

Premier

PAWNBROKERS

"AN EXCEPTIONAL RETURN ON INVESTMENT"

FRANCHISEE BROCHURE 2020



PAWNBROKING FOR THE 21ST CENTURY

Search your mind for an image of your "typical pawnbrokers" and we'll forgive you for conjuring up some dimly lit basement type scenario, stacked from floor to ceiling with dust-caked curios, while some guy complete with green visor, wing tipped shoes and braces, peers out from behind his counter waiting to "pounce"....

Considering how long pawnbroking has been around (over 3,000 years), we aren't surprised by that image surfacing and hanging around either, but we're happy to report that here in the 21st Century, Premier Pawnbrokers is confronting that perception head on - with modern, bright stores and offices, sophisticated technology, and a huge emphasis on providing our customers with superior, respectful, friendly and above all else completely honest & transparent Customer Service.

Premier Pawnbrokers is literally bringing the Pawnbroking industry back into the light!



Essentials for Success:

- Proven Concept
- Recession Proof
- No Experience Necessary
- Very Profitable
- Minimal Staff
- Minimal Stock
- Excellent Support
- Quality Market Research
- Strong Brand

WELCOME TO OUR FAMILY

In 2012 we created a business that fulfilled our needs as a family; a business that provides a great income, in a pleasant working environment and isn't threatened by the fluctuations of the economy or overly burdensome compliance regimes.

It wasn't easy to create a business model in this sector, and it's been a lot of hard work with many ups and downs, but we have created something that we are justifiably proud of and believe is a special opportunity for anyone who becomes involved.

Although Premier began life as a family business, it was professionally run right from concept, and since deciding to Franchise in 2017, we have worked tirelessly to ensure our business model and systems operated on an easily scalable platform.

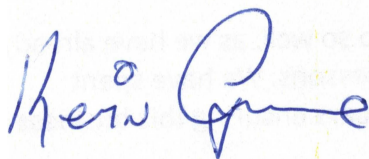
Whether you're interested in a single store to run yourself, or want to invest in multiple outlets to maximise your profits, we know we have something special to offer our Franchisee's. An exceptional return on investment in an enjoyable and effervescent industry, and business is booming.

Franchising can work extremely well for both parties; A Franchisee can enjoy the advantages of being in business for themselves whilst reaping the benefits of being associated with a well-known and successful brand. You can also be confident in the knowledge that guidance and assistance is available. **Surveys in New Zealand and elsewhere tend to suggest that over three-quarters of Franchisees succeed in their first three years, compared with only a third of all small business in general.**

Franchising is one of the fastest growing business sectors in New Zealand, and is a unique way of doing business built on mutual trust. The Franchise Association of New Zealand has developed the Franchising Code of Conduct as tangible evidence that it is strongly committed to the growth and prosperity of the Franchising sector.

Take some time to read through this brochure and when you have seen enough, give us a call or send an email to discuss this amazing opportunity further.

I personally select all new Franchisees, so I look forward to meeting you soon.



Kevin Garner
Managing Director



OWNER OPERATED, OR INVESTMENT?

Our Premier Pawnbrokers business model is equally suited to people who want to operate a single store themselves, or invest in multiple outlets to maximise their returns.

COMMITMENT IS EVERYTHING

We need people who are willing to go that extra mile to make the best of this exciting opportunity. Starting your own business isn't a way of getting an **easier** life, it's a way of getting a **better** life, one that you control and benefit directly from your own efforts.

Our aim is to help you achieve those goals by supplying the tools, the experience, and then ongoing support to ensure you have stability as you grow your business.



EXPERIENCE IS NOT NECESSARY

Not many people are already going to have pawnbroking experience, and perhaps not even previous retail experience. The great thing is that we already have truckloads of that, and opening a new Premier Pawnbrokers Franchise means you access it all without having to do the hard work.

This is why people who start up in a Franchisee business do so well, as we have already lived through the mistakes, paid the price and learned the lessons. We have spent years, vast sums of money and our own blood, sweat and tears ensuring this business is exactly right, and you can benefit from that very quickly.

A successful Franchisee will need to be accurate, honest and reliable. Our reputation is everything, and we expect that all Franchisee's to have the same extremely high standards to protect the strength of our brand.

PAWNBROKING - IS IT ETHICAL?

Pawnbroking is literally the oldest form of lending and works pretty similar to the way a major bank lends its money.

If a customer has an asset, a pawnbroker will loan them money on it. We believe that to cover short-term cash flow problems, this is the best way to borrow because the customer is not getting further into debt.

The customer is simply releasing money on something they already own. If they were to get a \$1,000 overdraft, use a credit card or payday loan and spend it all, then can't afford to repay it, they are another thousand dollars in debt, not to mention owing interest, default interest and even fees.

However, if they had pledged an item with us and cannot afford to redeem it, we sell it on their behalf and give them any surplus back. This way no further debt is incurred.

Our Managing Director is on the board of the Licensed Traders and Pawnbrokers Association, which sets very high standards for its members, and if you become a Franchisee you will also need to become a member.

We take great **satisfaction in helping people** that no one else will or can.



Premier's Guiding Principle:
**Treat & Respect Every Customer
Like Family**

As credit becomes more and more difficult to obtain, people and small business's that need help can be the first to be excluded from main stream borrowing. A short term cash flow crisis can quickly turn into a financial disaster if they cant access cash to tide them over. We never encourage people to use us for long term financing.

We do everything we can to create a pleasant and un-intimidating environment for our customers, because we know our greatest asset is our reputation for being respectful and honest. You would be surprised how many personal thanks we get for helping people, some who have been rejected by other lenders.

We expect that ethos to be carried through our Franchisees; honesty always between the Customer, the Franchisee and the Franchisor.

Freephone - 0800 93 22 64

BRANCH LOCATIONS

LOWER HUTT

Level 1-1 Margaret Street
Lower Hutt



WELLINGTON CITY

Level 1- 69a Manners Street, Te Aro
Wellington



CHRISTCHURCH

Level 1 -159 Cranford Street, St Albans
Christchurch



AUCKLAND

A new Auckland Site is coming soon



WHERE WILL YOURS BE?

YOUR NEW LOCATION?

BE WHERE YOU WANT TO BE!

Premier Pawnbrokers undertakes extensive and ongoing research into population growth, migration patterns, socioeconomic factors (such as wealth, unemployment rates, age groups) and competition movements to ensure we identify locations that are most suitable for your new Franchise location, and as times change, we continue to monitor multiple key indicators to ensure our business, and your business remains on point.

As a result, we have a carefully selected list of potential locations which are already perfectly suited to your new business, and because you can choose either a shop front style location or an office based one, there are plenty of potential sites within each location to begin operations.



We'll provide you with a list of options that we think are best suited to your own preferences (including based on your own personal management style), then we'll help you narrow your focus and arrive at a perfect spot.



Our commitment doesn't end there! We help with leasing negotiations, detailed site plans and fit-outs, and once everything is ready to go, targeted local and national advertising to help develop the business and brand effectively.

From there we take the training wheels off and let you get on with things, but we'll continue to provide essential support and guidance whenever you might need some input from an experienced partner.



YOU ARE the KEY TO our SUCCESS!

WHAT ABOUT SUPPORT?

#1 - YOU ARE THE KEY TO OUR SUCCESS

All Franchise operators need to understand that building strong relationships with their Franchisee's is vital to the overall success of their business.

We firmly believe that by providing you with our already proven tools for running a successful business within our industry, you'll have a solid footing upon which to grow and nurture your own successful pawnbroking operation.

#2 - HELP YOU TO HELP YOURSELF

Giving a Novice tools is pointless without explaining what they do and how they work best. We'll train you to use our software and tools until you're a top notch Professional.

We will:

- Help you find the perfect premises and negotiate leases;
- Provide detailed project plans for shop fitouts & getting your business open;
- Help you obtain the necessary licenses to trade;
- Provide sophisticated purpose built Software & Procedures to ensure everything runs as it should;
- Provide Classroom style one on one training to you and your employees;
- Work with you when you first open to iron out any kinks

#3 - STRONG SUPPORT BUILDS A BIGGER CASTLE

We won't be satisfied without Global Domination!

OK - We really mean that our management team promise to persistently strive to capitalize on any and all opportunities to expand into new markets, to foster new and innovative income streams to help grow our business's together, to increase revenue and reduce expenditure through the early adoption of emerging technology and process streamlining where at all possible, and like all **PREMIER** operators;

- Provide exceptional telephone and online support; and
- **Always be there when you need help!**

INCOME SOURCES?

PAWNBROKING

We lend people a fixed amount money for a period up to 3 months and they leave an item (often Gold or Jewellery) as security.

People either pay to redeem their item, or it is sold to recover the pledge.



GOLD AND JEWELLERY BUYING

Gold prices remain high and we will teach you how to test, buy gold and obtain the best resale price for it. We will train you you how to value and purchase jewellery, which can either be resold in your own store or onsold to trade.



JEWELLERY SELLING

Our jewellery range is amazing and ensures constant footfall of traffic in our store and yours. Stock can also be sold online through our website, or via a third party seller.



BUYING IN

We purchase a range of items, from consumer electronics to Jewellery, which we are able to resell quickly for profit using online sales sites, our own online shop or retail it yourself through your shop.



TRAINING?

ONE ON ONE PERSONAL TRAINING

1 on 1 training is the best way to ensure you're totally prepared and confident when you start your own pawnbroking Franchise.

You'll learn how to test and value precious metals and interpret hallmarks, taught to use our comprehensive yet easy to use software which controls and monitors every aspect of your business.

You will be invited to spend time with us, observing how we operate the systems, practicing on a demo system, and then assisting actual customers under our guidance.



PROCEDURAL DOCUMENTATION

Every aspect of the business is meticulously documented in our operating manuals, giving step by step guidance on all procedures necessary to run your successful business. These are all available via our online portals and are regularly updated with any changes to the business or laws.

ONSITE ADVICE

When you first open, we will be there to help. An experienced member of our team will be onsite with you in your store to help and provide advice wherever needed.

ONLINE SUPPORT

You are never on your own! Our sophisticated software systems enable us to log into your site remotely and help guide you through any problems.



OUR TECHNOLOGY?

WELCOME TO SIMPLE SOPHISTICATION

Premier's management thoroughly investigated all the software available in the marketplace, and found it to be either impractical, unsuitable for a NZ pawnbroker, non-compliant with NZ law, unreliable or almost unusable.

Then we located a Pawnbroker in Australia who'd had the same experiences, but with insight and technical know-how he had developed a piece of software called Pawnit365.

Premier entered into negotiations with Pawnit365, and together we upgraded the software to cope with the demands that our operation would be placing on it.

We adopted the tech, and via feedback from us and other users both here and in Australia, improvements are continually made to this simple, but sophisticated system.

The software is easy to install, use, and obtain vital reporting from so that front of house staff, managers and owners can all use the system easily.

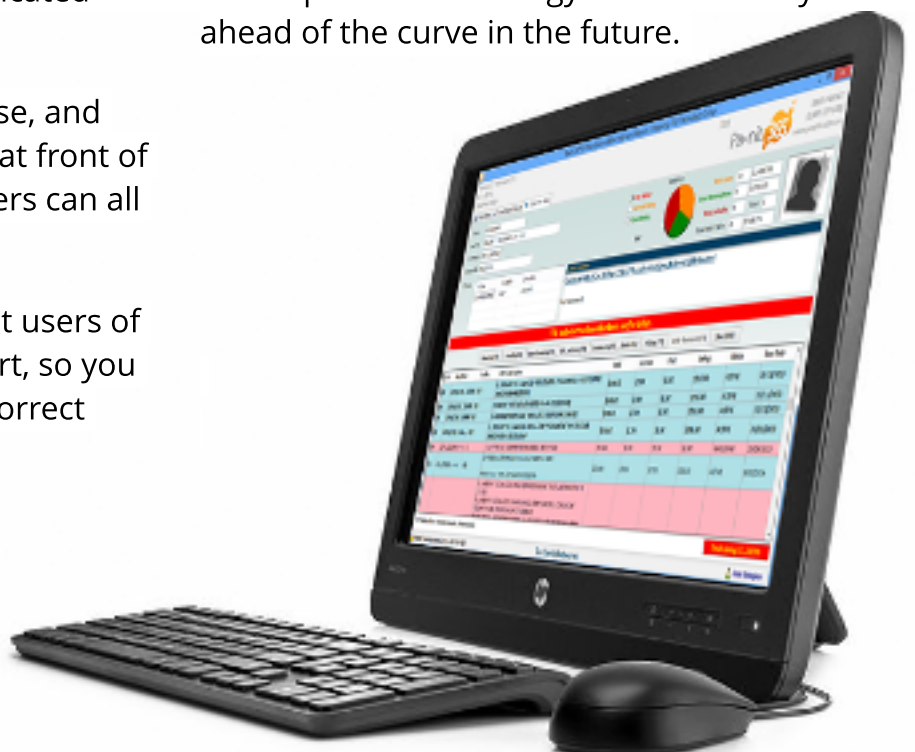
Training is provided from current users of the system, as is ongoing support, so you know you are always receiving correct advice.



EVOLUTION IS KEY

Our goal for adopting emerging technology means that we will soon have systems in place to allow payments of accounts through our Pawnit365 smartphone App, and we're looking to soon allow for payment of multiple accounts at once, along with a payment system for processing online sales.

Premier are also looking to bring in new and improved technology in order to stay ahead of the curve in the future.



COMPETITION?

We have little to fear from competition because our business model is so different, our overheads are lower and our service levels higher. We target the higher value items.

There are three types of business operating in or on the fringe of our industry;

1. Large financial institutions focusing on high cost short term payday loans - soon to be reigned in by legislation....
2. Buy and sell stores that carry a large amount of low value second hand goods aimed at the poorer sections of the community
3. Small independent jewellers some who may also “dabble” in pawnbroking.

Then there is Premier Pawnbrokers - We sell jewellery and high end items both online and through our stores, which means that we can employ less staff and have less overheads.

Our target customers come from a varied range of backgrounds, hence we look at Franchisees setting up in areas with a mixture of income levels.

Our low overhead model means we can compete easily with the big boys out there, but be large enough to outgun the small independents.

Our committed goal is to be (and remain) the Number One player in our industry.



INVESTMENT AND PROFIT

INVESTMENT REQUIRED

This will vary depending on the premises you select. You may decide to pay a little more rent for a premises that is in a prime location, and will attract the highest potential walk-ins, or select one that is a little more understated that costs less.

As a guide, we would expect you to invest around \$100,000 for start up costs. This would cover the initial Franchise Fee, training and equipping your business.

You will also need fit out costs depending on the location chosen, and working capital, this will be to finance the money you lend out, and the items which you purchase to sell for profit.

We cannot stress enough the importance of having enough capital behind you to begin with - as this is a cashflow business it will begin to provide it's own working capital fairly quickly, but you do need time to build this up to a point where it will support its ongoing cash needs, and the needs of financing your expansion.

FRANCHISEE FEES

We charge some of the lowest fees in the Franchise industry despite maintaining exceptional support.

PROFIT

Once you have been accepted to become a Franchisee after our initial interview, we will encourage you to talk to our existing Franchisees about how much profit they make.

You'll be surprised at just how lucrative pawnbroking can be. Our Lower Hutt store is making an excellent profit after humble beginnings.



TURNOVER AND PROFITABILITY

A successful business is not about how much turnover you have but how much profit you make, in relation to the amount of risk you take.

If you buy and sell lots of items, you may have a big turnover but you'll also have large overheads and turning over millions doesn't mean you make millions. **It's all about how much money you make that matters.**

Some Franchisors insist that you open a huge store in the middle of the town or major city or in a Mall, meaning you would have to sign up to (and personally guarantee) a lease on a high rent shop.

Couple that with taking on quite a few staff and filling the store with goods that may or may not sell, or even take time to sell, and that means money tied up on shelves. and not reaching your pocket.

Or you could open a Premier Pawnbrokers Franchise, risk much less money, have far less stress and make as much if not more.

**“TURNOVER IS VANITY,
PROFIT IS SANITY,
CASH IS REALITY!”**

You could always open more Franchise locations if you desire an even bigger turnover, once you have successfully established your first.

You will be investing money, not only to get a more substantial income, but also to build a business that is an asset that you can sell in the future, if and when that time comes.



OUR CUSTOMERS

"I was really surprised. I expected the environment to be a bit intimidating but it was the exact opposite, and the staff were really friendly and helpful"



PAWNBROKING

Pawnbroking is often used by both low and high net worth individuals who have limited access to ready cash. Pawning the family silver to meet school fees or that school trip is now not unusual.

We have a huge range of professionals using our services, and everyday folk that have cash flow problems arise and need to raise some short term cash, to warrant the car or pay an unexpected bill, the self-employed Tradie who needs a cash injection until the next job comes along, renovators looking to sell property who haven't quite finished the kitchen, the businessman who prefers confidentiality and doesn't want to deal with the bank.

The advantage of pawnbroking is that there are no credit checks, no application forms and no awkward questions, so people don't risk rejection or reducing their credit score.

JEWELLERY SALES

Jewellery Sales tend to be impulse buys because Premier offers such good value. We offer items for sale in store – which encourages cash purchases, sales, AND even new pawn loans - and also online, which allows us to have an expansive amount on sale at any one time.

GOLD AND JEWELLERY BUYING

Gold and Jewellery buying is a particularly lucrative side of our business.

Gold is trading at very high prices and when people find out how much that old piece of jewellery that they haven't worn for years is worth they're "amazed". People from all walks of life are cashing in their gold and because we deal direct with the bullion dealers, we can offer a good price and still make a healthy profit.

WHAT ABOUT THE FUTURE?

Our diverse channels of pawnbroking (lending), buying and selling means we are a business that prospers in both the good times and the bad.

Small business's need cash to fund growth and as the banks are restricting lending, pawnbroking has become more and more popular with the small business sector.

Reality Television has brought Pawnbroking into the homes of millions and has made people realise that it is a very accessible form of lending, showing that pawnbroking fits well into the mainstream lending of the 21st Century.

Whatever the economy, there are always people who are looking at ways of getting through the next few months, the buying of gold and jewellery increases as people decide to cash in things that they no longer need or decide to take a loan against them.



“A Premier Pawnbroker's Franchise offers confidence and the ability to prosper whatever the economic climate”

MULTIPLE FRANCHISE'S?

Once you have your first branch up and running, you may like to purchase more Franchises, increasing your profits via a proven, solid investment.

A SALEABLE ASSET

You'll obviously be wanting a steady income from your business, but also, as you grow your business you will be building an asset that you may wish to sell at some time in the future (subject to the terms of the Franchise agreement)

“as you build this business, you build a saleable asset”

FREQUENTLY ASKED QUESTIONS

ISN'T THIS TYPE OF BUSINESS UNETHICAL?

Not true! Pawnbroking is a more ethical form of borrowing than most borrowing. As an example, if a customer borrows \$100 from Premier and is unable to repay, they're not going to spiral further into debt, if they borrow \$100 from a payday lender, credit card or over extend their credit limit at the bank, they will be deeper in debt and probably have further charges added for non-payment, even possibly including follow on effects such as defaults against their credit history or debt collection agency's hounding them.

WON'T I BE DEALING WITH THE WORST TYPE OF PEOPLE?

On the contrary, our customers come from all walks of life. We have business people, entrepreneurs and employed people as customers, We treat everybody with respect and our customers become friends.

WONT I BE TARGETED BY THE CRIMINAL COMMUNITY?

Contrary to popular belief pawnbrokers are not an open door for stolen items,. Under the Secondhand Dealers and Pawnbrokers Act 2004 (SDPA) all customers have to provide photo identification ie Passport or valid drivers licence and phone numbers, they also have to sign a declaration that the item legally belongs to them. It would be pretty stupid to try and sell us a stolen item, especially when we have so much information about them.

AREN'T THE CHARGES EXCESSIVE?

Many economists have questioned the measure between short term loans i.e a few days or weeks, compared to longer term loans such as mortgages that may run for 25-30 years. We do not encourage long term lending, we only provide loans for short periods of time, and to compare it with loans such as mortgages is totally non-sensical. We DON'T charge interest, but DO charge a redemption fee - a fee for holding an item.

ISN'T IT TOO RISKY?

While all business carries an element of risk, here at Premier we have done everything possible to make the risk verses reward balance especially attractive. We try to keep your overheads low in order to achieve profitability quickly, and by carrying only a small amount of stock you are committing cash to transactions that will earn you money immediately. Our customers become friends which brings a lot of repeat business.

FREQUENTLY ASKED QUESTIONS

WHAT ABOUT THE RISK OF BAD DEBT?

Every business at some time is exposed to bad debt, Premier Pawnbrokers much less so. This is because all lending is secured against items that can be sold to recover the debt.

AREN'T THERE TOO MANY PAWNBROKERS ALREADY?

If you were to present a business plan to the bank which stated you had zero competition they would almost certainly reject it, believing you were completely naïve. There will always be competition in any business either now or in the future.

Premier Pawnbrokers have a unique business model that allows us to thrive in a competitive market, in fact competition only endorses the fact that this is a lucrative industry, and with low overheads, minimal stock and rapid turnaround of capital, we are placed in a much stronger position than our competitors.

Some of our competition have grown very rapidly, which was mostly funded by taking on debt and most are heavily reliant on the payday lending market.

The government has introduced new regulations affecting their business model and in contrast, Premier Pawnbrokers prudent low overhead model including total avoidance of payday lending has a great future.

In fact the Commerce Commission love pawnbrokers because we offer a non-recourse lending facility.

WHAT HAPPENS IF THE ECONOMY CHANGES?

The mixture of our revenue streams from buying, selling and loans means we cope with both the good and bad times, Many of our customers use us for convenience and confidentiality, not always out of desperation.

BUT I HAVE NO EXPERIENCE IN PAWNBROKING

Guess what? Neither did we when we first started! But we've been there, made the mistakes, and even bought the t-shirt so you don't have to. We will train and coach you in every aspect of the business and systems, and because every aspect is controlled by our sophisticated but easy to use software, it's simple and enjoyable to run.



**A LIMITED TIME OFFER
TO SHOW WE'RE SERIOUS
ABOUT DOING BUSINESS**

BECOME A FRANCHISEE IN 2020 AND GET AHEAD

Premier Pawnbrokers is seriously committed to the rapid uptake and deployment of its business within the New Zealand market, and as such we're prepared to provide a huge incentive to our new Franchisee's right up front in return for that growth.

Purchase a Premier Pawnbrokers Franchise in 2020, and Premier Pawnbrokers will cut \$30,000 off our usual Franchise Fee, to help establish your footing and get you into business operations as quickly as possible.

Some terms and conditions apply, so if you are interested in learning more (and let's be honest we're not sure why anyone wouldn't be interested in saving \$30,000) please contact us to learn more.



Freephone - 0800 93 22 64

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