the factories can stock the unchanging materials, production time is reduced to four weeks. On does still launch new styles, but it quickly determines which ones will sell—then invests in the stronger models and slows production on the weaker ones. “This has helped us react almost like fast-fashion companies,” says Coppetti. “Now about 70% of our revenue is generated on these short lead times.”

That wasn’t their only manufacturing issue. One of their earliest factories went bankrupt, which almost turned On to Off and jolted the founders into restructuring the company. They began building what is now a team of 40 in Ho Chi Minh City to maintain factory relationships. They also looked at how to bring in supply chain expertise, develop new products, build a wholesale business, grow direct-to-consumer sales, sign athletes, enter new countries, and put on events—all at the same time. The obvious thing to do was to start hiring below themselves, but they worried that would cause bottlenecks at the C-suite.

“We needed very independent explorers who could lead huge parts of the business and make most of the decisions on their own,” says Allemann. So in 2013 they brought in Marc Maurer as COO and Martin Hoffman as CFO. The five partners now control more than 60% of the company’s shares. And as On grew, they maintained that sensibility: The rest of their now 19 senior leaders weren’t all named partners, but they were invited into a flat hierarchy where major company decisions are made as a group. “We’ve never really been into titles,” says Britt Olsen, who became general

“THERE WAS A LOT OF PUSHBACK AT FIRST... ‘THIS IS TOO EURO; THIS ISN’T WHAT CUSTOMERS ARE LOOKING FOR.’”

manager of North America. “They just called me ‘Speaker of the House’ from day one.”

Starting in 2016, these group conversations helped On make a pivotal shift. “Our singular goal had been to build a performance innovation brand,” says Allemann, but their newer members helped identify an even bigger opportunity. Consumers now wanted to wear the same things to work, the gym, and dinner—they were already sporting Ons casually—and after much debate, the company decided to go for that market by expanding into everyday shoes and apparel. That was smart, NPD’s Powell says: “Fashion is where the money is in the sneaker business.”

It also dovetailed with the company’s biggest coup to date: Another famous Swiss athlete—tennis megastar Roger Federer—had been noticing Ons appear on his local streets. After his wife, Mirka, began wearing them, Federer got himself a pair and invited the founders to dinner.

WHEN FEDERER CALLED, he was in the kind of life transition only a pro athlete could relate to: His endorsement deal with Nike had ended, and he was noodling on the idea of developing his own signature line. When he tried Ons, he says, “it was clear right away that they were very comfortable.” The On guys joined him at one of his favorite restaurants in the old part of Zurich. “We had a fun and long dinner,” he recalls. “A few bottles of wine also.” On the way out to the car, Federer and his agent looked at each other. They were impressed.

Coppetti chalks up the success to Bernhard. “Olivier speaks athlete,” he says. “I don’t know how it works, but pros have this special line of communication.” It’s true, Federer agrees. “Elite athletes do things a bit differently, and I do think that made it easy for Olivier and me to connect.”

In 2019, Federer invested and came in as a partner (he prefers to keep the details private), and since then, he has spent long hours in the company lab designing a tennis collection called The Roger. “Olivier and I began [by] creating the Roger Pro. We had many different iterations of it, and when I came back with comments, I knew he understood exactly what I was referring to,” says Federer. “It’s the performance shoe I played in when I gave my comeback in Doha last year.”

With such a major athlete on board, On was no longer just an upstart shoe company making up its own rules. It was now playing in the same arena as its big competitors. Profitable since 2014 and growing at an average of 85% a year in net sales, the company went public in September 2021 in a very On way: The three founders ran from the tip of Manhattan to Wall Street to ring the opening bell of the New York Stock Exchange, while team members in Tokyo and Switzerland climbed mountains to celebrate. That day, the stock jumped more than 47%, valuing the company at about \$11 billion.

On continues to sign athlete endorsements, but in its own quirky way. Chloe Abbott is a good example: She’s a 23-year-old sprinter who,

truth be told, was more interested in singing and acting than in pro running. When On’s global sports marketing manager, Steve DeKoker, first reached out to her, she’d never even heard of the brand. But she was taken by On’s willingness to support all her passions, not just her athletic ones. She signed a four-year deal, and On has done things like book her to sing at an industry dinner at the Olympic trials. “They’re so down to partner with me,” says Abbott. “If this company was not a thing, I promise you I would be busing tables trying to sing my little heart out. On showed me it’s possible to have both.”

THESE DAYS, despite being a public company with high-profile athletes, On is hardly getting comfortable. Its most radical idea yet is in development now: You could call it Sneakers as a Service. “Honestly,” Allemann says, “it’s a big experiment.”

The project is Cyclon, and it’s been percolating for a while. On’s most popular models are made with 44% recycled materials, but many of those shoes still end up in the landfill. So the team started tossing around the idea of a circular economy in which products are designed expressly not to be thrown out, but instead reused to make new ones. Cyclon was their solution. A 100% recyclable running shoe made of materials (like castor beans) that produce half the CO₂ of On’s average models, it can be shredded into pellets and reconstructed into new shoes. To ensure that people turn them in, On is making Cyclon only available by subscription. (The fee is based roughly on the cost of running through two pairs a year.) So far 10,000 people have signed up without even testing the shoes. The company capped it there until it rolls them out this year. It’s hardly lost on On that a subscription model can offer intriguing business advantages, like stronger relationships with customers, higher retention, lower acquisition costs, and data. But will it work? NPD’s Powell is dubious. “People have tried to do subscriptions in athletic footwear, and they have fizzled out,” he says. “It’s hard to judge what a consumer wants next year or even next month—their brand preference and physical needs change.”

Still, he says, sustainability is important to Gen Z consumers, and brands that share their values will build stronger connections. Siblings Keri Straughn and Christian Fyfe, co-owners of Palmetto Running Company in South Carolina, have certainly seen that. “Environmental responsibility is a huge, huge thing for us as younger business owners,” says Straughn. They feel aligned with On—not just over efforts like Cyclon, but because it is so ahead of the curve and in touch with the culture. “They listen to us because they understand that we are what connects them to their consumer,” Fyfe says. “And I can’t say that about every other brand.”

Today, On’s greatest challenge may be keeping its stride. In the first half of 2021, net sales were \$345 million and gross margins reached 59%. To maintain the company’s pace of growth, each cofounder interviews four or five potential new hires a week—out of the nearly 70,000 applications they received last year. What are they looking for in a winning candidate? An explorer mindset, the founders say. And a certain crazy energy.

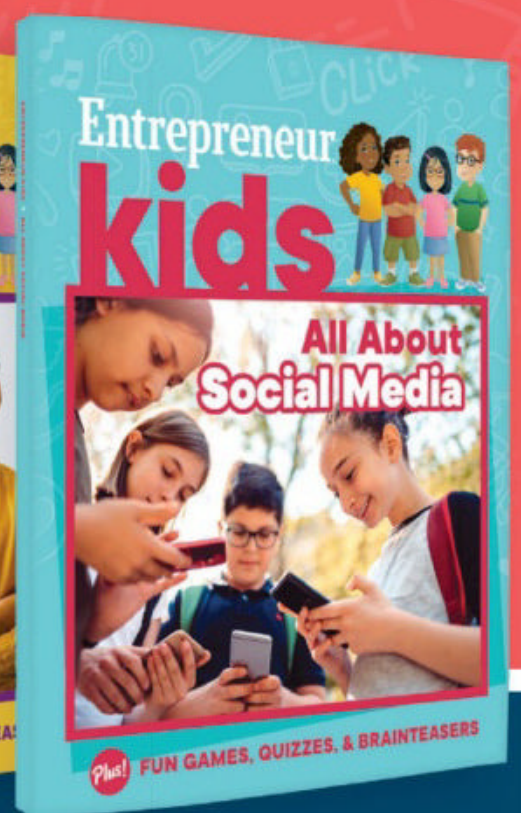
“To this day we love tinkering,” says Coppetti. They all spend time in the Zurich lab—and so does Federer—playing with its carpentry tools, 3-D printer, treadmills, and oxygen masks, which help them go from idea to working prototype in two or three hours. They can’t say what they’re cooking up, but they’re clearly still thinking big and ready to smash more rules. “Running is gigantic, and it crosses over into walking and everyday shoes,” Coppetti says. “If you look at what Lululemon has done with yoga, which is a very niche sport, we feel running gives us a very, very long runway.”

Bernhard breaks into a grin. “Pun intended.” **E**

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WHAT YOU'RE SAYING WHEN YOU'RE NOT SAYING IT



A Brief Guide to the Cues, Gestures, and Body Positions That Lead to Better Meetings and Connections.

by JASON FEIFER



Vanessa Van Edwards nods at me. I nod back.

Why did we just do that?

“Our cues are contagious in a good way,” she says. “Because they create a cue cycle.”

Van Edwards geeks out on these things. She is, in her words, “a recovering awkward person” who has built a career out of studying human behavior. Now, through her company Science of People, she teaches introverts and ambiverts how to connect with others and succeed. Her new book, *Cues: Master the Secret Language of Charismatic Communication*, examines the little signals that we send to each other—and how, by knowing how to trigger and use those signals, people can take more control of their lives.

Which brings us back to the cue cycle. The result of a phenomenon called mirroring, cue cycles happen when people unconsciously mimic each other’s behavior. Lean in during a conversation, and the person you’re talking to will lean in. Stretch out, and the person will likely do the same. If you know this will happen, you can use it to your advantage.

“Let’s say you’re meeting with your team,” Van Edwards says. “You want everyone to open up and feel really collaborative. So you do the nonverbal signals and the vocal signals of collaboration—and yes, there are cues that actually help people be more collaborative.” They include holding your hands open, palms facing upward, as a gesture of welcoming. A slow, triple nod encourages people to talk longer—but be careful not to do it too quickly because that can suggest impatience. And you’ll want to keep your body open, as opposed to crossing your arms over your chest, which can make you seem closed off.

Your team will mirror these cues, “which makes them internally more collaborative,” Van Edwards says. “And then they send it back to you, which also makes *you* more collaborative, and you get this beautiful feedback loop.”

It’s natural to think of body language as something people respond to when they are physically together, but Van Edwards says that in remote work environments, these cues are even more important. “In a world where a lot of our interactions feel a little out of control, a little confusing, and we hop on videos and we’re desperately trying to bridge the gap because there are no handshakes, these cues can speed up connection.”

On the following pages, we break down some of the easiest ways to connect—either in person or in your next virtual meeting.

Note: All studies referenced in this story are numbered and cited in detail on page 48.



Lean In, or Lean Back?

Research has found that when you **lean even a few inches forward**, it activates a specific part of your brain that is action-oriented,” Van Edwards says. (Study citation: See page 48, study No. 1.) Why? Leaning is often a precursor to action: If we want to touch something or see something better, for example, we lean toward it. So if you want to show someone you’re engaged, lean forward when they’re talking. “This shows them, ‘I respect what you’re saying so much, I am ready to take action,’” she says. Likewise, if you’re feeling tired or disengaged from your work, physically lean toward your computer or book. “It will wake your brain up.”

When we step backward or lean away from someone, we’re usually signaling that we don’t like something or that we’re not being completely honest. But sometimes there is a good reason to put a little distance between yourself and your audience: When you feel adrift, **physically moving backward** can help you regain control. For example, if you’re speaking to a group and lose your train of thought, take a step backward. If you’re deep in a project and feel overwhelmed, lean back in your chair. “Researchers found that your brain is actually able to get literal mental distance from it,” Van Edwards says. (See study No. 2.)

LESS COMFORT, MORE DISTRACTION



When people have uncomfortable conversations, they tend to fidget. Van Edwards calls these “comfort gestures”—little movements we make, often with our hands or faces, to distract ourselves from the discomfort of the situation.

This is problematic for a few big reasons. Multiple studies find that comfort gestures make a person look less charismatic. (*See study No. 3.*) They also draw the audience’s attention away from the speaker’s message and toward their movements. And perhaps most importantly, they make other people uncomfortable. One study even found that when a speaker fidgeted onstage, the audience members’ stress levels rose. (*See study No. 4.*)

So what can you do to appear more calming and authoritative?

To stop your **COMFORT GESTURES**, you first need to recognize what they are. Here are some common ones:



WRINGING HANDS

SWAYING

CRACKING KNUCKLES

RUBBING ARMS

BITING PENS

BOUNCING

You can’t stop comfort gestures all at once, Van Edwards says. It’s why she recommends using “**DISPLACEMENT TACTICS**”—which is to say, giving our nervous bodies something more focused to do. Here are six to try:



HOLD A PEN

STOP WEARING JEWELRY OR CLOTHES THAT REQUIRE ADJUSTMENTS

CARRY A MUG OF COFFEE OR TEA

USE A CLICKER DURING PRESENTATIONS

LEAN AGAINST A PODIUM

GET YOUR HAIR OUT OF YOUR FACE



Connect Better Over Video

TRY THIS CUE: Speak words that reference touch. For example, on a Zoom call, you might say, “I’m sending you a virtual high five!”

WHAT HAPPENS: When we touch other people, our bodies physically react by producing the chemicals oxytocin and dopamine, which in turn help us feel more comfortable and connected. Van Edwards wondered if our bodies react similarly to the mere *idea* of physical contact. To find out, she partnered with Claremont Graduate University psychology professor Paul J. Zak on an experiment. They had participants wear a device that monitored the physiological changes in their bodies and then split the participants into groups: One group watched a video featuring someone greeting people in a positive way but making no reference to physical touch. The second group watched a video of someone greeting people with lots of references to touching, saying things like, “I wish I could give you a cheek kiss from where I am,” or “Sending a virtual high five your way.”

The results were notable. The group who watched the “touch words” videos had a 100% higher physiological response than the other group had to its more neutral videos.

HOW TO USE THIS: Want to put someone at ease or encourage more connections among teams? “The first 10 words out of your mouth in a video meeting or phone call should include some kind of engagement word,” Van Edwards says. Reference a high five or a hug, for example, depending on what’s most appropriate.

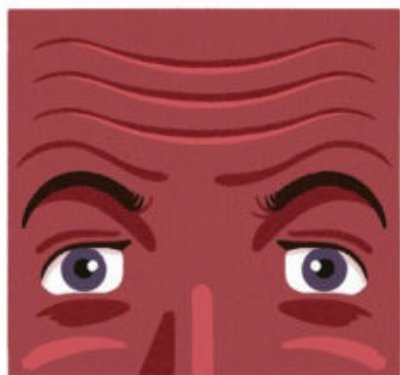
How far away from the camera should I be during Zoom calls?

“It’s always better to be at least 1.5 feet away so more body is showing and viewers can see your hands when you’re gesturing. That way, you can lean in on certain points without cutting off your entire body, though it should not be a perpetual lean. The camera should be far back enough so you can lean for emphasis and not be too close.”

Build a Better Connection

We judge people based on two factors—warmth and competence,” Van Edwards says. “So when you’re in an interaction, you want to have a balance of warmth and competence cues.”

What are those? Here’s one example of each and then something to watch out for.



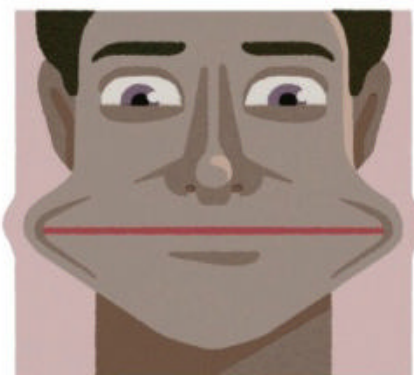
WARMTH CUE **Raised Eyebrows**

We raise our eyebrows to communicate excitement or curiosity or simply signal that we want to engage, studies show. (See study No. 5.) Although we often do this unconsciously, there are good ways to do it with intention. For introverts, raising eyebrows can be a helpful, easy way to begin engaging. “If you are talking, and you’re noticing you’re not getting a lot of eyebrow raises,” Van Edwards says, “it might be someone else’s turn.”



CONFIDENCE CUE **Distance Between Earlobe and Shoulder**

When we’re anxious or afraid, we shrink into ourselves—shoulders up, head down. That means a very short distance between earlobe and shoulder. “If you want to look more competent, all you have to do is maximize that length,” Van Edwards says. It allows us to take up more space, which helps us look loose and confident. To help achieve it, Van Edwards suggests using chairs with armrests: If you consciously keep your arms on the rests, you’ll ensure your shoulders stay low.



DANGER ZONE CUE **Lip Purse**

When someone tightens their lips into a line, they’re often holding back or disengaging. That’s the opposite of warmth and confidence—so it’s an important thing to watch out for. “When you see someone doing this, that is the perfect time to say something like, ‘John, did I miss anything there?’ or ‘Hey, Mary, any questions?’” Van Edwards says. If you want to see the lip purse in action, she says, just watch *Shark Tank*: The Sharks often purse their lips before saying they’re out.



BONUS EYEBROW TIP **Never Furrow!**

A furrowed brow doesn’t just show us to be unhappy or less agreeable—it actually causes us to feel more negative emotions, researchers have found. (See study No. 6.) This is true even if you’re furrowing for unrelated reasons, like if you’re standing in the sun without sunglasses. The same facial muscles are engaged when you’re angry or just squinting in the sun.

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WHERE WILL YOU BE IN 10 YEARS?

**Here's how to figure it out and start working
toward that future vision—now.**

by KEITH FERRAZZI

Successful people, and successful companies, tend to follow a similar path: The changes they make from year to year seem orderly, but over decades, the changes can take on an unexpected, nonlinear shape.

For example, I began my career as an entry-level analyst at Deloitte. Now I run a thriving growth-coaching business. The leap directly from one to the other seems absurd, and looking back, I couldn't have foreseen or planned it. But broken down into smaller steps, it makes sense: One job led to another, and an opportunity here created a logical new opportunity there. This is the magic of uncertainty: Our paths are forged in satisfying but unknowable ways.

But it can be hard to know what to do with this knowledge—because nobody likes to feel adrift, and especially not entrepreneurs. Leaders shouldn't be content to just *see where things go*. They don't leave their businesses to chance. They want to anticipate changes, plan for the unexpected, and plot a course into tomorrow. Is any of that possible?

Nobody can predict the future, of course, but I have found a tactic that I believe gives leaders the best possible chance. It comes from John Hagel, the retired co-chairman of Deloitte's Center for the Edge, and he calls it Zooming Out and Zooming In. With this exercise, John invites leaders to take leaps of imagination in which growth is nonsequential and exponential—very different from traditional, linear, do-this-and-then-that, three-year growth-planning projections. The exercise also helps your team develop a shared long-term vision and a road map for making decisions. Having run a number of clients through this exercise, I've found that the results can be transformative.

So as you look toward your own unknowable future, I suggest Zooming Out and Zooming In. You might see your next big shift before it arrives.

The exercise begins by asking two key Zoom Out questions:

- 1/** What will our industry look like in 10 years' time?
- 2/** What kind of company do we need to become to succeed in that future?

You don't have to answer these questions yourself. They can be answered at a strategic planning meeting with your team or over a period of time. You also don't need to limit this exercise to your team; you should involve anyone who can help you construct this vision. It may be useful to consult with specialists in certain technical areas to help your team think through various scenarios involving your industry's long-term trajectory.

Once you have your answers, it's time to start preparing for that future. Of course, you can't just throw out today's version of your company. But you can start testing your hypothesis and building toward that future—giving yourself the greatest chance to catch a wave of growth.

This is the Zoom In portion of the exercise. John Hagel suggests creating two high-impact experimental projects that can be completed within the next six to 12 months and would move your company toward your Zoomed Out vision. This short-term goal requires an agile approach in proof of concept, experimentation, iteration, and deployment, and it is just short enough to not get bogged down in two-year or three-year plans.

So what does this actually look like? I'll give you two quick examples.

The first comes from my own experience: My company Ferrazzi Greenlight is a management consulting firm, and our Zoom Out vision foresees team coaching that's fully powered by AI. To Zoom In on that, we launched a short-term project that incorporates currently available algorithmic assessments into one of our existing team diagnostic tools. We knew this experiment would be imperfect; the technology just isn't there yet. But implementing it taught us a lot about what's required to achieve our Zoom Out vision.

Now here's a more complex one. Birdstop is a remote sensing startup, which helps owners of large-scale infrastructure inspect and monitor their assets and operations from afar. In its Zoom Out vision, its leaders see the ability to create on-demand aerial imaging through a cloud-based network of autonomous drones. So for its Zoom In project, the company is building networked drone stations in high-demand zones to test whether its corporate clients would be open to sharing this drone network, rather than having drones operated solely for their own infrastructure observation. If the Zoom In experiment is successful, then over time, these local networks could connect to form a larger mesh that provides the kind of on-demand continuous cloud observations Birdstop envisions.

As you can see from both examples, these experiments aren't trivial. They require real investment, as well as some interactions with clients. To do them right, you'll need to build the right team. Pay special attention to whom you task to join the project: You will want a mix of domain experts and passionate team members from your existing team who can collaborate to solve problems creatively and push through obstacles. (Also consider the vital role of inclusion; you'll want to involve a wide range of viewpoints, which will later translate to a wide team that's committed to the results.) Your Zoom In team should report directly to you as the leader and have the maximum permission possible to try new things and break existing dependencies on established internal processes like IT, marketing, and HR.

In short, you want your Zoom In team to have as much flexibility as possible to achieve its goal.

Will every Zoom In experiment be transformative? No. But that's by design: You're making small, strategic, high-impact annual bets about the future without committing to long-term multiyear projects. But if the exercise proves fruitful at the end of a sprint, resources could be added to accelerate the project's impact. Either way, you'll be cultivating a culture of learning and risk-taking—both of which will benefit your company in the long run.

But here's where it gets really exciting: If you truly commit yourself to regular Zoom In experiments, some of them will work—and some of them will work exceedingly well. In fact, some of them, no matter how small, can snowball and develop into more ambitious projects that can transform your company and put you on a trajectory toward your 10-year Zoom Out vision.

That's what I saw recently with a company called Ognomy. It has the potential to change an entire medical field. But it began as one doctor's little Zoom In project.

“If you truly commit yourself to regular Zoom In experiments, some of them will work—and some of them will work exceedingly well.”

Daniel Rifkin is a neurologist in Buffalo who became fascinated by sleep apnea.

He treated the condition at his clinic, called Sleep Medicine Centers of Western New York, but he knew that only had a limited impact. Sleep apnea is a potentially lethal sleep-related breathing disorder that affects a billion people worldwide and goes mostly undiagnosed. By some estimates, 80% of sufferers in the U.S. never get a diagnosis because of the expense, lack of awareness, and inconvenience of spending nights being monitored at specialized sleep clinics like his.

Rifkin wasn't familiar with the specific Zoom Out/Zoom In method I've been describing, but he did a version of it anyway. About a decade ago, he Zoomed Out—imagining what his industry would be like in 10 years—and believed telemedicine and other digital tools would become commonplace. This could democratize access to sleep apnea diagnoses, he imagined. Millions of people who suffer from the condition could get tested and treated even if they don't live near a physical sleep lab.

Could he accelerate that process? he wondered. He decided to Zoom In. Over the years, Rifkin experimented with several videoconferencing platforms and different electronic medical-record solutions. He found them all lacking and became convinced that, in order to transform the treatment of sleep apnea, he had to create a stand-alone software solution that digitized every step of diagnosis and treatment in the workflow of his practice.

In June 2019, he assembled a team of 12 people to do just that. During the course of a two-day design workshop at Buffalo Niagara Medical Campus, they took apart each step of his medical workflow: initial examination, ordering sleep studies, diagnosing results, and managing patient records. They also captured the user experience for patients, clinicians, and healthcare administrators in a storyboard. Finally, they conceived of a virtual assistant chatbot named “Sheepa” (a cross between “sheep” and “Sherpa”). All of this would become the building blocks of an app, which he would call Ognomy.

In March 2020, Rifkin hired the software-development firm Topcoder to build the Ognomy app. Originally, he'd asked Topcoder to develop a minimum viable product by that June. But of course, shortly after it began work, the pandemic triggered shutdowns worldwide—and that meant Rifkin had to close all seven of his sleep apnea labs. He pushed the Topcoder team to deliver an app within 30 days instead. To meet this ambitious deadline, thousands of developers from all over the world crowdsourced the software development and together created a user-friendly product that was ready to be tested and deployed by late April 2020.

Demand for the app quickly soared, and Rifkin began to see the impact of what he'd done. “We didn't need physical space anymore to practice sleep apnea diagnosis,” he tells me now. “Starting a digital practice definitely cannibalized my own practice in the short term, but Ognomy convinced me that I can do the work entirely digitally. Once I saw the power of the app, I began to pivot and digitize my entire practice.”

In early 2020, he had thought it would take three to four years for both patients and doctors to get comfortable with telemedicine treatment of sleep apnea. “COVID,” Rifkin says, “supercharged that adoption overnight.”

Fast-forward to now, and more than 7,600 patients are registered on Ognomy, with new doctors joining the platform through a monthly subscription fee. Rifkin still holds firm to his Zoom Out vision, which

goes beyond what he's done so far. He believes that apps like Ognomy will change the way sleep apnea is diagnosed and treated, and that sleep labs will only be used for more complicated sleep studies, like narcolepsy or REM sleep behavior disorder. “Five years from now, I will definitely still see some patients in the clinic in order to maintain direct patient contact,” he says. “But I believe a large part of my practice will transition to being the CEO of Ognomy.”

When we look at this story through the lens of Zoom Out and Zoom In, we see that he did a number of things right. First and foremost, he designed an MVP that could scale rapidly. His efforts at digitizing his business showed that, to reach a billion people with a product or service, an entrepreneur must radically rethink their delivery model. In Rifkin's case, patients had to live near an urban area or a sleep center to get the kind of great care he could provide. That's no longer the case. “We've democratized access to sleep apnea diagnosis and treatment worldwide, and our market is the world, not just Buffalo, New York,” he says.

Second, he worked with a diverse team to get the best results. In his initial design workshop, his team of 12 had a wide variety of skill sets that complemented each other well and reflected the great diversity of patients and caregivers who would eventually be using the app. This last point—that his team was invested in the project because they were representative of the people who would actually benefit from it—is important for people doing Zoom In projects inside large organizations. It's critical that the team be staffed for passion first and then skills. Zoom In projects can often hit roadblocks, so you want a team that is excited about solving problems in creative ways and won't give up when they encounter problems.

Third, he kept at it. His first Zoom In experiments didn't work, but he felt confident enough in his Zoom Out vision to keep going. Eventually he exhausted all the existing options on the marketplace, which made him feel confident about developing something himself. That Zoom In experiment transformed his business and may well transform his entire medical field.

In this agile journey, you may feel like some of your Zoom In efforts are disappointing or that the technology is not as mature as you had hoped. But don't be discouraged. Remember that exponential technologies grow slowly before they explode. The key here is to continue experimenting with agile Zoom In projects to get closer to your Zoom Out vision. Some experiments will prove more fruitful than others, but your organization will always benefit from a culture of learning and experimentation. **E**



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➔ SETTING UP CAMP

Kathryn Berta and her husband Alan lived for adventure, so they bought a Kampgrounds of America franchise in Vermont.

Home Is Where the Franchise Is

An unconventional franchise helped **Kathryn Berta** achieve her American Dream. **by CHLOE ARROJADO**

PHOTOGRAPH BY STEVE ALBRECHT



→ PITCHING A TENT

Berta had never owned a home before buying a KOA franchise in East Dummerston, VT. But the campground came with a home.

southeastern Vermont area. I always found it important to work with as many local distributors and contractors as we could. Building that trust with these people as an outsider was difficult. You have to take a chance on them. They have to take a chance on you.

How do other operational things, like marketing, work with a campground?

I continue to work on our social media to stay relevant. KOA also sends local bloggers and influencers to our campgrounds. So that's been really helpful. When I worked for other brands before buying the campground, influencers were important to building brand recognition. So it was on my radar when we started our own business.

It seems unconventional to buy a business before buying a home. What was your thought process?

[My husband] and I always believed that there's nothing wrong with renting, especially because we didn't know exactly where we wanted to land. So we didn't feel it was right for us to invest in buying a home when, maybe in five years, we wouldn't be there.

The perk of owning the campground is it came with the home. And because we didn't have to unload any property, it made it really easy for us to move quickly once we found the campground that we knew we wanted and loved.

In the end, we got the campground, two awesome dogs, and we have a daughter now. To us, this is truly fulfilling the American Dream. We're business owners, we run our lives... how much better can it get?

As much as Kathryn Berta enjoyed living in Boston and working for a startup, one of her biggest joys was traveling elsewhere. She and her husband, Alan, would pack up their camping gear and road-trip to different Campgrounds of America sites around the country. During one trip, a campground owner jokingly offered to sell them the business. Berta laughed it off, but it sparked something in her. She couldn't shake the idea.

The couple started actively looking for campgrounds in 2017, and in 2019 they purchased one of KOA's 500-plus campgrounds in East Dummerston, VT. Their decision surprised many of her family members and friends, especially since the couple bought a franchise before they'd even owned a home. But three years into the adventure, 31-year-old Berta likes the flexibility that their life allows: She splits her time between the campground and, of course, even more travels with her husband and daughter.

You've camped at many KOA campgrounds. Is owning one what you anticipated it to be?

Every campground is different. You don't know until you're really in it. Dealing with my first grumpy customer was really tough for me. I had to learn that you don't know what people are experiencing on the road when they're on their way to you. Being able to change, figure out what they need, and give them what they need on the fly was something that I had to learn.

Luckily, there's an amazing support system at KOA. I can't tell you how many times I've reached out to other KOA owners to just get their input. Some of them have been in KOA for 40, 50 years. No one's going to get the chaos and the excitement of something like this but another franchisee owner: They get excited with you.

Figuring all of this out during the pandemic surge of campers must have been difficult.

We weren't really prepared, because this influx of campers came fast and furious. We just tried our best, and in the end it came down to managing people's expectations. A lot of these new campers didn't understand check-in time. I had awesome employees who were patient and did a lot of phone calls for camper education.

Also, unfortunately, there were shortages on everything. We're one of the only places you can get RV supplies in the

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Less Theory, More Action

Kids can get endless amounts of education online. So how does an education company like 2inspire stay relevant? CEO **Shafik Mina** says it starts with hands-on innovation. **by CHLOE ARROJADO**

Mad Science was looking for a mad scientist. In 2013, the brand, which runs educational science programs for kids, wanted to shake things up. The company needed a new leader, and it turned to Shafik Mina, who seemed like an unusual choice at the time: He'd spent the past four years as the company's lawyer, and the only businesses he'd run were a catering company and a wholesale bakery back in the '90s. But he believed he knew what Mad Science needed to stay relevant—and he was right.

Nearly a decade later, Mina is the president of two brands—Crayola Imagine Arts Academy and Mad Science—and the CEO of their parent company, 2inspire. Overseeing Mad Science's 133 units and Crayola Imagine Arts Academy's 24 units has been no small challenge. However, Mina says the market opportunity is there: Even with online learning and endless YouTube science videos, kids need a hands-on refuge to develop lifelong practical skills.



You didn't have much leadership experience when you became president. How did you prove you could bring the change needed for a large company?

When I became president of Mad Science, it was the No. 1 leader in its space. But it couldn't define or visualize the future. It was comfortable being No. 1, and I saw that our competitors were starting to catch up. I pitched [the owners of Mad Science] a vision for how we could improve Mad Science at its core, maintain our No. 1 position, and grow beyond where we were. I also pitched the idea that we could leverage all the experience and knowledge we have as the market leader of science enrichment to create a house of brands that offers other programs. Once I got into the job [in an interim

capacity] and started taking concrete actions to maintain our market leadership while building a house of brands, they realized that I was walking the walk, not just talking it—and that gave them the confidence to say, "The job is yours."

Since you assumed your leadership role at Mad Science and Crayola, have there been any changes in the franchisee-franchisor relationship?

One of the things I focused on early was building a culture of trust. When I started in the leadership position, we spent a lot of time making sure we had a team in place who understood that our franchisees are partners. That was not where it was when I took over, and it was something we had to work very hard to get to. We might not agree on everything,

but we've got their backs, and we work hard for them to be successful. A lot of franchisors expect it to happen instinctively. But I think it's something you have to proactively work on, like any relationship.

What does the education space look like now, especially amid all the changes that happened in the past couple of years?

The education space hasn't changed much over the past 100 years. Essentially the model is: You send kids to school, where there's a lot of focus on teaching them the theory. They absorb the theory, move up and get to university, and then they get a job. I think that's good, but it misses a very important aspect of practicality. When you move from the educational space

into a career, your boss doesn't really want to know about the theory—they want to know how you do it.

What void are programs like Mad Science and Crayola Imagine Arts Academy filling?

We looked at what skills future employees and employers are going to need and identified a few: creativity, collaboration, and communication. When we identified the skills, we said, "OK, how do we use art as a medium to teach those skills?" [Online learning] fills certain gaps, and in rural areas that were underserved or overpopulated areas, a lot more people can get access to great education. But if that's the biggest transformation we're going to make in education, then I think we've completely missed the boat.

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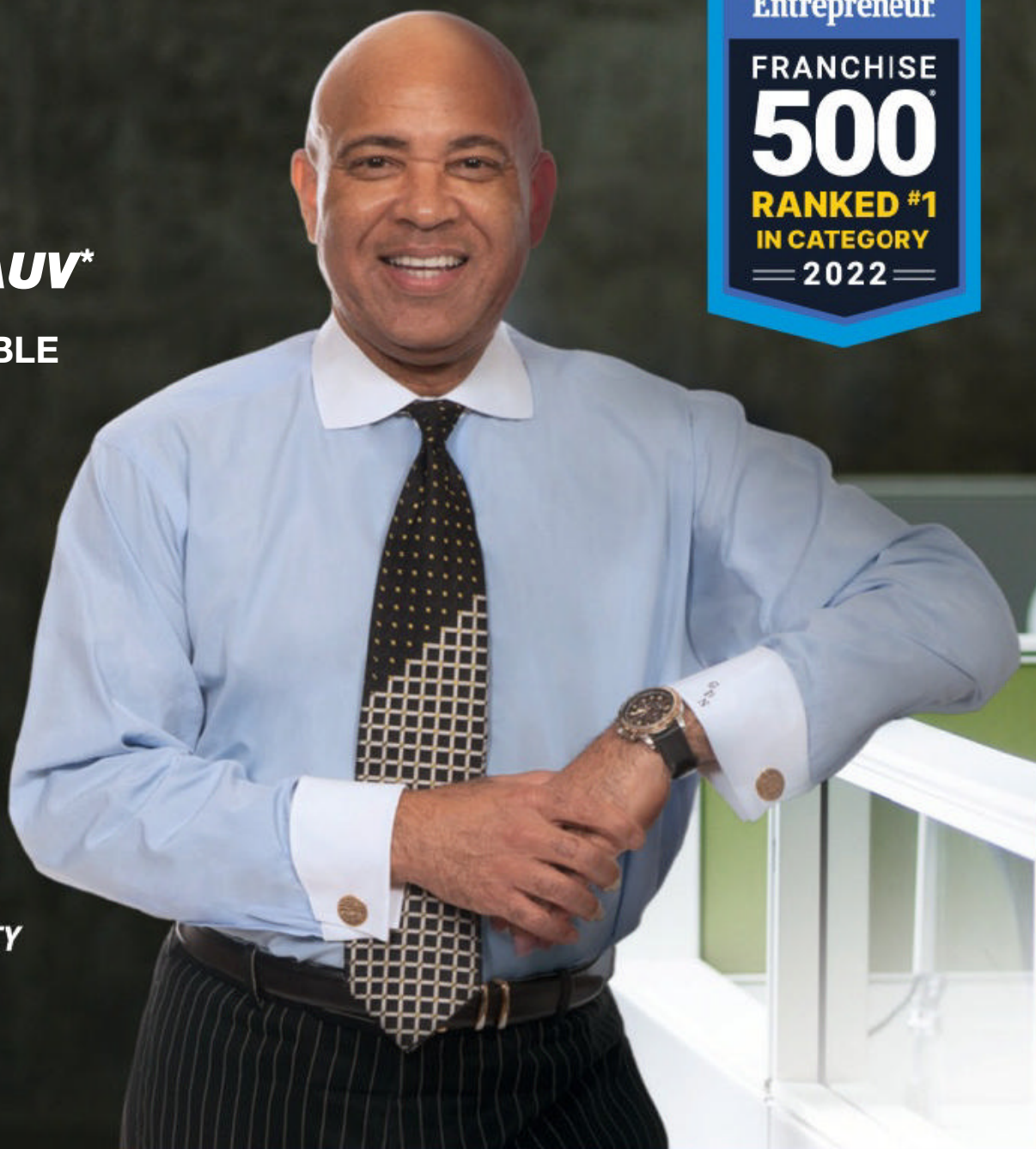
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How to Stop Getting Ghosted

You think the sale is in the bag, and then your prospect goes dark. Why? Check your process.

by RICK GROSSMANN



Here's a situation familiar to anyone in franchising: You (or someone in your sales team) are in touch with a potential customer. Maybe you're a franchisee trying to sell them a product. Maybe you're a franchisor trying to sell a franchise. Either way, you're in touch and the prospect seems interested—but then they disappear. You've been ghosted. And you're left asking: *Why?*

I've been involved in franchising since 1994, am now a coach to franchise executives, and have seen this problem

repeatedly. Here it is: You lost control of the sales process. That's an easy mistake to make, particularly given our bounty of modern communication tools. You might think that digital tools make sales easier, but it's often the opposite. Technology has shifted the control to buyers, and it allows them to drive the sales process or stop it altogether. They can find information without your help, which means they're making decisions without your guidance, and they have a plethora of tools to block or delete your follow-ups.

But all is not lost. To land the sale and avoid being ghosted, you need to build a sales process that you *can* control.

In many ways, this now starts before you've ever been contacted. A prospect is likely to visit your website and learn information themselves before they ever reach out to you—so don't let your site do all the selling for you. Sometimes franchisors try to stuff their site with information, which can cause people to lose interest or draw the wrong conclusions. Consider the goal of your site: It isn't to convert people on the spot; it's to encourage them to engage with you! So put just enough information on there to grab your ideal candidate's interest and drive them to take action—often by inquiring and engaging.

Next, you need to develop a step-by-step sales process—literally everything that happens from the moment you make contact through to the final sale. Describe this process to your prospect in the very first conversation; this keeps them looking forward to learning more, reduces stress, and avoids the dreaded “process fatigue.”

Here's an example: If you're trying to sell a franchise to a prospective franchisee, you might begin by having them fill out an application. But if the prospect isn't told what comes *next*, they may be less motivated to fill out the forms. People want to know how long

things will take and what kind of progress they're making. When you give them a preview of every step along the way, you also give them a reason to stay engaged.

This saves your sales team from making traditional follow-up calls—something that is likely to only annoy prospects. After all, an eager voice message is never going to land the sale. When you instead give people a compelling reason to participate in your process by showing them the benefit that they'll receive at each step, they become more of a partner with you in the process. It also allows you to better respect their time: You can keep calls between 15 and 30 minutes, which won't tire them out or make them worry about how time-consuming your process is.

And here's one final fault line: Once you lay out a process, you cannot deviate from it. No surprise twists and turns. No extra conversations. A step-by-step process is almost like an informal contract—it is the agreement you're making with your prospect about how to get to the finish line. Not everyone will get there, of course. But if you stay on track, your success rate will increase and you will waste less time chasing after deals that never close.

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Can a business be too specialized? Niche “microfranchises” are popping up all over the place, and the big companies buying them have grasped the merits of thinking small.

by **JON MARCUS**

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Mike Gillespie picks up pet poop for a living. And it's a good living. The sun is barely up one morning in late December, and Gillespie is prepping outside his tiny office in a southern New Hampshire strip mall. He changes from his hiking shoes to his heavy-duty work boots, climbs into his white Ford Ranger, and runs through his checklist. He has 33 stops to make around the bedroom community of Hudson that day, and some will be quicker than others. Sure enough, the pace slows at the second house. It's occupied by a mastiff named Mr. Big, as well as an obviously well-fed bulldog, goldendoodle, and cane corso. They've left such an awe-inspiring minefield around the swimming pool and backyard playground that Gillespie returns to his truck for a second 13-gallon trash bag.

When people ask Gillespie how business is going, he likes to say it's "picking up." It's an apt punch line because the kind of business Gillespie owns—a hyperniche franchise that does one very specific thing—is booming right now. The trend spans many different business categories, from home services (dryer-vent cleaning, drywall patching, mosquito control) to food (brands that sell only chicken salad, only soup, or only Bundt cakes) to boutique fitness (yoga, boxing, Pilates) and beauty (color analysis, makeup application, waxing). And while microfranchises aren't new, their momentum now says a lot about the state of the franchising industry and where it may be headed next.

Today's hyperniche brands are the result of many industry-shifting trends. Among them: Potential customers are googling whatever products or services they need that day,

which means hyperspecific brands often win in the search results. Big franchise conglomerates are eagerly acquiring niche brands, which incentivizes entrepreneurs to create them in the hope of a lucrative exit. And the franchise industry is experiencing a wave of interest from first-time franchisees, many of them seeking low-cost and uncomplicated business models.

That last part describes Gillespie well. He's a registered nurse and clinical manager who left healthcare in January 2021. Even before the pandemic, he'd been searching for more control over his career. That search led him to Pet Butler, a franchise based in Plainfield, IL, which last year had 36 franchise owners across 26 states and plans to add another 60 franchise owners in the next five years.

"I look at where I was, and now I'm out here putting poop in a bucket," Gillespie says. "But

then I think, *I'm my own boss. I'm working for myself, and the money I make is coming to me.*"

Last year alone, Gillespie doubled his revenue and is on track to double it again this year. These days, there's big money to be made by going small.

IF YOU WANT to really understand the economics of niche franchising, the best place to start is with the home maintenance, restoration, and repair sector.

The industry is booming because of a confluence of factors, says John Hayes, director of the Titus Center for Franchising at Palm Beach Atlantic University. Growing ranks of baby boomers can't or don't want to fix things around their houses anymore, and their millennial children—many now in homes of their own—often don't know how or prefer not to spend time on chores and yard work. The formally certified contractors and handymen who used to do these jobs are aging out of the workforce, and individuals with less traditional training (like niche franchise owners) are stepping in to fill the service void. On top of all that, house projects skyrocketed during the pandemic. Home improvement and repair expenditures rose by 9% in the fourth quarter of last year and will grow to \$430 billion this year, Harvard University's Joint Center for Housing Studies projects.

"It's the perfect storm," says Hayes. "Everything has come together for this." And that, in turn, has made these niche businesses very attractive to companies higher up in the food chain.

Major players that include the Belfor Franchise Group,

Authority Brands, and Threshold Brands have been amassing (or "rolling up," in industry lingo) portfolios of microfranchises, each with one narrow specialty: fixing window screens, hanging garage doors, installing pullout shelves. Collectively, the thinking goes, these small brands can take care of pretty much any house or yard task—but there's no need to rebrand them all under one roof. Instead, it's just a matter of cross-selling: The homeowner who needs a window replaced might have a drain that requires unclogging, so a parent company can direct its customers from one of its niche franchises to another. This allows the microfranchises to continue operating as usual and makes it easier for customers to find their services, while the parent companies can pool customers and centralize back-office functions.

One franchise conglomerate that has been particularly successful at this strategy is Neighborly. Originally named The Dwyer Group, the company was founded in 1981 in Waco, TX, with one carpet-cleaning franchise. But by 2017, it had acquired several microfranchises and combined them on a single consumer-facing website called Neighborly. Those brands included Rainbow International home restoration, Mr. Rooter plumbing and drain services, Mr. Electric, Mr. Appliance, Glass Doctor, Portland Glass, the Grounds Guys, Five Star Painting, Mr. Handyman, ProTect Painters, Molly Maid, Window Genie, and Aire Serv heating, ventilation, and air conditioning. The idea was to refer customers of one brand to enlist the services of the others.

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one Dwyer franchise shot up by 39% in one year, a success so big the company went all in and changed its corporate name to match its website. Since that time, the newly renamed Neighborly has added Mosquito Joe insect control, Dream Doors kitchen renovation, Precision Door garage-door repair service, ShelfGenie custom shelves, HouseMaster home inspections, and Dryer Vent Wizard. The microbrands in Neighborly's franchise network have a combined 10 million customers and Neighborly has applied for the trademark "Own the Home."

In September, the company took another big step, launching an app through which consumers can connect with any of its 19 U.S. service brands. A company that offers specialized services "isn't a new concept. That's been around," says Neighborly CEO Mike Bidwell. "What is new is rolling them up and aggregating them into a platform to extend the customer from one service vertical to another, one brand to another."

In July, Neighborly was itself acquired by global investment firm KKR, in an example of the sudden and substantial interest in niche franchising coming from some of the biggest private-equity players. Roark Capital, an Atlanta private-equity firm, has invested in dozens of franchises and chains, including Installation Made Easy and Nothing Bundt Cakes. Just as Neighborly was acquired by KKR, Belfor Holdings was bought by American Securities, and Authority Brands by Apax Partners. Investment firm The Riverside Company, which twice owned Neighborly predecessor The Dwyer Group, created Threshold

Brands as a platform for eight microbrands it holds: MaidPro, FlyFoe, Men in Kilts, Pestmaster Services, Sir Grout, Plumbing Paramedics, Heating + Air Paramedics, and USA Insulation.

It's not only giant equity funds that are taking a page from the microfranchise play-book. Much smaller companies are also snatching up or launching complementary niche brands. Greg Longe, CEO of Fetch! Pet Care, which offers dog walking and pet-sitting, just acquired the mobile pet-grooming franchise Furry Land. And back in 2017, Pet Butler was bought by the established company Spring-Green Enterprises.

But despite the massive consolidation, everyone

That's also why microfranchise names are often so straightforward: Monster Tree Service, Nothing Bundt Cakes, Mosquito Squad. "There's a really big benefit from a naming-convention standpoint that speaks to the way people interact with businesses and the overwhelming dominance of internet search," says Heather McLeod, chief marketing officer at Authority Brands. "Having the name of the business also be part of what a consumer would search online is incredibly beneficial."

DEMOGRAPHICS are also driving the microfranchise industry—both in terms of who's becoming customers and who's buying units.

Again, consider the home-

are struggling to fill important skilled trade positions. The general contractors who are left "would rather do bigger jobs," says Ted Speers, president of The Patch Boys. They don't want to send a couple of their people in to do drywall repair, which might be a half-day job. It doesn't make financial sense for them."

That leaves a lot of narrow, specialized jobs available—an abundance of work that's empowering for the people buying microfranchises. "Particularly with the generation now in their late 20s to early 40s, there's a growing comfort with self-employment and business ownership and self-determination," says Carnegie Mellon's Cynkar.

A microfranchise suits a



HAVING A NICHE SPECIALIZATION "GENERALLY LOWERS [A BRAND'S] MARKETING SPEND BECAUSE IT CAN BE HYPERFOCUSED ON WHAT ITS MESSAGE IS," SAYS CHRIS CYNKAR, A FRANCHISE CONSULTANT AT FRANCHOICE.

involved seems to recognize the value of keeping the individual brands small. "It's easier to break through the clutter with a hyperspecific service," says Spring-Green COO and Pet Butler president James Young.

In a consumer market driven by search engines, hyperspecificity is key to customers being able to find your company. Having a niche specialization "generally lowers [a brand's] marketing spend because it can be hyperfocused on what its message is," says Chris Cynkar, a franchise consultant at FranChoice who also teaches entrepreneurship at Carnegie Mellon University.

maintenance and repair sector. "It used to be you would call a contractor or a handyman" to do small jobs around the house, says Monty Walker, vice president and COO of Screenmobile Corp., whose more than 100 franchisees do nothing but install and repair screens for windows, doors, porches and patios. "But those guys have gotten to the point where they're too busy." Anyone who's tried to get a kitchen remodeled or some plumbing repaired lately knows that's true: There's a shortage of skilled tradespeople. It's also likely to get worse as more of these tradespeople retire. According to staffing company Adecco, 62% of firms

new generation of franchisees' needs. Many older franchises, such as fast-food brands, are big and complex, and require an investment in real estate. But niche franchises are more nimble and therefore less expensive. "You don't have to invest McDonald's kinds of money," Speers says. Initial franchise fees for Chem-Dry or The Patch Boys are less than \$30,000, according to Ken Osness, vice president of development for Belfor Franchise Group.

Stewart Vernon, founder and COO of America's Swimming Pool Company (part of Authority Brands' stable of niche franchises), agrees. "The



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big-name franchise fast food restaurants or auto-parts dealers, you have to have a few million in net worth just to be considered,” he says. “We’re not only lower risk, but lower barrier of entry.”

Gillespie paid for his Pet Butler business by cashing out a 403(b) retirement plan and using Pet Butler financing. Pet Butler even waives the initial franchise fee for pet industry business owners who buy in, lowering the up-front costs of equipment, permits etc. to as little as \$10,000. “Because I was already in this industry, they knew I immediately had a few thousand customers on Day One,” says Andy Wiltz, who was given that break when he added a Pet Butler franchise to his Woof’s Play

& Stay dog daycare, boarding, and grooming business in Kansas and Missouri.

“The sweet spot for a long time in franchise investment has been between \$150,000 and \$300,000, but there are more and more people now who want to be less than \$100,000,” Palm Beach Atlantic University’s Hayes says. “The microfranchising developers have caught onto that.”

These low costs also open the door to younger franchisees, who might have been priced out of the industry before. Micah Droescher, 20, and Hogan McFadden, 21, are among them. They aren’t even done with college, but they’ve already opened a franchise. “Our generation is obsessed with working for ourselves,”

says Droescher. McFadden looked at conventional large-scale franchise concepts, but the fees were more than they could afford while not enough to qualify for a Small Business Administration loan. So they signed on with The Patch Boys.

Kevin Krull skipped getting a college degree altogether. At 23, he bought a 1-800 Water Damage in Michigan. The franchise cleans properties that have been damaged by water, smoke, and other related problems. Now 27, he racked up \$1.5 million in sales last year—and added a complementary brand called Blue Kangaroo Packoutz, which restores personal items damaged in disasters. Next he’s planning to add yet another related service: a redbox+

dumpster franchise. “Blue Kangaroo needs dumpsters; 1-800 needs dumpsters,” he says. “The contractors we always work with need dumpsters.” Soon, Krull will have met his goal of owning three businesses before he turns 30.

ALTHOUGH microfranchises are often valued for their smallness, some are starting to think bigger.

In what Young calls its “empire-building strategy,” Pet Butler is adding pet-sitting and potentially pet transportation. “Part of our focus is expansion of services—asking what pairs well with pet waste removal,” Young says. “Once you have those customers, what else can you do with them?” In this case, he says, rather than creating

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new brands to offer such services, Pet Butler is adding them to the franchises it already has.

Other parent companies are thinking about growth differently, and have focused on selling additional microfranchises to their existing franchisees. That way, they make the most of a built-in market of buyers who have already been vetted. “We have a lot of guys saying, ‘I’m ready to start another business,’ and they want to stay in the family,” says Belfor’s Osness. More than one out of 10 Authority Brands franchisees own more than one franchise, McLeod says. “That’s really a focus of ours—attracting franchisees who might want to offer more than one of our brands.”

But not all larger franchisors

see it this way. At Neighborly, Bidwell says about 5% of franchisees own more than one of its franchises, but “sometimes when we got franchisees focusing on more than one brand, [the businesses] didn’t do as well,” he says. “We want them to focus on one thing.”

After all, that’s the crux of the microfranchise concept.

Don Powers is the founder of Fitness Machine Technicians, whose sole service is maintaining and repairing fitness equipment. “When franchisee candidates are sitting in my office, I hold my arms 6 inches apart and say, ‘This is where we want to focus,’” he says.

Other specialty franchises are thinking even smaller. Belfor’s Ductz brand, for example, is spinning off a still

smaller franchise to join the suddenly competitive dryer-vent market. “For the guy who says, ‘Even ducts seem too big for me,’ he can just buy the Ductz dryer-vent cleaning franchise,” says Belfor’s Osness.

Fetch! CEO Greg Longe cofounded Dryer Vent Wizard with David Lavallo (who also started Mr. Handyman) back in 2004. He laughs when he remembers the reactions they used to get in response to the idea of a company that did almost nothing but clean out lint from dryer vents. “People thought we were insane.” But the company grew to nearly 100 franchises and was acquired by Neighborly in 2020, so the next time around, people caught on quicker. “When we got involved with

Fetch!, I think the same people scratched their heads for a while,” Longe says, “but not all that long.”

Red Boswell remembers that when he founded Pet Butler, people thought he was crazy to start a business that just scooped dog poop. And even he questioned whether subsequent concepts such as drywall patching could survive. “I thought, *Are you kidding me?* I found myself laughing out loud,” he says. “Who would hire somebody to patch? That’s all they do? And yet they’re killing it. It’s comical, and it’s so cool.” **E**

Jon Marcus writes for The Washington Post, The New York Times, The Boston Globe, Wired, and other publications. He never thought about



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For More MY SALON Suite Franchising Information:

mysalonsuite.com/franchise franchise@mysalonsuite.com



Stratus: Meet the Demand, Clean is No Longer a Luxury

Stratus Building Solutions® provides an environmentally friendly commercial cleaning experience driven by entrepreneurial, small unit business owners and regional master franchise support centers. Since 2006, Stratus Building Solutions has become a household name as the industry leader in green facilities maintenance and now, leader in disinfecting services. With a proven Stratus Building Solutions business model and a commitment to customer service, your own commercial cleaning service franchise has unlimited earning potential.

AT THE FOREFRONT

In an ever-increasing health and environmentally conscious market, the simultaneous demand for green and disinfecting services puts Stratus® at the forefront of the commercial cleaning industry. Offering a range of special services, customizable options, state-of-the-art cleaning equipment with air-

quality improvement components, and Green Seal Certified Stratus Green Clean chemicals. Stratus Building Solutions is second to none in cleaning for quality, health, and the environment.

SUCCESS FOR TODAY AND THE FUTURE

The Stratus Building Solutions business model targets multiple recurring revenue streams in a recession and pandemic-proof industry, assuring a consistent income today and into the future. Customer contracts, financing payments, and a scalable organizational concept provide a solid base to leverage continuous growth, as proven by many successful existing Stratus franchises.

THE STRATUS DIFFERENCE

Stratus Building Solutions offers a turn-key business model with franchise concepts ranging from part-time businesses to exclusive regional master

About Stratus

Stratus Building Solutions is the leading green commercial cleaning franchise company providing the most comprehensive building cleaning, office cleaning and disinfecting services in the industry, allowing business owners to provide a healthier environment for their customers and employees.

Stratus Facts

- ✓ Unit Fees Start at \$3,600 / Master Fees Start at \$75,000
- ✓ Over 2,500 Unit Franchisees across 60 Master Franchises
- ✓ Monthly recurring revenue for scalable growth
- ✓ Service B2B customers in the fast growing cleaning industry!

franchise territories. With the lowest investment costs in the industry and availability in major metropolitan areas, Stratus provides the nation's premier franchise opportunities in the commercial cleaning industry.

UNIT FRANCHISE:

- As Low As \$1,000 Down To Start
- Multiple Franchise Concepts
- No Experience Necessary
- State-of-the-Art Equipment and Materials
- Military Discounts Available

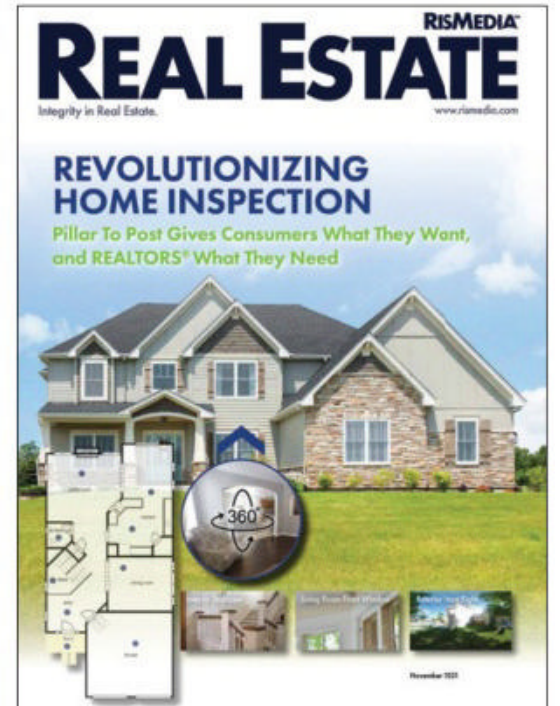
MASTER FRANCHISE:

- Exclusive Metro Territories Available
- Multiple Recurring Revenue Streams
- Scalable Model
- High Margin Earnings Capability
- Proprietary Management Software



For Stratus Building Solutions Information:

🌐 StratusClean.com ☎ (888) 981-1555



As seen in the November 2021 issue of RISMedia's Real Estate magazine. Reprinted with permission of RISMedia

Why Not Be a Part of the Most Innovative Home Inspection Franchise in North America?

According to the Bureau of Labor Statistics, Home Inspection is a \$3 Billion Industry and growing at 10% a year. As featured in a recent Real Estate Insider Cover Story, (RIS MEDIA) Pillar To Post Home Inspectors®' new technologies and business model provide an exceptional home inspection with unique and innovative features that are delivered within a seamless brand experience. "The Ultimate Home Inspection" developed pre-pandemic and utilized when the pandemic struck, the new features further highlight Pillar To Post Home Inspectors' standing as a visionary in its industry:

- **PTP360** is available with every home inspection and provides an interactive, 360-degree visual inspection summary that literally brings the inspection report to life and includes every room and a home's exterior. It can be accessed anywhere, anytime from any device and shared with family or contractors.

- **PTPEstimates** provides a cost estimate for inspection summary items. This upgrade is very useful for sellers who do a pre-listing inspection, letting them learn what recommended repairs will cost based on prices charged in their area. Estimates can be requested with one click.

- **PTPFloorPlan** provides an accurate floor plan of the entire home. This useful upgrade can be used to determine furniture fit and placement, and also provide exact dimensions to contractors for estimating purposes.

- **PTPHomeManual** is an upgraded service that provides a digital owner's manual for a home, letting users download manuals/warranty information, find safety recalls on appliances, learn the age and useful remaining life of systems and much more.

- **Virtual Open Houses** make it easy for REALTORS® to present their listings in a high-quality, 360-degree virtual open house format while also allowing prospective buyers to tour a home at their

own pace. By transforming listings into a navigable, walk-through experience, Virtual Open Houses increase visibility while reducing the interruptions of in-person showings.

About Pillar To Post Home Inspectors®

North America's leading home inspection company with nearly 600 franchisees in 49 states and 9 Canadian provinces.

Pillar To Post Home Inspectors® Facts

- ✓ Franchise Fee: \$24,500.
- ✓ Provides flexibility and financial security
- ✓ Helps your work/life balance
- ✓ Allows you to take control of your financial future



For Pillar To Post Home Inspectors® Information:

☎ (877) 963-3129

✉ franchise@pillartopost.com

🌐 www.pillartopostfranchise.com

WHAT IS AVAXHOME?

AVAXHOME-

the biggest Internet portal,
providing you various content:
brand new books, trending movies,
fresh magazines, hot games,
recent software, latest music releases.

Unlimited satisfaction one low price

Cheap constant access to piping hot media

Protect your downloadings from Big brother

Safer, than torrent-trackers

18 years of seamless operation and our users' satisfaction

All languages

Brand new content

One site



AVXLIVE ICU

AvaxHome - Your End Place

We have everything for all of your needs. Just open <https://avxlive.icu>



About HomeVestors

Known as the “We Buy Ugly Houses®” company and America’s #1 home buyer, HomeVestors® trains and supports its franchisees in building businesses based on buying, rehabbing, selling and holding residential properties. HomeVestors makes a positive impact in more than 170 markets nationwide.

HomeVestors Facts

- ✓ **FRANCHISE FEE:** Associate Franchise \$34,000, Full Franchise \$75,000
- ✓ **NICHE BENEFITS:** mentorship program, proprietary lead sources, can be part-time
- ✓ **INCENTIVES:** Veterans Discount of 10%
- ✓ **TOTAL # OF FRANCHISES:** 1,100+ Franchises

Couple Became Franchise Owners and Found Happiness

For Paul and Tanice Myers, owning a HomeVestors® franchise enables them to live the lives they’ve always wanted. Purchasing their first rental property together back in 2002, the housing market soon crashed. Paul kept his 9-to-5 job but began purchasing bank-owned houses to renovate and sell on the side, eventually leaving his full-time job in 2013.

As the housing market began to stabilize, Paul found it increasingly difficult to locate homes to purchase and rehabilitate because there were too many others in the market chasing these same deals. He and Tanice were at a standstill—until they discovered HomeVestors.

“I listed a property for another HomeVestors franchise, and the more that I worked with them, the more I was able to see the val-

ue,” Paul recalls. “He became a HomeVestors franchisee in 2018. “Initially, I joined for the lead opportunities, but HomeVestors offers so much more than that. We were finally able to take our business to the next level with them,” he says.

The following year, Tanice left her career as a tech salesperson to join the family’s growing real estate business. Since then, the Myers have been able to fully dig into all that HomeVestors has to offer. “We have been able to network with other franchise owners and learn from their experience,” Tanice says. “Since there’s no competition within HomeVestors, people are so willing to help you in your own journey.”

As the Myers family continues their journey with HomeVestors, they consistently reflect on what a life-changing opportunity

it has evolved into for them on both the professional and relational level. Working with HomeVestors has enabled them to find success and happiness at the same time. “This allows for us to spend time together while setting ourselves up for the future.” Paul says.



For HomeVestors Information:

👤 Lauren Midgley 🌐 www.HomeVestorsFranchise.com/Entrepreneur/
 ✉️ franchisesales@homevestors.com 📞 (800) 237-3522



About Toro Taxes

The largest, fastest growing and most recognized Latino Franchise in America.

Our Vision: To satisfy the need for professional tax and accounting services in underserved Hispanic markets.

Our Mission: To educate the Latinx Market in financial services by empowering our franchisees to become successful entrepreneurs.

Toro Taxes Facts

- ✓ The most recognized brand by Latino Consumers
- ✓ A recession proof business
- ✓ Only \$5k down payment to own your franchise
- ✓ Year-round training and support provided
- ✓ Territory Area Representative opportunities available

TORO TAXES: A Factory of Entrepreneurs!

Toro Taxes was originally founded by Nick Maldonado-CEO & Oscar Toro-West Coast COO, in Las Vegas, Nevada late 2009. Upon entering the franchise world in 2014, they quickly expanded to over 100 locations across 9 states becoming the largest & youngest Latino Tax Franchise in the nation.

In early 2019, Toro Taxes merged with Los Taxes, the First Latino Tax Franchise ever created in the USA, founded by Javier Solis. Los Taxes rebranded their stores, and Mr. Solis now sits as a partner and East Coast COO on the Toro Taxes executive team.

Together, the two companies instantly increased their territories to approximately 140 locations encompassing 17 states becoming the largest Latino Franchise in any industry.

Their merger and combined resources captured the industry's attention resulting in the raising of several million dollars in investment capital to help fund further expansion.

Since then, the company has grown to over 200 storefronts across 23 states and is project-

ed to increase by an additional 294 units over the next 24 months.

What's the secret?

A large part of it is their unparalleled marketing strategies and their focus on the Latino market and its key Demographics.

Latinos represent over 19% of the U.S. population and are responsible for an annual contribution of \$2.7 Trillion Dollars to the U.S. Economy. Research conducted at Stanford University GSB suggests that by the year 2050, 1 in every 3 persons in the country will be Latino.

The Toro Taxes Executive team created a sophisticated infrastructure and replicable business model; then introduced it to the underserved and niche Latino Market.

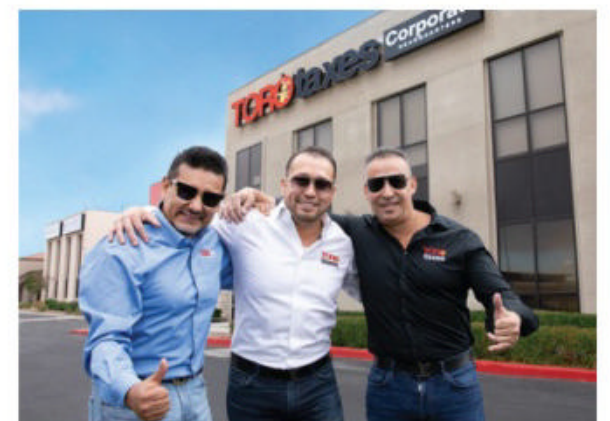
They created a system where aspiring entrepreneurs can join the multibillion-dollar tax industry with no experience or accounting background.

Package that with their extremely low startup costs and a very palatable franchise

fee of \$25k, financeable with only \$5k down payment, and you have a recipe for success.

"I am proud to be able to deliver consistent quality service to our customers via our recognized and respected brand but even more so of all the lives we've changed by helping our franchisee convert their dreams of successful business ownership into reality; we are a factory of entrepreneurs!"

-Nick Maldonado -CEO



For Toro Taxes Information:

🌐 www.ToroTaxesFranchise.com ☎ 1 (800) Toro-Tax (867-6829)

✉ Franchiseinfo@ToroTaxes.com



About fit20

fit20 is a personal training franchise concept founded in the Netherlands in 2009. Globally we have over 150 studios open in 10 countries. More than 20,000 people worldwide train with us every week. In the United States we have studios in five states. The opportunities for growth are waiting for you.

fit20 Facts

- ✓ **STARTUP COST:** \$98,000-183,000
- ✓ **NICHE BENEFITS:**
 - Membership Model
 - Recurring Revenue
- ✓ **INCENTIVES:**
 - Flexible scheduling encourages work/life balance
 - Dedicated Training, Operations, and Marketing support
- ✓ **BRIEF QUOTE/TESTIMONIAL:**

"When I tried fit20, my business sense told me it would be a success here based on its appeal to a wide audience and the company's record of growth. Also, from a selfish standpoint, I wanted access to it."

-Cathy Battreall
- ✓ **NO. OF NATIONAL/GLOBAL FRANCHISE UNITS:** 150

fit20: Strength Training is the Fountain of Youth

Did you know that only 23% of Americans are actually working out? You have to ask yourself, what is preventing so many people from being more physically active? Is it time, is it crowds, is it results? fit20 is a completely different approach to health through strength training. Our system is built to train you once a week for 20 minutes to an optimal level. This is counter to what we are taught from a young age. We are told that you should be going to the gym 3-5 times a week. Science has now proved this incorrect. fit20 has the goals of driving longevity, boosting energy, preventing illness, and slowing aging. Science shows that strength training is the true fountain of youth.

fit20 is a great business opportunity for entrepreneurs. Our target audience is adults aged 40-70, a group that gyms ignore. Every

8 seconds someone in the United States turns 50 years of age. This is a fast-growing demographic who not only has the desire to live a healthier life, and they have the financial stability to afford personal training. Our studios are a private, temperature-controlled environment that eliminates the crowds, the music, and other distractions. The space needed is under 1200 SF which means it is an affordable buildout. In these times many people are sensitive about their health with relation to being around others. Our sessions max out at three people, including the trainer.

fit20 is a global organization. When you join fit20 you not only receive support from both the United States and Global support teams but you join a group of studio owners around the world. With such a diverse and successful group there is a flow of com-

munications that allow for best practices to be learned and shared with us all. Now is the time to invest in yourself with a global brand, a powerful offer and the opportunity to build a membership-based business in your community.



fit20
Fit in 20 minutes per week

For fit20 Information:

✉ franchise@fit20usa.com ☎ (833) 348-4620

🌐 <https://fit20usafranchise.com/>



FASTEST-GROWING FRANCHISES

Our annual list of high-growth brands.

compiled by **TRACY STAPP HEROLD**

The franchising model is built for growth, and nothing during the past two years has altered that fact.

Despite numerous unforeseen challenges, many franchise companies have managed to keep on growing by dozens, hundreds, or even thousands of units a year. In fact, the brands in our annual list of the fastest-growing franchises—which you'll find on the following pages—represent a grand total of 20,882 net new units added in one year.

The companies on this list have innovated, acquired, and hustled their ways through the last year to make sure their brands have not just survived the pandemic, but thrived and grown. Their ranking order is based on their total systemwide unit growth—that includes U.S. and international franchises, as well

as company-owned units—from July 31, 2020, to July 31, 2021, with ties broken based on percentage growth. If you're interested in seeing which brands have added the most franchise units in the U.S. and Canada alone, you can find our bonus list with more details at <https://entm.ag/fastgrow>.

Remember that this ranking is not intended to endorse any particular company. Positive growth can be one sign of a healthy franchise opportunity, but it's only one of many factors you should consider when researching to find the business that's right for you. Always do your due diligence before investing in a franchise by consulting with an attorney and an accountant, reading the company's legal documents, and talking to current and former franchisees.

1
7-Eleven
Convenience stores

TOTAL UNITS
(Franchised / Co.-Owned)
71,401/5,945

UNIT GROWTH
+6,248

STARTUP COST
\$69.7K-\$1.2M

2
Century 21 Real Estate
Real estate

TOTAL UNITS
(Franchised / Co.-Owned)
13,222/0

UNIT GROWTH
+1,787

STARTUP COST
\$24.7K-\$456.8K

3
KFC
Chicken

TOTAL UNITS
(Franchised / Co.-Owned)
25,390/290

UNIT GROWTH
+1,286

STARTUP COST
\$1.4M-\$2.8M

4
Stratus Building Solutions
Environmentally friendly commercial cleaning and disinfecting

TOTAL UNITS
(Franchised / Co.-Owned)
2,418/0

UNIT GROWTH
+388

STARTUP COST
\$4.5K-\$79.8K

5
McDonald's
Burgers, chicken, salads, beverages

TOTAL UNITS
(Franchised / Co.-Owned)
36,717/2,679

UNIT GROWTH
+376

STARTUP COST
\$1.3M-\$2.3M

6
RE/MAX
Real estate

TOTAL UNITS
(Franchised / Co.-Owned)
8,775/0

UNIT GROWTH
+370

STARTUP COST
\$43K-\$286.5K



Goosehead Insurance / No. 9

GOOSEHEAD LANDS at No. 9 on this year's fastest-growing list—its third consecutive year in the ranking and highest position ever, thanks to a growth rate that has vaulted it to the top of the insurance category. And that growth is owed in part to the fact that the brand appeals to a younger demographic than one might expect. Half of all new Goosehead franchisees and franchise employees recruited in 2021 were millennials, attracted to the company's low startup costs, sales-only model, and innovative tools, like the Digital Agent Platform it launched last year, an online quoting tool to help both customers and franchisees.

PHOTOGRAPH COURTESY OF GOOSEHEAD INSURANCE/THE MUSE

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CENTURY 21®

OVER
50 YEARS
OF
**DELIVERING
EXTRAORDINARY**

The CENTURY 21® brand is proud to be named the **#2 Fastest Growing Franchise in 2022** as we strive to transform every real estate transaction into an experience worth celebrating.

We're focused on helping you grow your business!

Build the business of your dreams with the support of some of the smartest minds in the industry who can help you meet your most audacious goals. Together let's change how real estate is done.



Scan to learn more about franchising with the CENTURY 21 brand.



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7
Jan-Pro Cleaning and Disinfecting

Commercial cleaning

TOTAL UNITS
(Franchised / Co.-Owned)
10,476/0

UNIT GROWTH
+358

STARTUP COST
\$4.2K-\$56K

8
Sign Gypsies

Special-occasion yard-sign rentals

TOTAL UNITS
(Franchised / Co.-Owned)
735/0

UNIT GROWTH
+357

STARTUP COST
\$4.2K-\$9.9K

9
Goosehead Insurance

Property and casualty insurance

TOTAL UNITS
(Franchised / Co.-Owned)
1,072/0

UNIT GROWTH
+324

STARTUP COST
\$41.5K-\$116.5K

10
F45 Training

Fitness studios

TOTAL UNITS
(Franchised / Co.-Owned)
1,552/3

UNIT GROWTH
+254

STARTUP COST
\$313.2K-\$485.1K

11
Coverall

Commercial cleaning

TOTAL UNITS
(Franchised / Co.-Owned)
8,526/0

UNIT GROWTH
+248

STARTUP COST
\$18.6K-\$51.4K

12
Jersey Mike's Subs

Subs and Philly cheesesteaks

TOTAL UNITS
(Franchised / Co.-Owned)
1,942/31

UNIT GROWTH
+231

STARTUP COST
\$144.7K-\$786.2K



Jamba/ No. 56

JAMBA MAY BE one of the oldest smoothie brands around, but that hasn't stopped it from continuing to innovate, starting with its menu. In early 2021 the brand launched a new all-day food menu, featuring items like the Impossible Handwich, and in the summer it added new iced beverages, including the Gotcha Matcha. But the innovations don't end there. Now you can get your smoothies served up by a robot at a Jamba by Blendid location. While there are only two robotic kiosks so far, the company has hopes of bringing the concept to gyms, hospitals, airports, and more in the future.

Entrepreneur

FRANCHISE

500

RANKED

— 2022 —

Entrepreneur

FRANCHISE

500

RANKED #1
IN CATEGORY

— 2021 —

Entrepreneur

FRANCHISE

500

FASTEST
GROWING
FRANCHISE

— 2022 —



Clean up with a car wash franchise

- ✓ Low labor costs
- ✓ Membership-based model
- ✓ Contact-less guest experience
- ✓ High automation

Start your journey today



13
Card My Yard
 Special-occasion yard-sign rentals

TOTAL UNITS
 (Franchised / Co.-Owned)
 449/2

UNIT GROWTH
 +212

STARTUP COST
 \$7.8K-\$16.8K

14
Koala Insulation
 Insulation

TOTAL UNITS
 (Franchised / Co.-Owned)
 213/0

UNIT GROWTH
 +210

STARTUP COST
 \$127.3K-\$165.1K

15
Signal 88 Security
 Private security-guard and patrol services

TOTAL UNITS
 (Franchised / Co.-Owned)
 722/0

UNIT GROWTH
 +202

STARTUP COST
 \$78.2K-\$221.2K

16
Popeyes Louisiana Kitchen
 Fried chicken, seafood, biscuits

TOTAL UNITS
 (Franchised / Co.-Owned)
 3,534/41

UNIT GROWTH
 +198

STARTUP COST
 \$383.5K-\$3.5M

17
Gong Cha
 Bubble tea

TOTAL UNITS
 (Franchised / Co.-Owned)
 1,081/445

UNIT GROWTH
 +194

STARTUP COST
 \$162.4K-\$314.2K

18
Wingstop
 Chicken wings

TOTAL UNITS
 (Franchised / Co.-Owned)
 1,590/34

UNIT GROWTH
 +188

STARTUP COST
 \$347.6K-\$759.1K



WIN Home Inspection / No. 71

PRIOR TO 2019, WIN's unit growth was largely stagnant. That's when a new ownership and management team took over. Since then, it has more than quadrupled the corporate support team, completely overhauled the company's training and mentorship programs, and doubled its technology investment to empower franchisees to offer unique services, like virtual home tours. All of these changes, along with prospective franchisees seeking a recession-resistant industry, have greatly accelerated the organization's growth, and it plans to keep that momentum going in 2022.

PHOTOGRAPH COURTESY OF WIN HOME INSPECTION



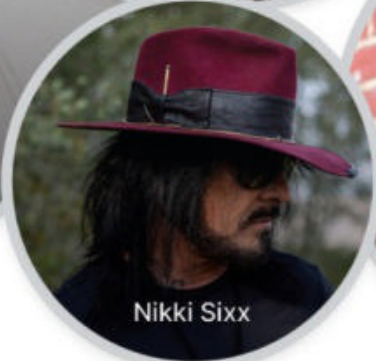
Emily Ratajkowski



Mike Rowe



Dan Aykroyd



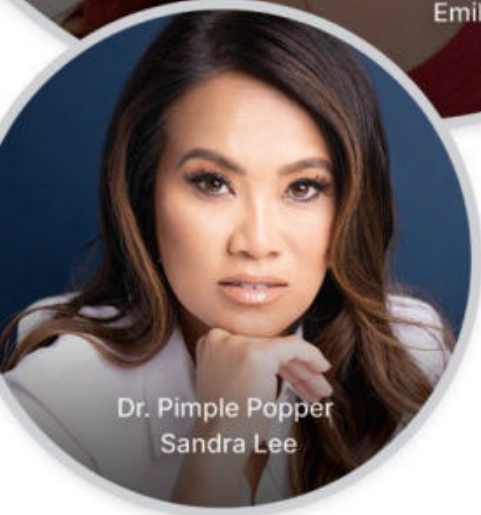
Nikki Sixx



Daymond John



Erin Andrews



Dr. Pimple Popper
Sandra Lee

GET A REAL JOB

THE FUNNY & INSPIRING PODCAST FOR PEOPLE WHO DON'T DO NORMAL

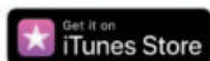
Listen in as host Dan Bova chats with entertainers, inventors and big thinkers to find out what it takes to pursue your dream when everyone around you thinks you're nuts.

Scan to listen



NEW EPISODES EVERY TUESDAY!

LISTEN ON ALL MAJOR PLATFORMS



**Entrepreneur
PODCAST**

19
Your CBD Store

CBD stores
TOTAL UNITS
 (Franchised / Co.-Owned)
 233/0
UNIT GROWTH
 +175
STARTUP COST
 \$66.4K-\$82.5K

20
Ace Hardware

Hardware and home-improvement stores
TOTAL UNITS
 (Franchised / Co.-Owned)
 5,343/211
UNIT GROWTH
 +169
STARTUP COST
 \$292K-\$2.1M

21
Taco Bell

Mexican-inspired food
TOTAL UNITS
 (Franchised / Co.-Owned)
 7,090/477
UNIT GROWTH
 +167
STARTUP COST
 \$575.6K-\$3.4M

22
Smoothie King

Smoothies, healthful snacks, health products
TOTAL UNITS
 (Franchised / Co.-Owned)
 1,289/60
UNIT GROWTH
 +155
STARTUP COST
 \$268.9K-\$858.9K

23
Anytime Fitness

Fitness centers
TOTAL UNITS
 (Franchised / Co.-Owned)
 4,886/18
UNIT GROWTH
 +151
STARTUP COST
 \$73.3K-\$693.9K

24
Smash My Trash

Mobile commercial-waste compaction services
TOTAL UNITS
 (Franchised / Co.-Owned)
 160/3
UNIT GROWTH
 +138
STARTUP COST
 \$322.7K-\$395.5K

25
Cinnabon

Cinnamon rolls, baked goods, coffee
TOTAL UNITS
 (Franchised / Co.-Owned)
 1,767/1
UNIT GROWTH
 +135
STARTUP COST
 \$112K-\$475.7K

26
Hampton by Hilton

Midprice hotels
TOTAL UNITS
 (Franchised / Co.-Owned)
 2,715/0
UNIT GROWTH
 +133
STARTUP COST
 \$10.7M-\$19.98M

27
Grease Monkey

Oil changes, preventive maintenance, brakes, light repairs
TOTAL UNITS
 (Franchised / Co.-Owned)
 259/241
UNIT GROWTH
 +131
STARTUP COST
 \$185K-\$444.4K

28
Tropical Smoothie Cafe

Smoothies, salads, wraps, sandwiches, flatbreads
TOTAL UNITS
 (Franchised / Co.-Owned)
 990/1
UNIT GROWTH
 +120
STARTUP COST
 \$257.5K-\$560.5K

29
Planet Fitness

Fitness clubs
TOTAL UNITS
 (Franchised / Co.-Owned)
 2,068/106
UNIT GROWTH
 +115
STARTUP COST
 \$936.6K-\$4.6M

30
Mosquito Shield

Outdoor pest control
TOTAL UNITS
 (Franchised / Co.-Owned)
 165/1
UNIT GROWTH
 +112
STARTUP COST
 \$92.9K-\$127K

31
uBreakiFix

Electronics repairs
TOTAL UNITS
 (Franchised / Co.-Owned)
 451/243
UNIT GROWTH
 +109
STARTUP COST
 \$82.4K-\$354.4K

32
Valvoline Instant Oil Change

Oil changes and preventive maintenance
TOTAL UNITS
 (Franchised / Co.-Owned)
 770/663
UNIT GROWTH
 +106
STARTUP COST
 \$178K-\$3.3M

33
Holiday Inn and Holiday Inn Express

Hotels
TOTAL UNITS
 (Franchised / Co.-Owned)
 4,238/2
UNIT GROWTH
 +103
STARTUP COST
 \$8.8M-\$19.9M

34
Ace Handyman Services

Residential and commercial repairs, maintenance, and improvements
TOTAL UNITS
 (Franchised / Co.-Owned)
 215/7
UNIT GROWTH
 +97
STARTUP COST
 \$97.5K-\$152.4K

35
The Joint Chiropractic

Chiropractic services
TOTAL UNITS
 (Franchised / Co.-Owned)
 561/78
UNIT GROWTH
 +93
STARTUP COST
 \$203.8K-\$380.7K

36
The UPS Store

Postal, business, printing, and communications services
TOTAL UNITS
 (Franchised / Co.-Owned)
 5,359/0
UNIT GROWTH
 +91
STARTUP COST
 \$185.3K-\$474.2K

37
Kona Ice

Shaved-ice trucks
TOTAL UNITS
 (Franchised / Co.-Owned)
 1,369/26
UNIT GROWTH
 +90
STARTUP COST
 \$150.4K-\$174.2K

38
Servpro

Fire, water, and other damage cleanup, restoration, and reconstruction
TOTAL UNITS
 (Franchised / Co.-Owned)
 1,930/0
UNIT GROWTH
 +89
STARTUP COST
 \$191.8K-\$245.7K

39
Property Management Inc.

Commercial, residential, association, and short-term rental-property management
TOTAL UNITS
 (Franchised / Co.-Owned)
 341/2
UNIT GROWTH
 +86
STARTUP COST
 \$53.2K-\$190.1K

40
NextHome

Real estate
TOTAL UNITS
 (Franchised / Co.-Owned)
 500/0
UNIT GROWTH
 +86
STARTUP COST
 \$15.3K-\$214.1K

41
Matco Tools

Mechanics' tools and equipment
TOTAL UNITS
 (Franchised / Co.-Owned)
 1,894/1
UNIT GROWTH
 +86
STARTUP COST
 \$76.6K-\$275.5K

42
Take 5 Oil Change

Oil changes
TOTAL UNITS
 (Franchised / Co.-Owned)
 128/508
UNIT GROWTH
 +85
STARTUP COST
 \$217.97K-\$911.99K

43
Home2 Suites by Hilton

Midprice extended-stay hotels
TOTAL UNITS
 (Franchised / Co.-Owned)
 494/0
UNIT GROWTH
 +83
STARTUP COST
 \$12M-\$18.1M

44
Brightway Insurance

Property and casualty insurance
TOTAL UNITS
 (Franchised / Co.-Owned)
 288/1
UNIT GROWTH
 +81
STARTUP COST
 \$18.1K-\$173.5K

45
Code Ninjas

Computer-coding learning centers for ages 5 and up
TOTAL UNITS
 (Franchised / Co.-Owned)
 332/4
UNIT GROWTH
 +79
STARTUP COST
 \$130.3K-\$348.6K

46
Pet Supplies Plus

Retail pet supplies and services
TOTAL UNITS
 (Franchised / Co.-Owned)
 343/240
UNIT GROWTH
 +79
STARTUP COST
 \$439.9K-\$1.3M

47
Realty One Group

Real estate
TOTAL UNITS
 (Franchised / Co.-Owned)
 272/12
UNIT GROWTH
 +75
STARTUP COST
 \$44.3K-\$224.5K

48
Tru by Hilton

Hotels
TOTAL UNITS
 (Franchised / Co.-Owned)
 204/0
UNIT GROWTH
 +70
STARTUP COST
 \$10.1M-\$14.9M

49
Footprints Floors

Flooring installation and restoration
TOTAL UNITS
 (Franchised / Co.-Owned)
 123/4
UNIT GROWTH
 +67
STARTUP COST
 \$70.1K-\$97.6K

50
Monster Tree Service

Residential and commercial tree and plant care services
TOTAL UNITS
 (Franchised / Co.-Owned)
 214/4
UNIT GROWTH
 +66
STARTUP COST
 \$409.4K-\$560.2K

51

We Insure

Insurance

TOTAL UNITS
(Franchised / Co.-Owned)
176/1

UNIT GROWTH
+65

STARTUP COST
\$31.1K-\$82.1K

52

Marco's Pizza

Pizza, pizza bowls, subs, wings, salads, cheese bread

TOTAL UNITS
(Franchised / Co.-Owned)
991/47

UNIT GROWTH
+65

STARTUP COST
\$183.4K-\$552.7K

53

The Maids

Residential cleaning

TOTAL UNITS
(Franchised / Co.-Owned)
1,364/174

UNIT GROWTH
+65

STARTUP COST
\$83.5K-\$147.95K

54

InXpress

Shipping services

TOTAL UNITS
(Franchised / Co.-Owned)
435/0

UNIT GROWTH
+64

STARTUP COST
\$85.6K-\$166.99K

55

Scoter's Coffee

Coffee, espresso, smoothies, pastries, breakfast items

TOTAL UNITS
(Franchised / Co.-Owned)
321/20

UNIT GROWTH
+62

STARTUP COST
\$512.4K-\$860.6K

56

Jamba

Smoothies, juices, bowls, healthful snacks

TOTAL UNITS
(Franchised / Co.-Owned)
859/4

UNIT GROWTH
+62

STARTUP COST
\$290.1K-\$741.5K



The Junkluggers / No. 82

HOW DO YOU more than double your size during a pandemic? For The Junkluggers, part of the answer is by having a mission that goes beyond selling franchises. According to the junk-removal company, which CEO Josh Cohen founded in his 20s, none of their franchisees had ever dreamed of owning a junk-removal business, but they were drawn by the company's emphasis on making a positive impact on the environment and the communities in which it works. That includes its "big, hairy audacious goal" of keeping 100% of reusable items out of landfills by 2025.

57
Hilton Garden Inn
Upscale midprice hotels

TOTAL UNITS
(Franchised / Co.-Owned)
923/0

UNIT GROWTH
+62

STARTUP COST
\$17.7M-\$26.7M

58
Freedom Boat Club
Membership boat clubs

TOTAL UNITS
(Franchised / Co.-Owned)
247/45

UNIT GROWTH
+59

STARTUP COST
\$181K-\$487.5K

59
redbox+
Construction dumpsters with attached portable restrooms

TOTAL UNITS
(Franchised / Co.-Owned)
215/0

UNIT GROWTH
+58

STARTUP COST
\$516.6K-\$623.4K

60
Buildingstars
Commercial cleaning

TOTAL UNITS
(Franchised / Co.-Owned)
955/9

UNIT GROWTH
+58

STARTUP COST
\$2.2K-\$53.2K

61
Hello Garage
Garage renovation

TOTAL UNITS
(Franchised / Co.-Owned)
50/9

UNIT GROWTH
+56

STARTUP COST
\$118.5K-\$159.9K

62
Combo Kitchen
Ghost kitchens/food halls

TOTAL UNITS
(Franchised / Co.-Owned)
54/1

UNIT GROWTH
+55

STARTUP COST
\$72K-\$297.5K



Challenge Island / No. 115

CHALLENGE ISLAND FOUNDER Sharon Duke Estroff is growing her brand's recognition through books. Estroff, who has previously written a parenting book as well as numerous articles for parenting and other magazines, has turned her talents to cowriting a series of children's fiction books called Challenge Island STEAM Adventures. The first book, *Bridge to Sharktooth Island*, published in November and was ranked a No. 1 new release on Amazon. The book's success has already helped franchisees reach more parents and kids and schedule more of their STEAM enrichment class packages with school districts.

63 Corcoran

Real estate

TOTAL UNITS
(Franchised / Co.-Owned)
76/28

UNIT GROWTH
+54

STARTUP COST
\$52.9K-\$546.3K

64 Jiffy Lube

Oil changes, preventive maintenance

TOTAL UNITS
(Franchised / Co.-Owned)
2,112/45

UNIT GROWTH
+53

STARTUP COST
\$207K-\$422.7K

65 Papa John's

Pizza

TOTAL UNITS
(Franchised / Co.-Owned)
4,812/588

UNIT GROWTH
+53

STARTUP COST
\$198.1K-\$743.9K

66 Dairy Queen

Ice cream, burgers, chicken

TOTAL UNITS
(Franchised / Co.-Owned)
7,085/2

UNIT GROWTH
+53

STARTUP COST
\$1.2M-\$1.9M

67 Crunch

Fitness centers

TOTAL UNITS
(Franchised / Co.-Owned)
326/26

UNIT GROWTH
+52

STARTUP COST
\$670.5K-\$3.3M

68 Sola Salon Studios

Salon studios

TOTAL UNITS
(Franchised / Co.-Owned)
546/30

UNIT GROWTH
+52

STARTUP COST
\$545.5K-\$1.7M

69 Club Pilates

Reformer Pilates classes

TOTAL UNITS
(Franchised / Co.-Owned)
646/3

UNIT GROWTH
+52

STARTUP COST
\$179.1K-\$368K

70 OpenWorks

Commercial cleaning, facility services

TOTAL UNITS
(Franchised / Co.-Owned)
694/23

UNIT GROWTH
+52

STARTUP COST
\$4.3K-\$124.5K

71 WIN Home Inspection

Home inspections

TOTAL UNITS
(Franchised / Co.-Owned)
239/0

UNIT GROWTH
+51

STARTUP COST
\$32.7K-\$39.99K

72 Cornwell Quality Tools

Automotive tools and equipment

TOTAL UNITS
(Franchised / Co.-Owned)
756/0

UNIT GROWTH
+51

STARTUP COST
\$59.5K-\$272.8K

73 Home Instead

Nonmedical senior care

TOTAL UNITS
(Franchised / Co.-Owned)
1141/3

UNIT GROWTH
+50

STARTUP COST
\$128K-\$160K

74 Right at Home

Home care, medical staffing

TOTAL UNITS
(Franchised / Co.-Owned)
643/20

UNIT GROWTH
+49

STARTUP COST
\$82K-\$150.8K

75 Ecomaid

Environmentally friendly residential cleaning

TOTAL UNITS
(Franchised / Co.-Owned)
67/1

UNIT GROWTH
+48

STARTUP COST
\$121.6K-\$147.6K

76 Conserva Irrigation

Irrigation repair, maintenance, installation, and efficiency upgrades

TOTAL UNITS
(Franchised / Co.-Owned)
144/0

UNIT GROWTH
+48

STARTUP COST
\$81.8K-\$102.3K

77 Toro Taxes

Tax and accounting services

TOTAL UNITS
(Franchised / Co.-Owned)
144/30

UNIT GROWTH
+48

STARTUP COST
\$37.8K-\$64.2K

78 Rent-A-Center

Rent-to-own furniture, electronics, tires, computers, appliances

TOTAL UNITS
(Franchised / Co.-Owned)
398/1,964

UNIT GROWTH
+48

STARTUP COST
\$355.2K-\$559.8K

79 YogaSix

Yoga studios

TOTAL UNITS
(Franchised / Co.-Owned)
100/5

UNIT GROWTH
+47

STARTUP COST
\$288.6K-\$498.7K

80 1-800 Water Damage

Property restoration

TOTAL UNITS
(Franchised / Co.-Owned)
151/0

UNIT GROWTH
+47

STARTUP COST
\$57.6K-\$191.99K

81 Budget Blinds

Window coverings, window film, rugs, accessories

TOTAL UNITS
(Franchised / Co.-Owned)
1,320/0

UNIT GROWTH
+47

STARTUP COST
\$125.6K-\$192.9K

82 The Junkluggers

Environmentally friendly junk removal

TOTAL UNITS
(Franchised / Co.-Owned)
76/1

UNIT GROWTH
+45

STARTUP COST
\$120.3K-\$275.96K

83 American Freight

Furniture, mattresses, appliances

TOTAL UNITS
(Franchised / Co.-Owned)
7/358

UNIT GROWTH
+45

STARTUP COST
\$392K-\$799K

84 Hommati

3D tours, aerial videos, photography, augmented reality, and other services for real estate agents

TOTAL UNITS
(Franchised / Co.-Owned)
121/0

UNIT GROWTH
+44

STARTUP COST
\$61.7K-\$84.2K

85 Nothing Bundt Cakes

Bundt cakes and gifts

TOTAL UNITS
(Franchised / Co.-Owned)
383/16

UNIT GROWTH
+44

STARTUP COST
\$440.8K-\$636.5K

86 The Local Culinary

Ghost kitchens

TOTAL UNITS
(Franchised / Co.-Owned)
43/1

UNIT GROWTH
+43

STARTUP COST
\$90.8K-\$215.7K

87 Tide Cleaners

Dry cleaning

TOTAL UNITS
(Franchised / Co.-Owned)
214/14

UNIT GROWTH
+43

STARTUP COST
\$681.1K-\$1.6M

88 Culver's

Frozen custard, specialty burgers

TOTAL UNITS
(Franchised / Co.-Owned)
802/6

UNIT GROWTH
+43

STARTUP COST
\$2.4M-\$5.4M

89 Miracle-Ear

Hearing aids

TOTAL UNITS
(Franchised / Co.-Owned)
1,323/193

UNIT GROWTH
+43

STARTUP COST
\$119K-\$352.5K

90 The Patch Boys

Drywall repair

TOTAL UNITS
(Franchised / Co.-Owned)
134/0

UNIT GROWTH
+42

STARTUP COST
\$47.1K-\$72.95K

91 Skyhawks Sports & Supertots Sports Academy

Children's fitness programs

TOTAL UNITS
(Franchised / Co.-Owned)
147/66

UNIT GROWTH
+42

STARTUP COST
\$29.5K-\$71.8K

92 Aussie Pet Mobile

Mobile pet grooming

TOTAL UNITS
(Franchised / Co.-Owned)
350/0

UNIT GROWTH
+42

STARTUP COST
\$156.5K-\$164.5K

93 Snap-on Tools

Professional tools and equipment

TOTAL UNITS
(Franchised / Co.-Owned)
4,577/192

UNIT GROWTH
+42

STARTUP COST
\$169.2K-\$382.2K

94 Mighty Dog Roofing

Residential and commercial roofing services, siding, windows, and gutters

TOTAL UNITS
(Franchised / Co.-Owned)
49/0

UNIT GROWTH
+41

STARTUP COST
\$211.3K-\$379.5K



Bojangles/ No. 143

FOR BOJANGLES, one of the keys to being a fast-growing franchise is *not* being in a hurry. Case in point: The brand waited until last August to finally launch into the “chicken sandwich wars.” That patience is paying off now with average unit volumes closing in on \$2 million. Bojangles stores also take their time making their buttermilk biscuits, which help the brand earn 40% of its sales during breakfast hours. The biscuits are such a differentiator for Bojangles that its new restaurant model features a Biscuit Theater where diners can watch them being crafted from scratch.

95 1st Class Real Estate

Real estate

TOTAL UNITS
(Franchised / Co.-Owned)

55/3

UNIT GROWTH
+41

STARTUP COST
\$32.2K-\$209.3K

96 Tutor Doctor

Tutoring

TOTAL UNITS
(Franchised / Co.-Owned)

727/0

UNIT GROWTH
+41

STARTUP COST
\$84.3K-\$128.99K

97 Network Lead Exchange

Business referral networks

TOTAL UNITS
(Franchised / Co.-Owned)

68/1

UNIT GROWTH
+40

STARTUP COST
\$9.95K-\$21.8K

98 StretchLab

Assisted stretching

TOTAL UNITS
(Franchised / Co.-Owned)

122/0

UNIT GROWTH
+40

STARTUP COST
\$157.8K-\$297.6K

99 The Learning Experience Academy of Early Education

Preschool/educational childcare

TOTAL UNITS
(Franchised / Co.-Owned)

254/29

UNIT GROWTH
+40

STARTUP COST
\$544.4K-\$3.6M

100 Blue Moon Estate Sales

Estate sales

TOTAL UNITS
(Franchised / Co.-Owned)

60/0

UNIT GROWTH
+39

STARTUP COST
\$69.8K-\$80.9K

101 Dog Training Elite

Dog training

TOTAL UNITS
(Franchised / Co.-Owned)

59/0

UNIT GROWTH
+38

STARTUP COST
\$82.8K-\$104.8K

102 Motto Mortgage

Mortgage brokerages

TOTAL UNITS
(Franchised / Co.-Owned)

168/0

UNIT GROWTH
+38

STARTUP COST
\$57.8K-\$81.8K

103 ServiceMaster Clean/ServiceMaster Restore

Commercial/residential cleaning, disaster restoration

TOTAL UNITS
(Franchised / Co.-Owned)

4,959/16

UNIT GROWTH
+38

STARTUP COST
\$81.3K-\$303.8K

104 The Goddard School

Preschool/educational childcare

TOTAL UNITS
(Franchised / Co.-Owned)

575/0

UNIT GROWTH
+37

STARTUP COST
\$698.3K-\$873.8K

105 The Exercise Coach

Personal training

TOTAL UNITS
(Franchised / Co.-Owned)

155/2

UNIT GROWTH
+36

STARTUP COST
\$129.98K-\$351.8K

106 Patrice & Associates

Hospitality, retail, and sales recruiting

TOTAL UNITS
(Franchised / Co.-Owned)

209/0

UNIT GROWTH
+36

STARTUP COST
\$93.6K-\$111K

107 Pure Barre

Barre fitness classes and apparel

TOTAL UNITS
(Franchised / Co.-Owned)

590/9

UNIT GROWTH
+36

STARTUP COST
\$202.5K-\$461.5K

108 Stretch Zone

Assisted stretching

TOTAL UNITS
(Franchised / Co.-Owned)

126/3

UNIT GROWTH
+35

STARTUP COST
\$106.5K-\$199.6K

109 Chicken Salad Chick

Chicken salads, soups, sides

TOTAL UNITS
(Franchised / Co.-Owned)

140/56

UNIT GROWTH
+35

STARTUP COST
\$572K-\$759K

110 My Salon Suite/ Salon Plaza

Salon suites

TOTAL UNITS
(Franchised / Co.-Owned)

177/30

UNIT GROWTH
+35

STARTUP COST
\$680.8K-\$1.8M

111 Arby's

Sandwiches, fries, shakes

TOTAL UNITS
(Franchised / Co.-Owned)

2,343/1,197

UNIT GROWTH
+35

STARTUP COST
\$628.95K-\$2.3M

112 XP League

Youth esports leagues

TOTAL UNITS
(Franchised / Co.-Owned)

32/2

UNIT GROWTH
+34

STARTUP COST
\$37.8K-\$73.7K

113 Restore Hyper Wellness

Wellness services

TOTAL UNITS
(Franchised / Co.-Owned)

87/9

UNIT GROWTH
+34

STARTUP COST
\$464.7K-\$998K

114 Fetch! Pet Care

Pet-sitting, dog-walking

TOTAL UNITS
(Franchised / Co.-Owned)

98/9

UNIT GROWTH
+34

STARTUP COST
\$74.97K-\$98.7K

115 Challenge Island

Educational enrichment programs

TOTAL UNITS
(Franchised / Co.-Owned)

156/7

UNIT GROWTH
+34

STARTUP COST
\$48.3K-\$62.95K

116 Destination Athlete

Equipment, apparel, fundraising, and performance solutions for youth, high school, and college athletic teams

TOTAL UNITS
(Franchised / Co.-Owned)

173/0

UNIT GROWTH
+34

STARTUP COST
\$28.3K-\$93.6K

117 Restoration 1

Water, fire, smoke, and mold restoration

TOTAL UNITS
(Franchised / Co.-Owned)

259/0

UNIT GROWTH
+34

STARTUP COST
\$87K-\$195.6K

118 KickHouse

Kickboxing fitness studios

TOTAL UNITS
(Franchised / Co.-Owned)

32/1

UNIT GROWTH
+33

STARTUP COST
\$104.5K-\$495K

119 European Wax Center

Body waxing services, skin and beauty products

TOTAL UNITS
(Franchised / Co.-Owned)

803/5

UNIT GROWTH
+33

STARTUP COST
\$358.5K-\$571.8K

120 ShelfGenie

Custom pull-out shelving for cabinets and pantries

TOTAL UNITS
(Franchised / Co.-Owned)

186/18

UNIT GROWTH
+32

STARTUP COST
\$42.4K-\$135.5K

121 Unishippers

Parcel and freight shipping services

TOTAL UNITS
(Franchised / Co.-Owned)

192/92

UNIT GROWTH
+32

STARTUP COST
\$50.1K-\$233.3K

122 The Alternative Board (TAB)

Business owner advisory boards, coaching, strategic planning

TOTAL UNITS
(Franchised / Co.-Owned)

349/18

UNIT GROWTH
+32

STARTUP COST
\$57.9K-\$108K

123 HomeVestors of America

Home buying, repair, and selling

TOTAL UNITS
(Franchised / Co.-Owned)

1,154/0

UNIT GROWTH
+32

STARTUP COST
\$72K-\$431.3K

124 TeamLogic IT

IT managed services for businesses

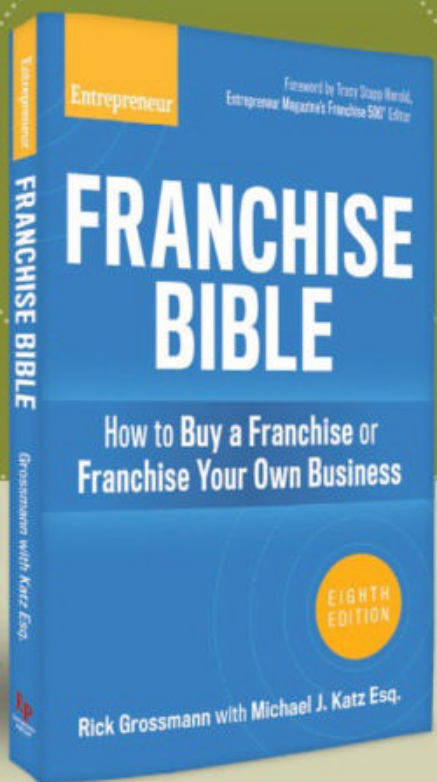
TOTAL UNITS
(Franchised / Co.-Owned)

235/0

UNIT GROWTH
+31

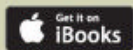
STARTUP COST
\$111.2K-\$142.3K

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125 ERA Real Estate

Real estate
TOTAL UNITS
(Franchised / Co.-Owned)
2,318/0
UNIT GROWTH
+31
STARTUP COST
\$27.4K-\$432.6K

126 Jimmy John's Gourmet Sandwiches

Sandwiches
TOTAL UNITS
(Franchised / Co.-Owned)
2,714/41
UNIT GROWTH
+31
STARTUP COST
\$316.1K-\$558.6K

127 PatchMaster

Drywall repair and installation
TOTAL UNITS
(Franchised / Co.-Owned)
77/14
UNIT GROWTH
+30
STARTUP COST
\$79.1K-\$100.1K

128 Lendio

Small-business financing
TOTAL UNITS
(Franchised / Co.-Owned)
94/0
UNIT GROWTH
+30
STARTUP COST
\$63.2K-\$117.1K

129 Keller Williams

Real estate
TOTAL UNITS
(Franchised / Co.-Owned)
1,085/0
UNIT GROWTH
+30
STARTUP COST
\$183.2K-\$336.98K

130 Strickland Brothers 10 Minute Oil Change

Oil-change services
TOTAL UNITS
(Franchised / Co.-Owned)
18/28
UNIT GROWTH
+29
STARTUP COST
\$217.9K-\$287.4K

131 Tapestry Collection by Hilton

Upscale hotels
TOTAL UNITS
(Franchised / Co.-Owned)
65/0
UNIT GROWTH
+29
STARTUP COST
\$2.9M-\$102.9M

132 Tommy's Express

Car washes
TOTAL UNITS
(Franchised / Co.-Owned)
69/3
UNIT GROWTH
+29
STARTUP COST
\$4.1M-\$5.7M

133 Bonchon Korean Fried Chicken

Korean fried chicken
TOTAL UNITS
(Franchised / Co.-Owned)
372/4
UNIT GROWTH
+29
STARTUP COST
\$516.99K-\$1.1M

134 Bin There Dump That

Residential-friendly dumpster rentals
TOTAL UNITS
(Franchised / Co.-Owned)
214/0
UNIT GROWTH
+28
STARTUP COST
\$73.1K-\$128.3K

135 Caring Transitions

Senior transition and relocation, online auctions, and estate management
TOTAL UNITS
(Franchised / Co.-Owned)
240/0
UNIT GROWTH
+28
STARTUP COST
\$58.9K-\$82.7K

136 Burn Boot Camp

Women's fitness centers
TOTAL UNITS
(Franchised / Co.-Owned)
285/4
UNIT GROWTH
+28
STARTUP COST
\$181.8K-\$447.9K

137 Phenix Salon Suites

Salon suites
TOTAL UNITS
(Franchised / Co.-Owned)
302/6
UNIT GROWTH
+28
STARTUP COST
\$493.6K-\$1.5M

138 Slim Chickens

Chicken tenders, chicken wings, salads, sandwiches, wraps
TOTAL UNITS
(Franchised / Co.-Owned)
110/10
UNIT GROWTH
+27
STARTUP COST
\$1.1M-\$3.4M

139 College Hunks Hauling Junk & Moving

Junk removal, moving, and labor services
TOTAL UNITS
(Franchised / Co.-Owned)
153/3
UNIT GROWTH
+27
STARTUP COST
\$108.7K-\$273.2K

140 Expense Reduction Analysts (ERA)

Business financial consulting
TOTAL UNITS
(Franchised / Co.-Owned)
705/0
UNIT GROWTH
+27
STARTUP COST
\$66K-\$85.9K

141 HomeSmart

Real estate
TOTAL UNITS
(Franchised / Co.-Owned)
145/45
UNIT GROWTH
+26
STARTUP COST
\$65.5K-\$205K

142 Interim HealthCare

Medical home care, medical staffing
TOTAL UNITS
(Franchised / Co.-Owned)
621/2
UNIT GROWTH
+26
STARTUP COST
\$128.5K-\$201.5K

143 Bojangles

Chicken and biscuits
TOTAL UNITS
(Franchised / Co.-Owned)
498/277
UNIT GROWTH
+26
STARTUP COST
\$590.1K-\$2.8M

144
Express Employment Professionals

Staffing, HR solutions

TOTAL UNITS
(Franchised / Co.-Owned)
845/3

UNIT GROWTH
+26

STARTUP COST
\$150K-\$366.9K

145
Augusta Lawn Care Services

Lawn care and landscaping

TOTAL UNITS
(Franchised / Co.-Owned)
41/3

UNIT GROWTH
+25

STARTUP COST
\$21K-\$82.5K

146
Outdoor Lighting Perspectives

Residential landscape, architectural, holiday, and hospitality lighting

TOTAL UNITS
(Franchised / Co.-Owned)
104/0

UNIT GROWTH
+25

STARTUP COST
\$80K-\$143.1K

147
Assisting Hands Home Care

Home health care, respite care

TOTAL UNITS
(Franchised / Co.-Owned)
155/4

UNIT GROWTH
+25

STARTUP COST
\$80.7K-\$152.6K

148
Aire Serv

HVAC services

TOTAL UNITS
(Franchised / Co.-Owned)
214/0

UNIT GROWTH
+25

STARTUP COST
\$87.6K-\$216.4K

149
Christian Brothers Automotive

Auto repair

TOTAL UNITS
(Franchised / Co.-Owned)
238/4

UNIT GROWTH
+25

STARTUP COST
\$454.3K-\$582.4K

150
Mosquito Joe

Outdoor pest control

TOTAL UNITS
(Franchised / Co.-Owned)
345/2

UNIT GROWTH
+25

STARTUP COST
\$105.6K-\$139.5K



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- Lowest Annual Gross Profit*: \$53,100

* Full-time operators after 3 years in business, please refer to our FDD for more details.



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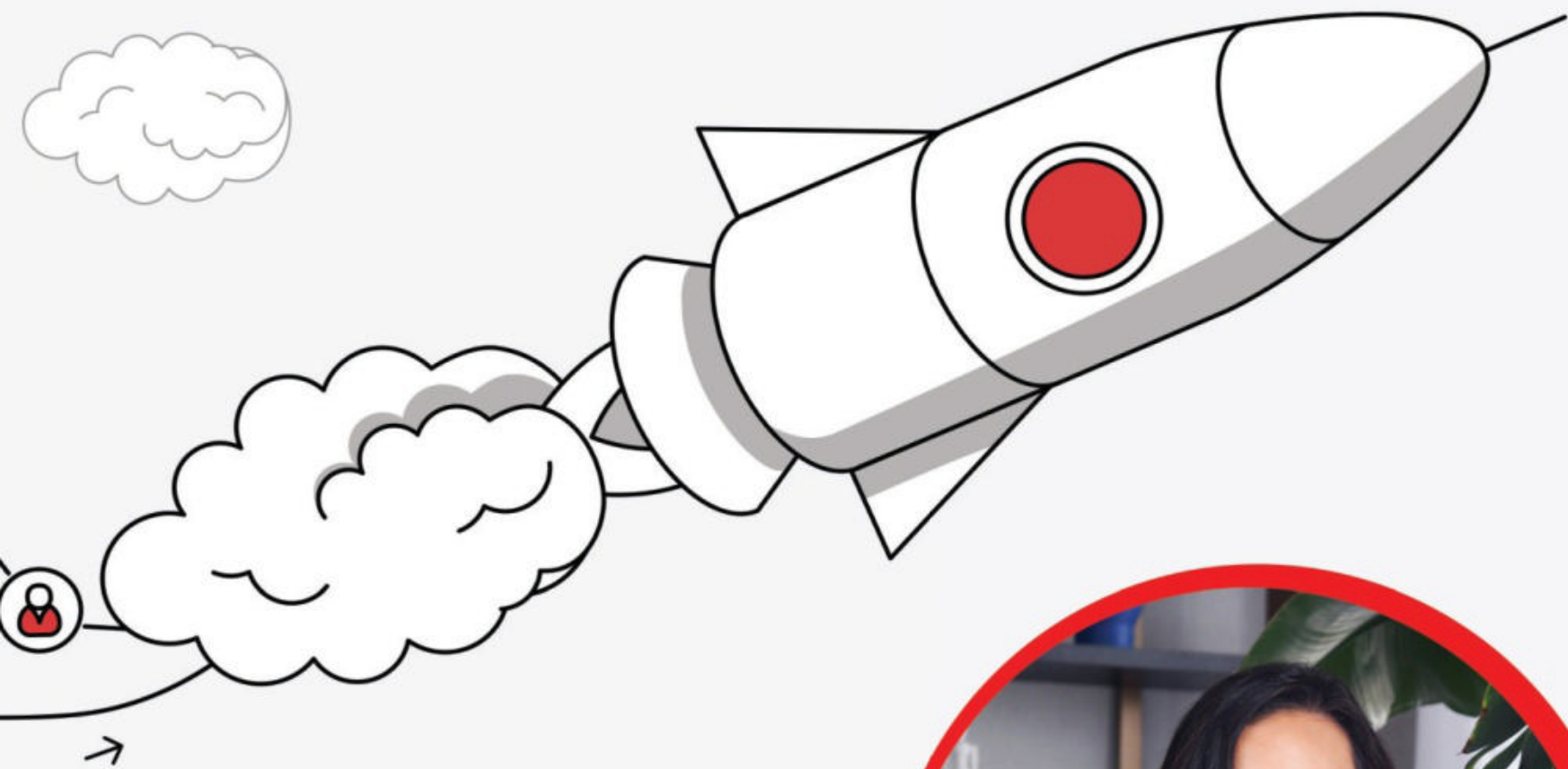
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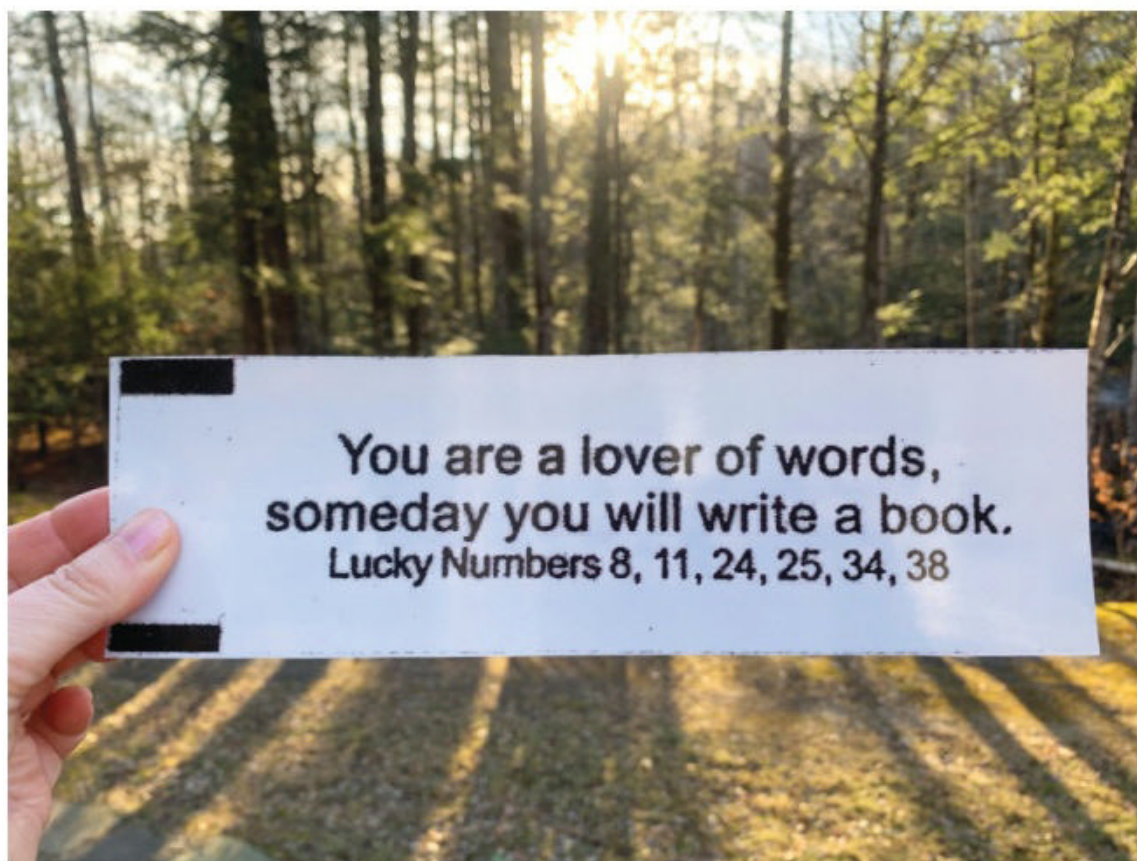
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→ **FUTURE TENSE**
DiBattista holding her blown-up fortune, which was right in many ways.

A Fortune Retold

by **Rosemary DiBattista**, founder, Two Roses Books

From the time I was scribbling poems as an 8-year-old, I've dreamed of becoming a writer. As a teen, I joined school literary magazines. In my 30s, I earned my first byline. By middle age, I was finishing a full-length novel and learning how to get it published. That's when I opened a fortune cookie to find a message that read: "You are a lover of words. Someday you will write a book." Since the book was already written, that fortune could mean only one thing: *publication*. I computer-scanned the tiny white paper, enlarged and laminated it, and created a good-luck charm that sat prominently above my desk.

It must have worked, because against great odds, I landed an agent *and* a multibook deal with a major publisher. I lived the writing life I'd imagined—giving readings, attending conferences, lunching with best-selling authors. But within three short years, that dream crashed at the intersection of art and commerce: My publisher merged with another company, and I lost my editor, my book series, and ultimately, my agent.

I kept writing. I revised three unpublished novels and completed two new ones, and I spent the next several years knocking at New York's publishing doors, none of which opened. I was ready to give up when a writer friend urged me to get my books' rights back and republish them independently. I studied my contract, crafted a careful request letter, and eventually succeeded. Then I spent lockdown learning about independent publishing and how to run a small business. Last spring, I launched my own company—Two Roses Books—through which I've since republished my first two books. It's been a steep and slippery learning curve, but it is thoroughly satisfying to have control over how my work is written, edited, priced, published, and marketed.

I still keep my laminated fortune in sight, but it carries a different meaning now. The fortune cookie said I would write a book, and I used to think that I needed other people—agents, editors, and publishers—to validate my work and realize that dream. But now I know differently. By owning my company, I also write my future.

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