



# KLF Fashions

## FRANCHISE OPPORTUNITY

**KLF Fashions, duly Established and Incorporated in Kuala Lumpur, Malaysia as a Private Limited Company with principle European and Middle Eastern Shareholders and Co-Directors.**

**The Company is a Manufacturer and Supplier of Ladies Fashion Jewellery and Accessories, supplying Retail Outlets in Asia and the Far East. KLF are Members of the International Franchising Association (I.F.A) and Associate Members of the Malaysian Franchise Association (M.I.A).**

**The Main Factory and Principal Storage Facility is Based in the Light Industry Sector of Port Klang Duty Free Zone, and is ideally situated to export finished products to Europe, Asia and the Middle East. It Secondary Storage and Distribution Centre is centrally based in the Badar Botanic Business Gateway and is conveniently situated to Service and Supply the Malaysian Market.**

**KLF Fashions from its London base is actively looking to develop its Franchise Network under the *KLF Fashions Of London* Brand Name and continue its expansion in the East and in the UK and Europe.**

**In Asia the Capital required for a KLF Franchise Operation based upon a Standard Store of 1,150 square feet is US\$ 125,000 and in Europe the Standard Store Capital would be €/£ 150,000. The primary difference being due to lower Rents, Construction Costs, Salaries, Set Up Costs and Stock Purchase.**

**The Management Team of KLF are guided by Fashion Experts, Designers and Merchandisers and utilise the latest Computer Technology to Monitor, Track, Price and Deliver its Proprietary Products and a fully integrated P.O.S system to make retailing control simple.**

**We provide a comprehensive package and support covering all aspects of the business, the type of support which is only offered by the very echelons of the Franchise Industry.**

### **WHY FASHIONS:**

**A Successful Franchise Business that makes Ladies Shopping Worthwhile! KLF, "A One Stop Shop" which offers a unique Ladies Fashion Accessories "Shopping Experience" and "Franchise Opportunity" for individuals like you! Its product range is designed to satisfy the most demanding of customers in terms of quality and price and is supported by over 2,500 products types covering all aspect of the fashions accessories spectrum.**

- **High Quality Materials & Finishing**
- **Great Value for Money**
- **The Latest In Fashions**
- **A Great Shopping Experience**
- **The Very Best in Customer Support and Service**

**A High Class Buying Image**

**Our website offers an insight to the product range, and allows sufficient access to nonregistered account holders. Please feel free to find out more about this opportunity by clicking here: [www.klifashions.com](http://www.klifashions.com)**



## **FRANCHISE OPPORTUNITY:**

**KLF is currently actively looking for potential Franchisees who wish to enter into a high yield, low investment opportunity to break free and own a franchise business, while at the same time minimizing the risk that is inherent in opening an entirely new business from scratch.**

**We hope that this information provided has been able to cement your interest in becoming a Franchise Member, and look forward to receiving your completed Franchise Application.**

**We believe the “Franchise Business Opportunity” under offer will develop into a very prosperous and beneficial relationship; that the rewards and returns on investment more than justify the risks and financial considerations.**

**As business partners we contribute by providing Franchisee’s with a working formula for success that covers all aspects of the Franchise Operation, supported by the wealth of knowledge and expertise in the Industry.**

**Our “Research and Understanding of the Market” clearly established the need for more “Consumer” product choice, greater shopping freedom, and value!**

**The prevailing economic environment has forced retail consumers to become more selective, price conscientious, independent shoppers. With the clear indications of an upturn in the economy and the prevailing consumer needs, it makes good commercial sense and timing to launch the development of our range of products and services in this market.**

**We are looking for strong profit driven persons or entities, preferably with some commercial background and possible retail experience to qualify as potential Franchisee’s.**

Although we have provided some budgetary forecasts and details on Store Retail Performances as part of the prequalifying information, the enhanced and detailed forecast and costing will only be provided upon completion of the Franchise Agreement formalities.

The prospective Franchisee's will be expected to pay an Initial Franchise License Fee of US\$ 10,000, half of which will be payable upon Execution of the Franchise Agreement and the balance half upon signing or acquisition of a Site Lease.

## **FRANCHISE INFORMATION:**

Although we have provided some budgetary forecasts and details on Store Retail Performances as part of the prequalifying information, the enhanced and detailed forecast and costing will only be provided upon completion of the Franchise Agreement formalities.

Although, not expressly agreed the Franchisee will be expected to make purchase of Initial Store Stocks and Product of not less than US\$ 15,000. The Franchisee will be guided by the Selection and Choice of the Company. All goods are exported Ex-Works Malaysia, and priced in US\$.

The Retail Price Structure of a Franchise Store will be based upon the Ex-Works Price Malaysia x 10, (ten) or 1,000% Mark Up. (With lower levels of Mark Up for Exclusive Ranges, Leather Goods and Jewellery) The Gross Margin after Retail Sales will depend upon, Store Discounting, Freight, Import duties & Taxes, Clearing & Transportation Costs and Foreign Exchange rate US\$:£ Conversion.

Despite the attractive Margins and Gross Profit Levels the Products will remain very competitive and offer unbeatable value for money.

As an incentive during the opening of the Store the Company will reduce all Export Prices on the Initial Purchase Order by 15% and the Franchisee will be expected to pass this benefit onto its "Customers" to help boost Product Interest.

The Franchise Agreement does not hold any content that would surprise any potential Franchisee and covers all aspects of the agreement between the parties in accordance to the Expectations and Standards and Operations of a KLF Fashion Store.

The Company pledges all its resources and expertise to ensure the success of its Franchise Network. Our Franchisees can realise the benefits derived from commitment to provide the highest possible Standard of Service.

A Service encompassing the need to:

- Maintain Continuity of Products and Standards.
- Ensure Product Supply and Development.
- Provide Price Stability and Cost effective Purchasing.
- Continually offer Operational Support and Training.
- Prompt Executions of Orders and Fast Deliveries.
- Provide an efficient Communication and Response Service.

Our Staff and Employees are all proven experienced professionals working to maintain the Contracted Services required by the Franchise Network.

Experience gained through feedback, direct dealing and handling of the Malaysian Retail Store Network.



## **FRANCHISE PACKAGE:**

The following is included in the Franchise Package:-

- All legal documentation, Franchise Agreement, Proprietary Hardware & Software Lease Agreement, Sample Rental Agreement, Sample Loan Purchase Agreement, Employment Applications, and Confidentiality Agreements.
- Demographic Information, covering Property Lease Rental Prices, Population Figures, and Site Locations.
- Franchise Feasibility inclusive of Project Profit & Loss, Capital & Finance, Cash-flow Projections, Working Capital Requirements, Return On Capital Employed, Pie and Bar Charts.
- Advertising Budget and Support, Special Store Opening Discounts, In-store VIP Discount Cards.
- Data sheets, specifications, systems and operational information.
- Online ordering of product through its interactive web service.
- Assistance in selection of an appropriate site, in-store operations, opening, merchandising and staff training.
- Advise and recommend on hardware and software compatible to the accounts procedure, bar coding, stock management and re-ordering.
- Makes available to the Franchisee all Intellectual Property, Manuals, Store Layouts, and Store Feasibility Store Projections.

### **Product Information Service:**

- a. Through our interactive web server and web site.
- b. Through our management team and employees over the internet and online.
- c. From software updates and modifications.

## **FRANCHISE PACKAGE:**

### **Store Opening and Start up:**

- a. The Company will provide a representative to assist in the Start Up of each store.
- b. The representative will assist in the hiring of personnel and staff training.
- c. The representative will provide any function necessary and appropriate.

### **Merchandising Assistance:**

- a. The Company will advise on all initial inventory requirements to stock the store.
- b. The company will make specific recommendations to ensure correct merchandising.

### **Initial Training**

- a. Initial training must be completed by the Company before the opening of the store.
- b. The company will host the training program and decide on satisfactory completion.
- c. The program is conducted to ensure that the Franchisee meets the Standards required.

### **Additional Training:**

- a. The Company will provide additional and remedial training programs during the term.
- b. The company will organise meetings and seminars during the term.
- c. The Company will organise classes and workshops during the term.

### **Design and Layout:**

- a. The Company will provide at cost design and layout information for the new store.
- b. The Company will offer consultancy and assistance in reaching the required design.

### **Computer Training:**

- a. Training will be provided to ensure the Franchisee is proficient in using the hardware.
- b. Training will be provided to ensure the Franchisee is proficient in using the software.
- c. Training will be given in the implementation of stock codes, bar codes and software.
- d. Training will be given in the use of bar coding equipment and operations.
- Consultancy:
- e. The Company will provide advice on Advertising and Promotion
- f. The Company will offer advice on site selection.
- g. The Company will provide the Franchisee with a standard lease agreement as a guideline.

**h. The Company will provide budgetary projections as an indicator of expectations.**

**i. The Company will provide working manuals.**

**FINANCIAL INFORMATION (ASIA):**

- Franchise Fee - \$10,000 (Covers 10 Years)
  - Total Investment – Range - \$120,000-\$150,000
  - Net Worth required - \$100,000 +
  - Royalties – 3% of Gross Sales
  - Product Gross – 80-85%
  - Advertising Fee – 1.5% of Gross Sales
- Average Return on Capital Employed (Pre Tax) Over 5 Years 350% per annum**

**FINANCIAL INFORMATION (EUROPE):**

- Franchise Fee - £10,000 (Covers 10 Years)
  - Total Investment – Range - £125,000-£150,000
  - Net Worth required - £100,000 +
  - Royalties – 3% of Gross Sales
  - Product Gross – 80-85%
  - Advertising Fee – 1.5% of Gross Sales
- Average Return on Capital Employed (Pre Tax) Over 5 Years 350% per annum**

**APPLICATION PROCESS**

Any interested parties must first fill out the KLF Application Form for vetting suitability and follow the procedures as directed. All information regarding the “Franchise Opportunity” is available on [www.klffashions.com.my/](http://www.klffashions.com.my/) [www.klffashions.com/www.klffashions.co.uk](http://www.klffashions.com/www.klffashions.co.uk) web sites.

