



FRANCHISING OVERVIEW

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Snap-on[®]

WHY SNAP-ON?

Snap-on is a global leader in automotive tools – and franchising. Our business model is established, proven, and recognised as one of Australia's leading franchise models.

With more than 100 years' experience, Snap-on is currently the world's largest tool franchise. Operating in over 130 countries, our 4,600 franchisees bring in-demand products directly to customers at their place of work every day.

Snap-on is synonymous with quality and has over 65,000 products in its catalogue. It spends over \$50 million in research and development each year. The company boasts more than 2,300 active and pending patents worldwide and is committed to bringing the latest innovations to market

Locally, Snap-on have been operating for more than 30 years, with over 170 Snap-on franchises across Australia and New Zealand, each benefitting from our extensive training and on-going support programs.

As a Snap-on franchisee, we'll provide you with the tools to grow. You'll be trained by the best in the business, supported by a dedicated sales, marketing and customer

service team of over 100 staff, with additional sales programs designed to grow your business.

We are looking for motivated, business-minded individuals who share our values, who take pride in their work, are passionate, driven and have a strong work ethic.

A background in sales and customer support is a useful skillset for a Snap-on franchisee, though we believe our comprehensive training program teaches you the skills you need to run your own business.

Our highly targeted marketing strategy allows the Snap-on brand to reach your customers. Each month we develop and execute a range of product specials and competitions to excite and incentivise our customer base and keep them engaged with the brand.

Snap-on also assists franchisees in complying with certain regulatory requirements that franchisees may have.

Franchisees are provided with a protected list of customers, so you are ready to trade as soon as training is completed.

There are also regular events that allow you to network with other Snap-on franchisees. You will be informed and kept up to date via weekly newsletters, monthly sales meetings, annual conferences, on-going training and product information sessions, new franchise training and annual franchise development training.

Snap-on is actively involved in Australian and New Zealand motorsport supporting supercar teams including Erebus, Grove Racing, as well as moto-cross champion Todd Waters and drift competitor Jake Jones.

With the resources of the Snap-on team behind you, we invite you to consider the opportunity to invest in your future.





SNAP-ON AWARDS

Snap-on is committed to bringing its customers the most innovative productivity solutions in the world.

We continue to gather valuable customer insights and combine with our latest technologies. This helps Snap-on products and solutions stay a step ahead.

Snap-on is universally recognised as the highest quality tool manufacturer in the world. In our own local region, Snap-on continues to be recognised as a top performing franchise. For over 100 years, innovation has been at the heart of everything we do and we intend to keep it that way.



SUPPORT



EXPANSION



EXPANSION



CHRIS EDWARDS

30 YEAR SNAP-ON FRANCHISEE



“The support Snap-on offers. They’re just great. They move with the times and they’re always there to help. I wouldn’t be doing this for as long as I have if that kind of support wasn’t available.”

I was a mechanic before this, on the tools, and I even sold cars for six months. I realised pretty quickly that selling cars wasn’t for me, but tools always appealed to me. It’s why a Snap-on franchise just seemed like a natural fit. Mind you, the industry has changed a lot in 30 years...

Automation has changed a lot of product lines over time and there’s a much higher demand for electronic and diagnostic tools now than there has been in the past.

It’s also changed the way the business operates, which is great. It gives me more time to talk with the customer and as we all know, customer service is critical to the success of any business.

The other reality of the business is that it rewards the time you put into it. I work longer hours than a lot of people I know and that’s my choice. It allows me to talk to customers about our products in greater detail and I find that has contributed greatly to the success of my business over time.

Snap-on has a strong reputation and selling a product that’s known for its quality means you’re already one-up when visiting customers. They understand the quality of Snap-on. One of the things I enjoy the most is getting that phone call to say ‘just bring me one’.

All that’s left for me to do, as a franchisee, is to be honest with the customer and make the customer happy.

I’ve been visiting many of the same businesses for 30 years now and those customers are still buying tools from me, growing their tools kits and updating their tools as demands change.

The one thing that hasn’t changed, however, is the support Snap-on offers. They’re just great. They move with the times and they’re always there to help. I wouldn’t be doing this for as long as I have if that kind of support wasn’t available. It makes a massive difference in helping you to sell a product. That’s what’s made it easy for me.



THE 7 STEPS TO



STEP 1

Determine if Franchising is Right for You

By now, you've probably spent a lot of time wondering if owning your own business is right for you.

You may still have many questions, but we are excited you have made it this far in the process. The hardest part is over. You've taken the first step.

Now you can learn what comes next in the 7-step process outlined here. We are excited about your interest to get behind the wheel of your very own mobile store.

STEP 2

Discover the Snap-on Franchise Opportunity

As a Snap-on franchisee, you have the opportunity to own your own business selling the #1 professional tool brand in the world.

We grant you a license to operate a franchised mobile store.

We provide you with a protected list of calls and locations.

You maintain control of your franchise and operate it the way that works best for you.

We will provide support and training.

Complete the form at snapontools.com.au to receive your link to the welcome tour.

STEP 3

Take the Online Welcome Tour

At this stage, we encourage you to take a self-guided tour of our franchise discovery site.

After you complete the tour, take a few minutes to complete our confidential questionnaire and then a Snap-on Representative will call you and setup an online "Discovery" meeting, which moves you one-step closer to getting the keys to your mobile store and becoming a Snap-on franchise business owner.

STEP 4

Ride Along with a Franchisee

During your Discovery meeting with the Snap-on Representative, you will download our Snap-on Franchise Disclosure Document and coordinate a ride along with an existing franchise business owner.

The ride along is an important step, you get a front-row seat for all the action – in the passenger seat – and experience what it really means to "own it".

After the ride along, the Snap-on Representative will schedule your next online meeting.

STEP 5

Attend Online Meeting with the Snap-on Representative

The Snap-on Representative will discuss your ride along experience and make sure all of your questions are answered.

If you and the Snap-on Representative are both feeling that this is a good fit, Snap-on will arrange a call with you and your accountant to go through the financial disclosures in more detail.

We then complete the franchise application process and if you and Snap-on are still interested, we will make you an offer to buy a Snap-on franchise business.

STEP 6

Begin Your Training

This is when your life as a Snap-on franchisee gets real. Your initial training lasts ten days.

Our sessions help new franchisees from various backgrounds feel comfortable selling and servicing Snap-on branded products. You don't have to have experience with tools – we will teach you what you need to know:

- Customer Driven Selling
- Product Knowledge
- Business Management
- Point of Sale System
- Snap-on Credit Financing for Customers

STEP 7

Get Behind the Wheel of Your Mobile Store

At this point, you're a Snap-on franchisee, but you aren't riding solo just yet. For the first 4 to 6 weeks you are in your mobile store, a Franchise Performance Team member will ride along with you to help you get familiar with your list of calls and the Snap-on program.

They can answer any questions you may have and, as experts on the Snap-on program, they can coach you through getting your business started and show you how to demonstrate our products.

MAX HARDY

3 YEAR SNAP-ON
FRANCHISEE



“*The support from head office is really impressive, whether it’s IT, advertising, purchasing or marketing, they’re multi-faceted in their approach and support.*”

I made the jump from employed mechanic to a driven Snap-on franchisee because I was getting bored doing what I was doing as a mechanic. Although I didn’t really know anything outside of the trade, I knew Snap-on through my job and when the opportunity came up to join the Snap-on team as a franchisee, I thought it was perfect that I’d still be around an industry I understood.

The advantage with Snap-on is that there is a lot of training, guidance and support from the very beginning.

The support from head office is really impressive, whether it’s IT, advertising, purchasing or marketing, they’re multi-faceted in their approach and support.

When you think of what we all went through in 2020, Snap-on never left my side. The support was incredible from the head office.

They are there to help you out, and knowing that they’re with you the whole way, it fills you with confidence.

I love it when a customer comes to me with a problem and I can offer them a solution.

Whether it is a new or existing customer, you build really close relationships with the customers through regular contact.

I meet my customers at their workplace, or, at times I will arrange to meet them at their home, whatever works best for them.

Dealing with people, communicating with them and showing them how you can help them is satisfying.

Snap-on explained all the methods and the advantages of having your own business, I wish I had done it sooner. Other than that, just give it a go. Get around people. Don’t stand back, grab the opportunity and make it yours. You won’t regret it for a second.



OFFICIAL TOOL SUPPLIER

Snap-on is actively involved in motorsport across Australia and New Zealand. Our ambassadors currently range from Supercar teams including Erebus Motorsport, Grove Racing, as well as moto-cross champion Todd Waters and drift competitor Jake Jones.



JOHN JONES

4 YEAR SNAP-ON FRANCHISEE



I love being a Snap-on franchisee as it gives me a lot of freedom. I also find that being passionate about what I do really helps.



As soon as I finished the training I was hooked. I knew then that I wanted to own a Snap-on franchise and that I could make a good living out of it. Interestingly, I came from inside the Snap-on corporate world, but I saw there was a lot more opportunity to be financially successful as a franchisee and I'm so happy to have made the move across.

I love being a Snap-on franchisee as it gives me a lot of freedom. I also find that being passionate about what I do really helps. I put a lot of hours in, but I get a lot of reward too. Being able to purchase and hold products that interest me and my customers is terrific. I also love that my family is involved behind the scenes. My wife and son assist with stock control, inventory, IT and paperwork, it's a family business, really.

The other thing I want to call out is the Snap-on programs. It's part of that support framework that's provided and I've found it really beneficial – and there's always a little bit of flexibility within that model to adjust the program to suit your business.

There's also a mentoring side to the franchise that I can't speak highly enough of. I'm mentored by a franchisee who's been in the business for 30 years and his insights have been amazing. By following his advice and being there for my customers at the same time each week, I've been able to build some really solid relationships that have absolutely helped me grow my business.

I was the first Snap-on franchisee in South Australia to earn the Snap-on

gold ring and I am really proud of that. I'm also proud that as a family business I get to celebrate that with my wife and son. We're doing this together and that means a lot. In saying that, you only get out what you put in and that's something you've got to keep in mind if you're planning on a Snap-on franchise.

For me, I have a plan. I'm going to work really hard for the 12 years and then I'm going to retire. I wouldn't have been able to do that if I didn't buy a Snap-on franchise. What's great about that is I've already got four people interested in buying my franchise. They see what I'm doing and they really want to be a part of it. So that reassurance is just great.



ONE OF THE **BEST** OFFICES IN THE **BUSINESS** ””

And here's why:

- Open for business Monday - Friday
- Operating a mobile store direct with your protected list of customers
 - No marketing fund contributions
 - No royalties
 - No rent
- Together, we build a business for you and your family
- Start with one, with the possibility of progressing into multiple mobile stores
- Together, we are the world's largest tool franchise



MARCUS THOMAS

6 YEAR SNAP-ON FRANCHISEE



It's the week-to-week feeling of seeing people that are happy to see me, that's what makes it so worthwhile. It makes going to work really enjoyable.



If you want to do something for yourself, a Snap-on franchise is a really good experience. The brand is reputable and strong. I've worked as a light and heavy-vehicle mechanic before coming to Snap-on and after doing that for 11 years, I found that I was struggling to keep my interest up.

We had a Snap-on truck visit the workshop each week and after speaking with the franchisee I was determined this was something I wanted to do. To be completely honest, I haven't looked back. I wish I'd done it sooner.

Although I do more hours now, it's definitely worth it. There's as much opportunity as you're willing to take. It's a situation where the more you put in, the more you get out.

But it's not like you're chained to the truck. I can adjust my schedule to suit my life and with three kids, that's been something that's really important to me.

The financial side and the flexibility is what keeps me going – the past six years has really flown. I also love that my wife is involved in the business now and she really enjoys it. It's been really good for our family.

I think it helps to have a positive attitude and it's pretty easy to keep a smile on my face. It's also important to keep the truck well stocked, as it gives customers an idea of what's available and gives them some good ideas on what to buy.

Last year, I won franchisee of the year in New South Wales and that's made

doing this even more worthwhile. Being recognised by Snap-on is a really good feeling. I genuinely believe I could do this for another 20 years.

But it's more than that. It's the week-to-week feeling of seeing people that are happy to see me, that's what makes it so worthwhile. It makes going to work for my own business really enjoyable.

The other great thing is the support you get. I mean, I can call the team at any time and they're always able to sort things out. They really do go above and beyond to get things sorted for you in a short timeframe and that sort of support is really, really good.

There's a lot of reassurance there and I really can't speak highly enough of it.



INVESTMENT

Snap-on has achieved consistent success since 1920, built on delivering quality, value, and integrity. The franchise has a low-level initial cash investment requirement and requires no marketing fund contributions, royalties, or rent. This could be your chance to purchase a business and build your own story.

INITIAL INVESTMENT

You can own a Snap-on franchise business with an initial investment between:

\$28,500 - \$31,000*

plus

\$13,000*

working capital for qualified applicants.

Snap-on can help qualified applicants finance the balance.

*Depending on the mobile store

TERMS OF FRANCHISE

The term of the agreement is:

6 YEAR TERMS

(Initial 6 year term with the option for a renewal term of another 6 years)

Franchisees are required to work in their business on a full-time basis (Monday to Friday) and participate in running all Snap-on programs.

The franchise disclosure document includes additional information about the terms of the Snap-on franchise.

This document will assist you in conducting your due diligence and to make an informed decision when purchasing a Snap-on franchise.

The franchise agreement is the contract between Snap-on and a franchisee. It sets out each party's rights and responsibilities. A draft version of the agreement may be supplied if you progress through our discovery process.

RECURRING PAYMENTS

At Snap-on we are focused on helping you to sell more tools.

Ongoing payments are described in our disclosure document, but a Snap-on franchise does not have:

- Ongoing Royalties
- Marketing fund levies
- Turnover charges
- Property rent or leasing costs

Snap-on may offer the opportunity to own multiple Snap-on businesses to existing franchisees that have a proven track record, have the financial ability to acquire an additional business and have a business plan to operate multiple businesses.

Contact Snap-on at www.snapontools.com.au to request further information



Australia
1800 762 766

New Zealand
0800 762 766

Email
sota.franchise@snapon.com

Website
www.snapontools.com.au

Snap-on was founded in 1920 in Wisconsin, USA and has operated in Australia since 1988. Snap-on Inc. is listed on the New York stock exchange (SNA) and has a presence in over 130 countries around the globe. Snap-on's mission is to provide the most valued productivity solutions in the world.