

# Prospectus



*The Gadget and Gifting industry is Big Business  
...Now is the time to join the Best in the industry.*

If you have a passion for health, sales and for people, join the winning team of experts and be a success by owning a GADGET Shop business.

...we are looking for new franchisees that are **dynamic, positively minded, go-getter-type** people with a great sense of business ethics, who place a high value on social development and will be willing to join a structured franchise system with The Gadget Shop.

## About The Gadget Shop

**Gadgets and gizmos** are the best gifts around for grown up girls and boys. In the age of technology they are an excellent demonstration of science at work, **gadgets and gizmos** have the power to bring out the "Wow, look at that!" factor. Thank you to all those geeky **gizmo** designers for all their hard work to put a smile on everybody's faces!



Here at the Ultimate Gadget Shop we specialize in high quality, up to date gadgets and novelty items for every occasion. The GADGET Shop prides themselves on service, price and reliability.

The GADGET Shop offers the best in quality and unique, never-seen-before gadgets, gifts, electronics and lifestyle products. Our products are offered online, but we also have local, brick-and-mortar shops, which you can visit should you wish to see, touch and feel the product first. This fact provides our customers with peace of mind, worry-free shopping, knowing that they can at any time contact the stores in case they need support or other information.

## Our Products

- Audio Visual
- Boys Toys
- Business & Office
- Car & Travel Gadgets
- Computer Accessories
- Gifts
- Home & Garden
- Lighting & Accessories
- Puzzles
- R/C Toy's
- Safety & Security
- Sports & Outdoor
- Time & Projection Clocks
- Voice Recorders
- Weather



## Why The GADGET Shop?

The GADGET Shop is the name Pretoria has trusted for six years. When the customer chooses The GADGET Shop, they can expect the highest quality service, the latest technology and the most attractive gadgets available. The GADGET Shop will not only help you find the best gadget gift, they'll help you enjoy a fuller life. If one struggles with finding the best gift, choose the name everybody can trust in. Choose The GADGET Shop.

## **The GADGET Shop Vision**

"To be the preferred supplier of gifting gadgets through quality, innovation and caring".

### **Our Values**

- Respect – We value people and seek to understand and appreciate each person's contribution. We seek to build high trust relationships.
- Integrity – We honor our commitments to others. We are ethical, honest and fair in our business affairs.
- Communication – We share useful information timely, openly, and honestly. We listen attentively and consider all points of view.
- Teamwork – We collaborate with and are accountable to one another. We strive to achieve the most for the collective good of all.
- Action – We take action, meet challenges, and find solutions. We are creative and innovative.
- Service – We honor our customers and franchisees by providing timely, accurate, and complete service and support. We strive to exceed their expectations and create opportunities for success.
- Growth – We continually learn and improve ourselves to ensure greater opportunities, successes, and rewards for the entire The GADGET Shop network. We will grow and strengthen our brand presence domestically through planned strategies that ensure success for our franchisees and our brand.

### **The GADGET Shop**

is in the process of applying for membership with  
THE FRANCHISE ASSOCIATION of SA (FASA)

## Managing Director: Hannes van der Walt

I'm a self-motivated, focused entrepreneur, with a wide range of experience in the gadget and gifting industry. My other passions include gadgets, computers and technology. My passion led me to develop two excellent Gadget shops, one in Brooklyn, Pretoria (opened 2005) and the other in Randpark Ridge, Johannesburg (opened 2010). Our first Franchise store opened in Centurion Mall (Pretoria) on 20 May 2011.

Today I have 17 years of extraordinary entrepreneurial success and experience to offer and together with my determination, passion, vision and will to succeed, *The Gadget Shop* is now destined to become one of the greatest, biggest commercial focuses South Africa has ever seen!

### The heads of The GADGET Shop franchise agreement are:

- 5 Years with the option to renew after five years
- Set-up cost: R 700,000.00 (excluding VAT) which includes opening stock to the value of approximately R 350,000.00 (excluding VAT). The balance includes complete shop fittings (display cabinets, floors, lights, signage, POS system, etc)
- Franchise fee: R 50 000.00 (excluding VAT) which is payable upon signing the Franchise contract
- Owner operated

**Set-up cost: R 700,000.00 (Excluding VAT)**

**Franchise Fee: R 50,000.00 (Excluding VAT)**

**Total: R 750,000.00 (Excluding VAT)**

The total set up cost provides you with a complete turnkey operation. The franchise fee is a once of payment for each franchisee that is opened. It secures the rights to operate

a franchise, using The GADGET Shop trademarks and business systems. This includes training for 30 days.

### **Management and marketing franchise fee:-**

**Management Fee: - 3%** (Excl. VAT) monthly of Turnover

**Marketing Fee: - 2%** (Excl. VAT) monthly of Turnover

### **Assistance with finance**

The GADGET Shop has preferential status with some of South Africa's leading financial institutions and Franchise in a Box Consulting to provide support to would-be franchisees.

### **Working Capital: - R 50 000.00**

We recommend R 50 000.00 as an initial start-up working capital. This amount can either be provided in a form of an overdraft or your own funding can be used for this. These funds will be used to support your cash flow in the initial start-up phase.

### **The GADGET Shop marketing Ethos**

The GADGET Shop conducts marketing and advertising activities which are funded by a central marketing fund from monies collected from the advertising levy appropriated to all franchisees.

We will advise on any local marketing. Appropriate mediums and advertorials in relevant consumer and trade magazines are generally used with a combination of shows and press advertising. Joint promotions and direct mail will be encouraged to

convey The GADGET Shop message to a defined market. The direct selling concept is the very core to The GADGET Shop mode of operation. Each franchise operates independently, marketing and selling the services to the consumer.

## **Training**

The GADGET Shop offer an intensive in-house training Course for franchisees and BTO managers for 14 days minimum followed by on-the-job training on the training site. Other training courses are also available at various times during the year and will be run on an ongoing basis.

## **Franchisee profile**

The GADGET Shop is particularly interested in people who possess most or all of the following attributes:

- A people's person who is able to work with the public and have a pleasant, positive and caring nature;
- He or she must have very good selling skills; experience in direct selling is preferable;
- A self-motivated and organised person who wants to succeed and be prepared to work as part of a team;
- Financially and ethically sound person who treats customers, suppliers and The GADGET Shop support office with integrity; and
- Approximately 40% of total set-up costs available in cash plus 6 months personal living expenses while the Franchise outlet is being established.

## Current Franchisees

<b>Pretoria (Brooklyn)</b>
Tel: (012) 346 2726
Fax: 086 518 4388
<a href="mailto:brooklyn@thegadgetshop.co.za">brooklyn@thegadgetshop.co.za</a>
9am - 6pm (Mondays to Fridays) 9am - 5pm (Saturdays) 9am - 2pm (Sundays)
Shop 64 Brooklyn Mall (Next to Capital Liquor, Checkers Entrance) Brooklyn Pretoria
<b>Pretoria (Centurion) New!</b>
Tel: (012) 643 0967
Fax: 086 628 8153
<a href="mailto:centurion@thegadgetshop.co.za">centurion@thegadgetshop.co.za</a>
9am - 7pm (Mondays to Thursdays) 9am – 8pm (Fridays) 8am - 6pm (Saturdays) 9am - 5pm (Sundays)
Shop 239 Centurion Mall (Next to Cell C Superstore) Centurion Pretoria

<b>Johannesburg (Randparkridge)</b>
Tel: (011) 792 4912
Fax: 086 518 4388
<a href="mailto:randridge@thegadgetshop.co.za">randridge@thegadgetshop.co.za</a>
9am - 6pm (Mondays to Fridays) 9am - 5pm (Saturdays) 9am - 2pm (Sundays)
Shop 228 Entrance 1 (Woolworths Entrance) Randridge Mall Randpark Ridge Johannesburg

### **Benefits of being a GADGET Shop Franchisee**

1. You immediately become part of a going concern
2. You start your business step by step with the support, expertise and knowhow of The GADGET Shop management team.
3. You have The GADGET Shop brand name which is readily accepted by customers and potential customers.
4. You benefit from continuing guidance and management support.
5. You are equipped with marketing and sales support and administrative procedures to ensure maximum results.
6. You benefit from the constant interplay of new ideas resulting franchisee interaction.
7. You receive the benefits of co-operative national advertising.

## **The GADGET Shop recipe for success**

1. Top class customer service in a pleasant atmosphere.
2. Competent management and personnel.
3. Well planned and organised business management.
4. Tight control of staff, administration and finances.
5. Never taking unfair advantages of clients, but conducting business in a fair and ethical manner.
6. To maintain excellent payment record with all suppliers, landlords and other creditors.
7. Brilliant expertise in sales and marketing.

## **What you get for your investment:**

1. Assistance with the start-up programme and identification of needs.
2. Advertising material templates.
3. Assistance with joining specified suppliers.
4. Training and continued follow up training.
5. Proven marketing and sales strategies.
6. Advice and assistants.
7. Annual conference held in the beginning of each year where all franchisees will be present.
8. Once the franchise agreement has been signed and the franchise fee has been paid, on the job training and start-up assistance will be provided.
9. Franchise operations manual.
10. Opening stock and equipment.

## What we expect of you:

1. A commitment and determination to succeed.
2. Hard work and dedication to do the task.
3. Hands on Management.
4. Loyalty to The GADGET Shop ideals and objectives
5. A consistent standard of service in the areas of service range, customer relations and efficient service.
6. Compliance with the franchise agreement.

## Where are we looking for Franchisees?

<b><u>Gauteng</u></b>			
Alberton	Brooklyn	Pretoria East (Reserved)	Centurion
Bedfordview	Randburg	Strijdom Park	Benoni
Kempton Park	Randfontein	Vaal	Vanderbijl Park
Boksburg	Krugersdorp	Roodepoort	Cresta
Brakpan	Lenasia	Vereeniging	
Midrand	Lonehill	Rosebank	Wanderers
Southgate	Fourways	Sandton	West Gate
<b><u>Kwazulu Natal</u></b>			
Ballito	South Coast	Musgrave	Richards Bay
Durban Central	Hillcrest	Newcastle	Vryheid
Durban North	Ladysmith	Pietermaritzburg	Westville
Durban South	Midlands	Pinetown	Umhlanga
Empangeni			

<b><u>Western Cape</u></b>			
Atlantic Seaboard	Hermanus	Paarl	Swellendam
Beaufort West	Langebaan	Pinelands	Tableview
Blouberg/West Coast	Long Beach	Rondebosh	Tygervalley
Blue Route	Milnerton	Sedgefield	Tokai
Constantia/Kenilworth	Mossel Bay	Somerset West	Vredendal
Durbanville	Oudtshoorn	Stellenbosh	Worcester
<b><u>Eastern Cape</u></b>			
Aliwal North	Gonubie	Jeffreys Bay	Port Alfred
East London	Grahamstown	King WilliamsTown	Port Elizabeth
East London- Beacon Bay	George	Plettenberg/Knysna	Uitenhage
<b><u>Northern Cape</u></b>			
Kimberly	Upington		
<b><u>Mpumalanga</u></b>			
Ermelo	Nelspruit	Sasolburg	Witbank
Middelburg	Piet Retief	Secunda	
<b><u>Free State</u></b>			
Bethlehem	Colesberg	Kroonstad	Welkom
Bloemfontein	Harismith	Parys	
<b><u>North West</u></b>			
Bloemhof	Klerksdorp	Potchefstroom	Vryburg
Brits	Mafikeng	Rustenburg	Zeerus
<b><u>Limpopo</u></b>			
Machado (Louis Trichardt)		Polokwane (Pietersburg)	

**...Now is the time to join the best in the industry – The GADGET Shop.**

**We invite you to join our winning team and become part of our success story by starting your own GADGET Shop Franchise. You will be backed and supported by the management and dedicated staff of The GADGET Shop.**

**Contact**

**Hannes van der Walt**

**Now on**

**Cellular: 072 664 4409**

**Tel: 012-3462726**

**Email: [Hannes@thegadgetshop.co.za](mailto:Hannes@thegadgetshop.co.za)**

Thank you for your time. If you wish to receive further information regarding this Franchise Concept, please complete the Confidentiality Agreement below email or fax back to 086 518 4388, upon which we will forward a Disclosure document to you, detailing more about the business and its finances.

## Confidentiality Agreement

I, .....

ID Number.....

of.....

.....

acknowledge that I am looking into the possibility of purchasing a The GADGET Shop franchise from The GADGET Shop. Confidential information will be made available to me. I agree for a period of two years from the date of signature that I shall neither directly or indirectly, nor through family, a Company or Close corporation, participate or have any interest in the carrying on of business in competition with The GADGET Shop operation, anywhere.

The parties hereto acknowledge that the aforesaid restraint of trade is just and reasonable, both as to period and areas. I will also not disclose any confidential information regarding the affairs of The GADGET Shop to any other party.

**Prospective Purchaser:** \_\_\_\_\_

As Witnesses      1. \_\_\_\_\_      2. \_\_\_\_\_

Date      \_\_\_\_\_

**The GADGET Shop:** \_\_\_\_\_

As Witnesses      1. \_\_\_\_\_      2. \_\_\_\_\_

Date      \_\_\_\_\_