

Scholar's Edge Financial Expectations 2019

SCHOLARS EDGE

Based on the level of sales you achieve; you can ultimately increase your share with more revenue. This schedule is laid out at the bottom of the page and all kickbacks based on hitting higher sales are paid out at the end of the summer.

	Below Average Business	Average Business	Above Average Business	Excellent Business	Top Business
Sales	\$60,000	\$80,000*	\$100,000	\$125,000	\$150,000
Branch Managers Gross %:	\$39,000	\$52,000	\$65,000	\$81,250	\$97,500
Paint, Materials - 15%	\$9,000	\$12,000	\$15,000	\$18,750	\$22,500
Labour (incl burden) – 30% <small>*60K and 80K businesses it is expected that an Operator paints a bit, thus lowering labour costs.</small>	15,000*	\$21,600*	\$30,000	\$37,500	\$45,000
Kickbacks <small>*SEP share decreases on sales after \$50K see schedule laid out below.</small>	\$0	\$0	\$2,500	\$5,000	\$10,500
Gross Profit to Student	\$15,000	\$18,400	\$22,500	\$30,000	\$40,500
Car and Gas	\$2,000	\$2,300	\$2,500	\$2,750	\$3,000
Marketing Expenses	\$800	\$1,000	\$1,200	\$1,500	\$2,000
Equipment Resale	-\$800	-\$1200	-\$1500	-\$1500	-\$1800
Net Profit to Student	\$12,200	\$16,300	\$20,300	\$27,250	\$37,300

The sales numbers above and percentages on labour and paint are based on averages from the past five years. Student Operators profits will vary based on the ability of the Operator to control costs. SEP does not guarantee profits.

SEPs Share on Revenue: 35 % first \$75,000, 25% btw \$75,000.01 - \$130,000, 10% between \$130,000.01

Our Commitment to Your Business

- **Business Training on preferred practices in:**
Recruiting and Interviewing, Marketing, Sales and Estimating, Employee and Client Management, Problem Solving, Production and Paint Training, and Profitability Coaching.
 - **Insurance**— Scholar's Edge carries **Five Million in Liability Insurance Coverage** per occurrence to protect Scholar's Edge and the Operator in the event of an accident while performing work on a home or business.
 - **Workers Compensation** – All businesses will be set up with a WCB account and workers will be covered by Workers Compensation for the respective province you are doing business in.
 - **Licensing** – Scholars Edge will ensure that all the necessary municipal and provincial licenses are in place.
 - **Book Keeping** – Scholars Edge has developed a database that tracks all of your revenue and expenses.
 - **Scholar's Edge Manuals** – Scholar's Edge will provide you access to our cutting edge preferred methods via our manuals. i.e: Customer Presentation Manual, Scholar's Edge Operations Manuals, Safety Manual
 - **Scholar's Edge Safety Systems** – our safety teachings and methods are the strictest in the industry.
 - **Three Year Guarantee** on all work
 - **Proud Member of the Better Business Bureau and currently holding an A+ rating.**
 - **Line of Credit** - We set you up with a line of credit at a major paint supplier to purchase paint and materials.
 - **Preferred Scholar's Edge Business Supplies**
 - **Database** – Newly developed our operator database allows you to manage your customers and leads, email invoices, manage our safety program and run payroll all in one place.
 - **Preferred Scholar's Edge Branded Clothing Marketing Materials** – Scholars Edge will supply you with branded clothing as well as marketing materials such as flyers, business cards, car signs, lawn signs and personalized marketing flyers. We also supply painter recruiting materials.
 - **Executive Support:**
We pledge to provide the best support in the student painting industry. With more than 20 years of experience in the industry, Scholar's Edge will show you hands on how to run a profitable business. We will visit you regularly in the field working with you to provide you with all the support you need.
 - **Payroll** – Our program will take care of all payroll processing for all your workers. Filing government remittances for EI, CPP, Income Tax Matching as well as sending out T4s at the end of the year.
 - **Business Training – January**
Here we teach you everything in the classroom before going into the field.
 - *Business Plan*
 - *Recruiting, Interviewing, Hiring and Employee Management*
 - *Time Management*
 - *Marketing*
 - *Estimating, Sales and Safety*
 - *Profitability*
 - **Business Training – March**
 - *Production, Paint ,and Safety Training*
 - *Profit Training*
 - *Client Relations and Problem Solving*
- Paint Training**
- **Three Day" Hands On" Paint Training** – the longest hands on training in the student painting industry.

Your Commitment:

- *Your attendance at Scholar's Edge Trainings is imperative to your overall success. These trainings provide a great foundation to what you will eventually be learning in the field.*
 - o *Two Day Training over a weekend in January*
 - o *One Day Production Training in March*
 - o *Three Day Production Training in April*
 - o *You will not need to miss school for any of our training seminars.*
- *Expect to work harder than you have ever worked before and in a different way. Dependent your financial goals the average student will commit 20 hours per week during the preseason and 70 plus hours per week during the summer. Additionally, a student should spend their full reading week getting their business going.*
- **Commuting Operators** – *Operators that do not go to school in their area should make a minimum of two trips home during the preseason to get their business started.*
- *You will need part time access to a vehicle during the preseason and full time access to a vehicle during the summer, as you will need to be actively promoting your business in your defined territory.*
- *We do not pay for your gas, cell phone, or other miscellaneous costs you might have. These costs are tax deductible against your income.*
- *You will need a cell phone with a plan appropriate for fielding more calls as well as an iPad/Laptop to administer your business.*
- **Focus and a Positive Strong Belief System** – *Your success will also depend on your willingness to listen to support and stay the course. There will be many times where you might be unsure or fearful whether something will pay off, or stressed by a particular job. At the end of the day you must trust your District Manager and the preferred practices to help your success. Know that you will have great days and tough days. It is important to keep your focus on your business goal! We will help you get there.*
- *Your attendance to Scholars Edge events is strongly encouraged and expected of you. Our culture is what defines our company and helps grow our brand. You will have fun participating in various company and charitable events.*

TO APPLY:

- *Visit our website at www.scholarsedge.biz and fill out the Scholars Edge Painting Business Application*
- *Show up to the interview looking smart, prepared with questions and try to impress.*

2017 & 2018 & 2019 Operator References:

Jerome Lyons – 250-213-6714	Keelan Campbell – 250-701-2185	Destin Laurencelle – 778-350-3880
Cody Mueller – 250-889-0195	Nathan Archibald – 780-999-7339	Hannah West – 250-896-6112
Dakota Deane – 250-488-9568	Brendan Visser – 403-870-7948	Reece Nelson – 403-998-4209
Galen Malthouse – 250-331-1078	Milton Chan – 778-709-7016	Aidan Stewart – 250-588-3474
Michael Desmond – 403.831.4490	John Sommerfeld – 250-254-1525	Luke Lindenbach – 250.203.8077
Robinson Martin – 403-890-9140	Chance Harper – 250-888-0996	Jared Salekin – 403-629-7417