

**INTRODUCTION LETTER** 

Dear Prospective Mowbot Franchise Owner,

On behalf of our team, our families, and our other franchise owners, thank you for taking an interest

in bringing a Mowbot franchise to your community. We're thrilled you're considering becoming a

member of our franchise family. Whether you're a new entrepreneur or an experienced investor, we

welcome and thank you for taking the time to learn more about this exciting opportunity.

A Mowbot franchise is perfect for entrepreneurs who want to get in on the ground floor of a concept

that is prepared to disrupt the entire industry. While popular in Europe for more than 20 years, robotic

lawnmowers have finally emerged in the U.S., and the technology is positioned to change the way lawns

are maintained.

Jeff Dudan, Mowbot's chief development officer, has been involved in franchising for a long time,

and this is the first time he's seen an emerging technology married to a proven business model and

world-class franchisee support. The opportunity for growth is tremendous. We're elated to help

entrepreneurs grow and prosper as Mowbot expands across the country.

Thank you for allowing us the opportunity to share the benefits of franchising with Mowbot. Our team

looks forward to answering any questions you have about your entrepreneurial journey. We wish you

the best of luck!

All the best,

Tony Hopp

Jeff Dudan

Chief Executive Officer

Chief Development Officer





### WHAT IS FRANCHISING?

Starting a business is one of the most important and life-changing decisions you can make. But you may not be prepared for some of the more challenging aspects of beginning at ground zero. No matter how much time, effort, and money you put into your concept to get it off the ground and make it successful, there's always a chance of failure.

# WHAT ARE THE CHALLENGES OF STARTING A BUSINESS?

Entrepreneurs in various industries say there are three main challenges to contemplate when starting a business:

- Having a viable idea that will solve an unmet customer need
- Making sure your new business has adequate financing
- Investing the time it takes to launch a new company

### **Picking an Ownership Model**

Building your business from scratch involves the most risk. If that sounds like too much to take on, you have other options when it comes to entrepreneurship.

- Buying an established business has less risk than starting from scratch, but there may be serious issues you're not aware of.
- Buying a franchise carries the least risk and comes with a road map plus ongoing support.

### **Knowing What to Look for in a Franchise**

As a franchise owner, you should expect the best possible support and guidance needed to build a successful and scalable business. This includes startup and ongoing training, consistent communication, and effective marketing.

You want the franchise to be a good fit. It should match your background, interests, personality, and

goals. You need to consider the initial costs, demand for the service, and track record of success. You should expect profitability and a good work-life balance.

With **Mowbot**, we're taking all the infrastructure we've designed to support our other franchise brands and applying it to a technology that is going to change the way Americans manage their lawn care forever.

What is the Purpose of Lawn Care?

It's no secret we love our lawns. Americans spend thousands of dollars to take care of them. We

worry about them. We take pride in them. It should be no surprise that lawn care has grown into a \$99.5-billion industry.

However, no matter how much we love our lawns, we prefer hiring someone else to mow them. The National Association of Landscaping Professionals reports that 94% of adults living in the U.S. have used a landscaping service at some point.

It seems most Americans feel the state of their lawn reflects the state of their homes. So it's only natural we believe something as precious as our lawn needs to be maintained by a professional.

#### **MOWBOT'S STORY**





Co-founder Tony Hopp got the idea for Mowbot sitting in his home office one day when an "army of maintenance people" came into his neighborhood to mow lawns. With all the noise, dust, and smells the work generated, he thought there had to be a better way.

Hopp shared the idea for a robotic mower business with Jeff Dudan, who recognized it as a great opportunity. They began by installing the machines on their own properties and gauging reactions from their neighbors. The robotic mowers drew a lot of attention, even prompting some people to stop and take pictures.

After researching robotic mowers for about a year and spending another year building the business, Mowbot began selling franchises in 2018. Our partnership with Husqvarna provides us access to marketing and advertising resources as well as technical support other emerging brands cannot access.

# WHAT DO I NEED TO KNOW ABOUT THE LAWN CARE INDUSTRY?

The majority of landscaping and lawn care providers are living in the past.

#### **Environmental Issues**

The first gasoline-powered mower went to market in 1919. While there have been some advancements in the past century, most mowers and other equipment used to maintain lawns are still powered by gasoline instead of electric power. This is a major contributor to pollution and it's also bad for the soil when gas is spilled.

#### **Noise Complaints**

Ever been startled awake at 6 a.m. by a landscaping crew? There are actually communities that have completely banned gas-powered leaf blowers, and many have placed hourly restrictions on them due to the noise. The fact that our robots and other battery-operated equipment are so quiet is a big win for Mowbot.

#### **Labor Problems**

The average lawn service requires one technician per 50-60 yards, whereas one Mowbot technician can deploy robots to mow many more yards. This is a significant reduction in labor and a significant increase in reliability. Our robots have GPS, so they know what areas of the grass need to be cut and which areas can be left alone.

### **What Makes Mowbot Special?**

Mowbot has a unique advantage in the current market due to our previous experience in franchising, our world-class team, and our head start in the market.

Our team has more than 10 years of experience in the franchise industry and access to a fully

established franchise support infrastructure. Our world-class team has a unique combination of skills and experience such as building technology companies, creating a nationwide franchise network, international business experience in the U.S and Europe, and many other entrepreneurial skills.

Our franchisees are able to focus on their business, networking, and building relationships in their communities to win new customers. These local efforts are bolstered by the call center at our headquarters, which works to drive new customers to our franchisees.

#### **Core Values**





# What Should I Know About Investing in Mowbot?

Mowbot is a recurring revenue business through contract sales to residential and commercial customers. Since your robotic mowers reside at your customer's property, you can operate this business without having to lease an expensive retail location.

Mowbot can be operated from your home with some auxiliary storage, such as a garage or storage unit. Due to the lower labor requirements, you are investing in more assets and fewer people. Once your robotic mowers are paid off, they continue to provide an ongoing revenue stream.

#### Cost

Mowbot is an affordable and scalable business with very reasonable start-up costs. A franchise fee for a single Mowbot franchise is \$39,000.

The **total investment** to open a Mowbot franchise ranges from \$61,510 – \$129,680, making Mowbot an affordable opportunity. To make the investment even more attractive for new franchisees, we have relationships with several third-party financial institutions that may be able to help with financing.

Mowbot also supports the military and their families by offering a 10% discount (capped at \$10,000) off the franchise fee for veterans.

#### **Profitability**

Mowbot is structurally efficient and cost-effective. The sole focus of the executive team is to help our franchisees find lasting profitability in business. Our extensive experience in helping entrepreneurs reach their goals has led us to establish an industry-leading support platform that emphasizes profitability.

Mowbot is a smart investment for entrepreneurs who are passionate about emerging technologies that are more environmentally friendly, costeffective, and that outperform traditional methods.

#### **Revenue Streams**

#### **BOT ONLY**

With the bot-only model, you install a robotic mower in the customer's yard, and then maintain and service the mower owned by you. The customer handles their own edging, trimming, and other yard maintenance or hires another entity that offers these services. Bot-only is a higher investment in equipment and lower investment in personnel.

#### **FULL-SERVICE LAWN CARE**

In this model, full-service lawn care is provided using robotic mowers. The services offered could include edging, trimming, leaf blowing, and all types of seasonal services such as mulch, aeration, fertilization, weed control, and more. Full-service lawn care is a higher investment in equipment and personnel.

#### **INSTALLATION SERVICES**

This option offers installation services as well as service and maintenance contracts to end-users who bought their own robotic mower. It's an add-on revenue stream to bot-only or full-service lawn care.



# Who Is Mowbot's Ideal Franchise Owner?

Our ideal franchise owner wants to be a pioneer using technology to disrupt the industry!

Maybe you're tired of climbing the corporate ladder and are looking for something new. You want to be your own boss and branch out as an entrepreneur—but with a little bit of support.

Perhaps you have a related business you're looking to improve. You see where the industry is going and you want to be able to take your company into the future.





# **How Does Mowbot Support Franchisees?**

#### **Pre-Opening Assistance**

Our Jumpstart program will guide you through the journey from signing your Mowbot franchise agreement all the way to the grand opening of your business.

#### **Training**

Mowbot franchisees visit our training facility in North Carolina for one full week of training. Our program focuses both on learning how to run a business, as well as technical training related to installing robots, maintenance, and repair. We will help you master the business model.

We'll teach you how to sell the services, engage effectively with customers, and establish a business plan. The technical component of our training program includes in-depth product training, as well as horticulture and grass types.

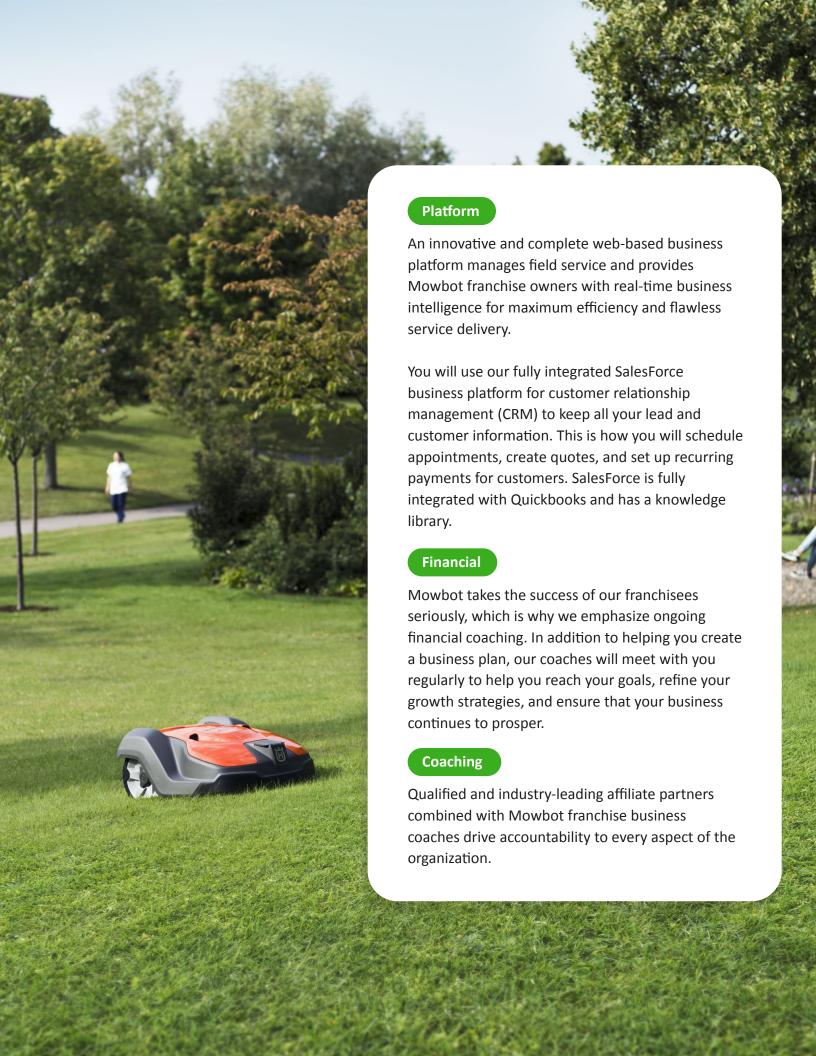
#### **Call Center**

Our call center is the jewel of our **franchise support**. Mowbot handles all customer inquiries, converts them into scheduled appointments, and helps manage the customer relationship. Knowledgeable call center representatives deliver a world-class customer experience.

#### Marketing

Our call center and in-house marketing support will help you get established quickly. We recognize the majority of our franchisees are not marketing experts, which is why Mowbot helps manage your digital marketing and lead generation for as long as you're a part of our franchise family.

We build your website, set up PPC and SEO to generate leads on an ongoing basis, and provide you with customizable advertising materials. Mowbot marketing is provided by an industry-leading consumer marketing team experienced in acquiring customers and generating demand for franchisees.



## **The Mowbot Team**

#### ANTHONY D. HOPP, Chief Executive Officer

**Mr. Anthony D. Hopp** has served as our chief executive officer since July 2017. During the past five years, he has served as a founder and board member of the following companies:

- EOS, Inc. (1995-2016)
- EOS Business Services, Inc. (2005-present)
- Springtel, Inc. (2008-2018) of Chicago, Illinois

Additionally, Mr. Hopp served as the chief technology officer of our affiliate, AdvantaClean Systems, Inc. (2017-2019), and sits on the board of Tour Tech (2017-Present), a leader in the event technology space.

From 2000 to 2002, Mr, Hopp worked as a business builder and entrepreneur in residence at McKinsey and Company, where he focused on business-building and accelerator efforts for Global 1000 companies.

#### JEFFREY R. DUDAN, Chief Development Officer

Mr. Jeffrey R. Dudan has served as our chief development officer since our inception in July 2017. In 1994, he founded AdvantaClean Systems, Inc. and was CEO from 2009-2019. The company was a light environmental services concept that was named the 33rd fastest-growing business by Entrepreneur

Magazine in 1995. He started its franchising concept in 2009.

Additionally, Mr. Dudan served as:

- Member of Emerging Franchisor Committee
- Member of Franchisor Forum to the IFA

Mr. Dudan is a contributing member of the Forbes Business Development Council and author of the book "Hey, Coach." He is also the finance chair/learning chair for YPO International.

#### MONIQUE E. KUNKLE, VP of Operations

Mrs. Monique E. Kunkle joined Mowbot as a project manager in January 2018. She is originally from the Netherlands and has international business experience in both Europe and the U.S.

Prior to joining Mowbot, Mrs. Kunkle worked:

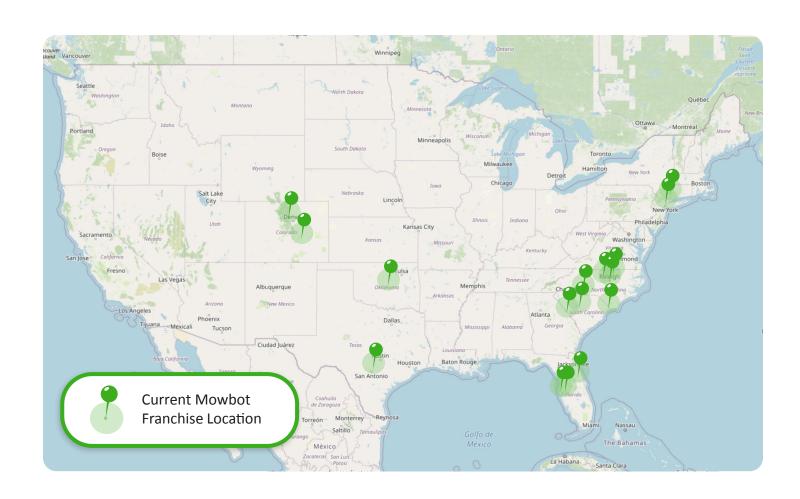
- As a sales manager and member of the management team at Burkert Fluid Control Systems
- On various consulting and research projects focused on high-growth companies (2006-2011)

Mrs. Kunkle has also worked in business development and export assistance for the state of Maryland.





# **FRANCHISE LOCATIONS**





### **WHAT'S NEXT?**

If you are ready to invest in the revolutionary Mowbot franchise, we are prepared to help you realize your full potential.

Once you **submit your information**, you will receive an email with a link to the free Mowbot Information Report, which will give you details about our brand, as well as outline the franchise requirements. A member of our franchising team will call you.

#### 1. INTRODUCTORY CALL

We'll talk through your background, goals, values, and answer any initial questions you might have. We'll then go over our expectations for the discovery process.

#### 2. WEBINAR

We'll discuss the details of our business model in a webinar with a slide presentation. After this call, we'll send you a copy of the Franchise Disclosure Document (FDD).

#### 3. FDD REVIEW

After you have had some time to review the FDD, we'll have a call in which we'll highlight some of the items and answer any additional questions you might have.

#### 4. VALIDATION

We'll connect you with some of our current

franchisees and give you the opportunity to get details on the business from a franchisee perspective.

#### **5. EXECUTIVE CALL**

We'll introduce you to our CEO, Tony Hopp, and spend some time discussing your goals for your potential franchise.

#### 6. DISCOVERY DAY

You'll visit our Durham, North Carolina headquarters and meet the team you'll be working with if you move forward. You'll get a feel for the atmosphere and see some of the bots in action.

#### 7. SIGNING DAY

We'll give you a brief call to walk you through the document signing in DocuSign.

#### Welcome to Mowbot!

Franchising with Mowbot means that you're never alone in business. From the moment the franchise agreement is signed, Mowbot franchisees become a part of our family. We will work together to ensure that you have the resources, knowledge, and skill set necessary to succeed.





