

milliCare[®]

FLOOR & TEXTILE CARE



FRANCHISE INFORMATION REPORT

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What Is a milliCare Commercial Floor and Textile Care Franchise?

Our floor and textile care franchise taps into a huge demand for commercial floor maintenance

milliCare commercial floor and textile care franchise is a business-to-business floor and textile maintenance company with more than 50 locations in 25 states and six other countries. For decades, milliCare has pioneered preventative maintenance, cleaning and ongoing care in the \$21 billion commercial flooring and textile industry. Our parent company, Milliken & Co., holds more than 7,000 patents in flooring, textiles and floor cleaning — experience and tools that milliCare leverages as we carve out a niche in the floor cleaning industry.

“Typically, owners and facility managers rely on the janitors to shampoo the carpet every once in a while, but this isn’t sufficient to really maintain the floors at optimal performance,” says Steve Willis, Managing Director for milliCare. “With milliCare, they know they’re getting the most out of both their cleaning dollars and the investment they made in their flooring. In fact, we have case studies showing that milliCare can more than double the life of some carpets.”

Taking care of floors in large commercial spaces like hotels and convention centers is a business with huge growth potential. After all, flooring represents one of the largest investments owners make when building their properties. milliCare helps owners maximize that investment, extending the life of the carpets and floors by as much as double — or more. Yet, there are few national competitors in the commercial floor care space, and the job is being done by mom-and-pop janitorial services who tack on an occasional shampoo as an afterthought. We’re changing that dynamic.

milliCare is affordable to own with the potential for huge returns

The milliCare sales process is a hands-on process in which the salesperson works with facility managers to create a customized approach to maximize the life of their flooring. Once business owners and facility managers see the potential long-term benefits of milliCare, they become long-term clients. That means recurring revenues with fewer, but larger, sales. In fact, a milliCare contract can range anywhere from \$200 to \$2,000,000. When you consider an initial investment ranges from \$114,000 to \$164,000, the potential for huge returns is clear.



The milliCare franchise model is scalable, thanks in part to a diverse selection of solutions for almost any floor surface and fabric. Our franchise owners have a track record of growing enterprise-scale business-to-business operations, producing sustainable long-term growth in a wide-open market comprising millions of businesses and billions of square feet of commercial flooring.

The competition is fragmented and unorganized

Despite the potential for high returns, the commercial floor care market remains fragmented and disorganized. Unlike restoration franchises or residential carpet cleaning, no single national competitor has emerged in the commercial floor care space.

We've spent more than 25 years perfecting the products and solutions you need to serve the commercial floor cleaning and maintenance needs of your clients. With the support of our parent company, one of the biggest names in commercial flooring, milliCare is poised

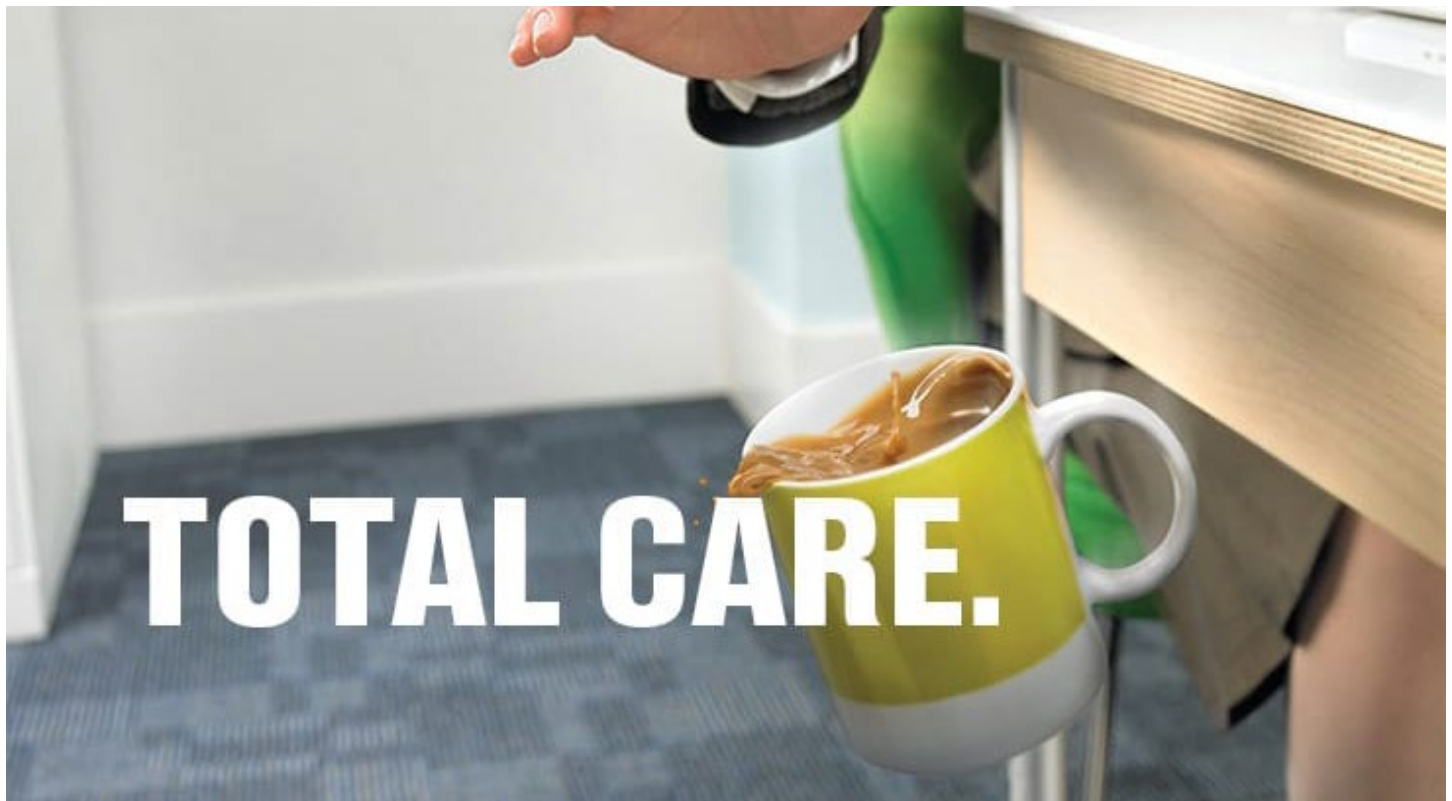
for remarkable growth in a virtually untapped market. If you're interested in business-to-business services or floor cleaning, then milliCare is the opportunity you're looking for.

The milliCare Franchise Story

Our commercial floor and textile care franchise grew out of a desire to serve customers

milliCare began from a single problem: when customers installed Milliken carpet, within just a few years, that carpet didn't look as good as when they bought it. Between heavy foot traffic and janitors ill-equipped to care for carpet, the product didn't weather well.

Milliken carpet dealers were the first to notice a need for quality, skilled carpet and floor cleaning. If they could keep the floors looking newer, longer, when it came time to replace those carpets, customers would call Milliken. After researching the best practices in carpet



LIFECYCLE OF COMMERCIAL CARPETS



cleaning, Milliken purchased the patent for a dry polymer cleaning product that captures dirt and removes it without driving large amounts of water into carpet fibers.

“Using our patented Dry Extraction Process, the company sent technicians out to take care of Milliken carpets, so that, eventually, the customers would return and buy more Milliken carpet,” says Stephen Lewis, Technical Director and Franchise Business Consultant for milliCare. “That’s why milliCare was created. Milliken looked everywhere, and they came to the conclusion that this was the best way to take care of commercial carpets.”

At first, Milliken dealers managed the growing carpet cleaning business. Soon, the value of our Dry Extraction Process as a stand-alone business became apparent, and the milliCare franchise was born. Drawing on the extensive network of Milliken dealers, the milliCare brand grew for more than 20 years.

Along the way, milliCare franchise owners began answering other needs, such as cleaning textile cubicle walls or upholstery and draperies.

Franchise owners began building multi-million dollar businesses using the milliCare system.

milliCare enters a new era of growth and expansion

As the commercial floor industry shifted to hard surfaces, milliCare began to offer new solutions for hard surfaces, as well, creating a fully rounded business and additional streams of revenue. At the same time, Milliken & Co. renewed their commitment to making milliCare the premier commercial floor cleaning franchise and invested significant resources into attracting new franchise owners — this time from outside Milliken & Co.

Now under the guidance of a top-shelf team of franchise experts from the floor cleaning industry, milliCare is ready to grow. We have a proven business model and the proven team to support it.

“Milliken & Co. has made a huge investment in milliCare’s franchise infrastructure and human resources,” says Bill Helton, Director of

Franchise Development for milliCare. “In addition to developing new products and processes to support our existing franchises, we’ve also added a national sales director to pursue national accounts and a managing director with decades of experience both in franchising and in the floor cleaning industry. It’s a really exciting time for our company.”

In this new era of growth, milliCare has laid a strong foundation for expansion as we seek new markets.

What Services Does milliCare Franchise Provide?

Seven core services address virtually every aspect of commercial flooring maintenance and care

If it’s a floor, milliCare can take care of it. As flooring technology changes, our company continues to expand services. Our franchise owners provide total floor care solutions to hotels, convention centers, major commercial and retail complexes, and government facilities such as airports and universities.

milliCare technicians are trained in the latest floor and surface care, from routine carpet cleaning to tile and grout restoration. Take a look at the full range of services that milliCare offers.

Commercial Carpet Cleaning

Commercial carpet cleaning and maintenance makes up the bulk of milliCare revenues, and with the addition of soft-surface and textile cleaning, milliCare technicians keep client businesses looking cleaner and newer for longer.

“milliCare’s proprietary dry polymer process removes dirt, grime and stains, and without dumping gallons of water into the carpet,” says Stephen Lewis, Technical Director for milliCare.



“Water isn’t the best cleaner for carpets, and since milliCare uses so little — more than 99% less water, in fact, than traditional carpet shampooing — carpets are cleaner, dryer and ready to walk on faster than any other commercial carpet cleaning process.”

Textile Care

“When you walk into a space, think about all the fabric, any textile, the carpet, and that’s a surface that needs cleaning and maintaining,” says Chris Cusick, Director of Business Development for Millicare. “Anything that’s a soft surface that can capture or trap dirt, we can clean it.”

Caring for textiles is important to keeping a clean space. Skilled milliCare textile care can improve the overall appearance and feel of upholstered seating and panel fabrics, extending their useful life and helping to ensure a space for clean working and clean living.

Performance Coatings

In hospitals, industrial spaces and other commercial facilities, such as heavily trafficked retail centers, carpet is often not a viable option. Yet hard surfaces require regular maintenance and cleaning — while they're durable, they're not indestructible. That's why milliCare provides a complete range of hard-surface performance coatings to help keep hard surfaces attractive while providing ease of maintenance. Our surfaces are also backed by a 3-year warranty — virtually unheard of elsewhere in the commercial floor care industry. That's a win-win for facilities managers, as Brian Morgan explains.

"milliCare provides some of the most cutting-edge performance surfaces for commercial facilities," says Brian, who is milliCare's Director of Operations. "These products have opened up sectors of the floor care market that were previously off limits to our franchise owners because they didn't contain a lot of carpet. For example, hospitals and healthcare facilities are one of our fastest growing segments."



Tile and Grout Care

Tile is a resilient surface, especially in heavily trafficked or hard-to-clean spaces such as commercial kitchens or restrooms. But tile and grout also have a tendency to capture dirt and grime, and over time the floor begins to look dirty, no matter what the owner does. milliCare provides a tile and grout restoration and protection product that makes tile look virtually new again — and helps keep it that way for longer.

"Tile and grout is almost an Achilles heel for businesses, especially in bathrooms, where the grout turns black, the tile doesn't look clean, and even odors get trapped," explains milliCare Technical Director Stephen Lewis. "Our tile and grout care restores grout lines and coats and seals the tile and grout, providing long-term protection. Then clients don't have to worry about it again. They just clean it regularly like they normally would."

General Maintenance Floor Care

Whether it's a resilient flooring product, tile, concrete or poured composite, facility managers and owners want to protect their flooring investment. milliCare technicians specialize in matching the right floor-care program with the needs of each facility to enhance the floor's image without straining the client's budget.

We don't let the soil take control. Instead, skilled and certified milliCare technicians use high-quality acrylic polishes, cleaners and strippers to improve appearance and durability. We are also committed to environmental sustainability, so our products are safe for the environment and durable to reduce waste.

Entryway Systems

Preventing the buildup of dirt and grime on carpets and floors starts at the door. That's why milliCare provides entryway systems that help trap dirt before it gets into the carpets or onto soft surfaces. Entryway systems are the first line of defense to help improve flooring appearance and extend their lifespan.

“Clients are really starting to recognize the value of our entryway systems, which trap and remove dirt and grime before it gets onto carpets,” says Stephen Lewis, Technical Director and Franchise Business Consultant. “Our salespeople know how many steps it takes for the amount of traffic a building receives to keep dirt out, which keeps carpets and floors cleaner, longer, providing a great value to the customer.”

Protective Care Services

When it comes to dirt, the best offense is a good defense. milliCare provides a complete line of protective care services, from odor mitigation to fiber protection to spot cleaning. Certified technicians help not only clean up messes when they happen, but also help to minimize the damage when they do.

Overall, that’s the philosophy behind milliCare services — prepare, prevent, clean. Through providing a complete array of services, milliCare owners enjoy multiple revenue streams from fewer clients with larger average contract prices. Few other floor cleaning franchises can offer the potential for long-term, sustainable growth.



Who Makes a Good milliCare Franchise Owner?

Our commercial floor and textile care franchise is ideal for B2B specialists

Many of our most successful owners worked in B2B sales before joining milliCare. Others have operational experience managing businesses or sales teams. Several even started out as milliCare technicians.

If you’re wanting to grow professionally and think the challenge of building a business is right for you, then milliCare is the franchise you’re looking for. Owning and operating a milliCare commercial floor and textile care franchise is a great fit for someone looking for a B2B company that can generate client relationships that are measured in decades.

“With milliCare, relationships are important, because we’re working with commercial real estate owners and facilities’ managers to change the paradigm of how they look at their floors,” says Bill Helton, Director of Franchise





MILLCARE CONTRACTS RANGE FROM \$200 TO \$2 MILLION

Development for milliCare. “We’re bringing them products and services that say your floors are an asset, not sunk costs, and we can help you extend the life of that asset. Changing someone’s perspective like this takes a level of trust that you don’t find in a run-of-the-mill carpet shampoo franchise.”

We believe milliCare is a great fit for entrepreneurs of many stripes and all different experience levels. Here are just a couple of ways that previous sales and management experience can come into play.

Sales professionals understand the art of the long sell

That’s in part because B2B sales professionals understand that selling products and services to a business isn’t a transactional affair. It’s a relationship, built on trust over years of working together to find the ideal solution for each problem as it arises.

“The relationships you build in milliCare are vital,” says Richard Cranston, a multiunit owner

in Montreal, Quebec. “Once you’ve sold a customer and get them on board, they’re going to be your customer for a long time. Typically, our customers stay with us for years.”

Becoming a successful milliCare franchisee requires an individual with the tenacity for pursuing sales, a desire to solve the client’s problems and the insight to see those potential problems before they crop up in the first place.

Operations management experience is a plus

When it comes to growing a business, knowing how to schedule and manage employees is a great skill. While sales experience is definitely a plus, so is operations management experience. That’s where operations managers excel with milliCare.

“Most of my day is spent doing more strategic work, working with customers, and with the largest, I often serve as their account manager,” says Rick Devane, who owns multiple territories in the state of Florida. Rick believes he’s mainly

in the people business, making sure the people are happy with what milliCare is doing, providing facilities with tools they need to operate at a high level. "It does give me a lot of flexibility now to work on what I want to work on. That's a nice role to have."

Rick is the CEO, and that means he manages his team, frequently jumping in wherever he's needed to fill virtually any role in his organization. Effective leadership is a key component of long-term growth with milliCare, and entrepreneurs like Rick know how to excel.

How Does milliCare Help Me Succeed?

Our team of seasoned franchise professionals help you grow

Starting out in business is a big leap of faith, and at milliCare, you're not taking it alone. We've assembled one of the greatest teams in franchising to help you grow your floor and textile care franchise, and our team helps to

position you for the long term.

That begins from the moment you decide you want to be the next milliCare franchisee and continues until the day you retire. When you join milliCare, you become a part of a network of companies that exist to help one another succeed. Here are just a few ways how:

Ongoing Training: Training doesn't end when you open your new milliCare location. We provide ongoing training to support your organization as it grows. That means state-of-the-art learning tools, onsite training when we roll out new products, and even onsite training if you have staff who need refreshers.

Product Development: One of the benefits of being a part of Milliken & Co. is that our parent company has a longstanding relationship to new product development. That's apparent in the more than 7,000 patents Milliken owns. We're constantly evolving to meet the demands of the floor care industry so that you can provide the best service possible to your clients.





Marketing Support: Telling the milliCare story is about more than a glossy brochure or a flashy logo. It requires nimble, responsive advertising in multiple genres and media. Whether it's creating compelling ads for geographically targeted social media, designing a head-turning display ad for a chamber guide, or positioning the milliCare brand nationally, we pride ourselves on the quality and visibility of our advertising and brand support.

Franchise Network: You're not alone when you decide to open a milliCare franchise, and you weren't the first. In fact, we're pretty sure that someone in our network has faced the same situation you're facing. That's why our franchise owners are a great resource for each and every one of our owners. They have the knowledge and experience to guide you through almost any job or challenge.

National Accounts: We know national accounts are important to business-to-business companies. So milliCare has staff dedicated to pursuing and servicing those accounts — business that flows directly to you when there's service to perform in your territory.

So much more...

We're excited about the future, and as the commercial flooring industry continues to evolve and grow, so will milliCare. Whether it's a new service or the next greatest thing in flooring, we respond to the market so you can stay on top of it.

How Do We Acquire Customers?

Wherever there's a commercial space with a floor, that's a potential customer

Commercial floor care isn't a traditional carpet shampoo business where you charge \$99 for three rooms. Instead, it's an ongoing relationship between your company and theirs to provide a level of service that goes far beyond "we clean carpet." With milliCare, floor maintenance and cleaning becomes an integral part of the client's operation.

Better still, as commercial flooring continues to evolve, so does milliCare. We are able to leverage the significant resources of Milliken & Co., our parent company, to remain at the cutting edge of floor care and maintenance. That means long-term growth potential both in terms of clients and revenues.

"I believe that we could double our business in our existing territories," says Chip Rankin, a milliCare owner in Wilmington, Delaware. "It might take ten more years, but I don't mind. We're still growing with the new products Milliken has come out with. The longer we stay in these markets, we find more and more customers for our core business — which is carpet maintenance."





milliCare commercial floor care is more than just carpet

When we added performance coatings, that opened the door to industrial facilities and hospitals — two commercial spaces that don't typically have a lot of carpet. Retailers and high-traffic businesses immediately recognize the value of our entryway systems, which keep dirt out of the building to begin with.

While carpet cleaning and maintenance does form the foundation of our business, it's far from the only thing we do. That's why commercial clients from dozens of industries in almost any kind of commercial space rely on milliCare to help maximize the value of their flooring investment.

Best of all, new markets and new products are emerging every year. So your list of potential clients continues to grow with your business.

From shopping malls to city halls, milliCare is there

The next time you're out running errands, consider the flooring you see. If you're making a deposit at the bank, look down and take a look at the carpet. Dropping off paperwork to your lawyers? Consider their flooring.

When it's time for a check up, there's that gleaming, clean floor. And on your way out, notice the fabric panel cube walls the staff tack photos onto. Those are all surfaces milliCare can clean, protect and maintain.

You'll call on business owners, service providers such as lawyers or doctors, facility managers, and even government officials. Some of our biggest clients are municipal airports and city-owned civic centers.

The demand is there. You just have to fill it.



What do our franchise owners say?

Our franchise owners know us better than anyone — here's what they think of our commercial floor and textile care franchise

When you look at the floor care industry, it's basically divided into two big sectors: residential floor care franchises and nothing else. Commercial floors are left to janitorial crews to worry about. That's why milliCare is unique. We're focused on providing service to the billions of square feet of commercial, retail and governmental spaces in cities around the world.



When it comes to examining business-to-business franchise opportunities, the rubber meets the road with franchise owner experience. Our owners are leaders in the commercial carpet, floor and textile care industry, and they thrive on helping businesses in their markets extend the life of one of the most valuable assets a company invests in — their floors.

Here's what a few of our commercial floor care experts have to say about their milliCare experience.

"We're able to price our services better than anybody else in the industry, because what we do really works and is a little different. Hire better people, pay them more and keep them, which then ensures we keep happy customers on the other end.... The greatest part about our financial model is that, because we're able to do that with our people, and the process we use really delivers the results we say, we keep customers for a long time — a very long time."

- Chip Rankin, milliCare of Wilmington

"Once you've sold a customer and get them on board, they're going to be your customer for a long time. Typically, our customers stay with us for years. We typically provide some service to them on a regular, ongoing basis — monthly, semiannually."

- Rick Cranston, milliCare of Montreal

"If you think about it, you can retain the customer long-term because you have well-trained technicians and an amazing product. You're not looking at it as just a one-year term. You're looking long-term. You retain accounts, and you don't have to resell accounts."

- Grace Cubarrubia, milliCare of Miami

Next Steps

Ready to bring milliCare to your community? Here's a breakdown of what's next.

An introductory phone call

Within one business day — sometimes sooner — one of our milliCare business development experts will call you to discuss milliCare. Over the course of this call, you can ask any questions you may have about milliCare, and it gives us the chance to get to know you.

The goal of the introductory call is to provide us both with the chance to get to know one another, and to help determine if milliCare is the right fit for you. We'll also take a few minutes to make sure you meet the basic qualifications to become a milliCare owner. At the end of the call, we'll let you know what the next steps will be.

Discovery Day and meeting the milliCare team

Once we have had a few calls / webinars to provide you more detailed information and we've determined that milliCare is a good fit for you, we'll schedule a Discovery Day visit to give you the opportunity to meet the milliCare team. You will travel to the Milliken & Co. worldwide headquarters in Spartanburg, South Carolina, where you'll be given your first hands-on look at milliCare.

You'll also learn about the benefits of being a part of Milliken & Co., a company with a long history of research and development — as evidenced by the more than 7,000 patents our parent company owns.

Due diligence and online learning

Following your Discovery Day visit, we'll both continue our due diligence phase. During this phase, you'll provide certain documentation to verify financial qualifications. While we're reviewing your financial documents, you'll be

getting final questions answered before signing the franchise agreement.

Once you are awarded the franchise, milliCare's helpful franchise support team is there to provide you with guidance and walk you step-by-step through the entire process. That includes helping you stay on target to complete all the steps necessary to open your new business.

milliCare Academy

Once you've completed the online learning, you and your team will travel to our corporate training facility for milliCare Academy — a weeklong, intensive training session that will prepare you to own and operate a milliCare business.

You'll work hands-on with the systems to run your business, the various milliCare products and services, and the tools your employees will use to provide clients the quality service they expect from milliCare.

Getting ready for the grand opening

After you've completed training, you'll return to your community and begin laying the foundation for your milliCare franchise opening. Corporate milliCare staff will also visit you and your community to continue on the path to opening your new franchise.

We'll help you train additional staff as needed, prepare your office, and get you up and running.

Grand opening and beyond

Once you've completed the process, now it's time to open up shop and start recruiting milliCare clients. Throughout the process, milliCare team members are always there to provide the assistance you need to complete the process.

That support continues after you open, too. milliCare is a team, and we're excited to have you as a part of it.