



BUILDING A BUSINESS

ONE FENCE AT A TIME

Experience and an innovative approach to providing the best possible outcomes for their franchisees has allowed Jim's Fencing to become one of the most well-known and trusted fencing businesses in Australia.

Keeping the priority focused on customer service and content franchisees, Jim's Fencing is now faced with a most pleasant dilemma. They have an overflow of work and not enough franchisees to do the jobs. This means it is the absolute ideal time to join this iconic brand.

WHERE IT ALL STARTED

Warren Smith, Divisional Franchisor for Jim's Fencing Australia and New Zealand and Regional Manager for Melbourne, remembers where it all began for him.

"I was living in Queensland and had two

jobs within the car industry. Everything was good, the money was good..."

But Warren wasn't convinced this was where he wanted to be. He said he woke up one morning and said to his wife, Vea, he wanted to leave his jobs, sell the house and pursue another path.

Warren and Vea looked into some strong possibilities for their future, but the businesses they were interested in were out of reach due to obtaining the needed financing. By then they had returned to their native Melbourne.

According to Warren, in the middle of their search, he picked up a local paper and saw a business for sale - Jim's Fencing. He instantly recognised the logo and then the work availability guarantee caught his eye.

Intrigued by the proposal, Warren made the call to inquire about the business

opportunity. Initially interested in joining as a franchisee, the more he discussed the business, the more interested Warren became in taking on a master franchise.

Satisfied with the initial offer, Warren and Vea took over the Eastern Melbourne region in 2001 – as both a franchisee and a regional franchisor.

GROWING THE BUSINESS

Warren is the first to admit that when he took on his new position the business was small and had no real systems or specific manuals or structure in place. As with most small businesses, it had evolved from the hard work of the initial founders, but had not gone to the next level needed for growth.

With a desire to see Jim's Fencing grow, Warren and Vea committed themselves to building a foundation from which the business could expand properly, with



consistent structure, specific fencing manuals, support and training.

I BUILT AND BUILT AND BUILT

“The business had been running for five years when I joined,” said Warren, “and had about 18 franchise owners, but no real systems in place.”

Warren took over and immediately went to work on creating a franchise model which would move the company forward. Developing the manuals and training programs was a natural evolution.

“It was not part of the initial agreement, but done from necessity. It was done reasonably quickly but with a hell of a lot of work from myself and from Ve’a,” said Warren.

In just over two years, Warren and Ve’a had taken Jim’s Fencing from 18 franchisees and three franchisors in Melbourne and ACT to over 100 franchise owners throughout Australia.

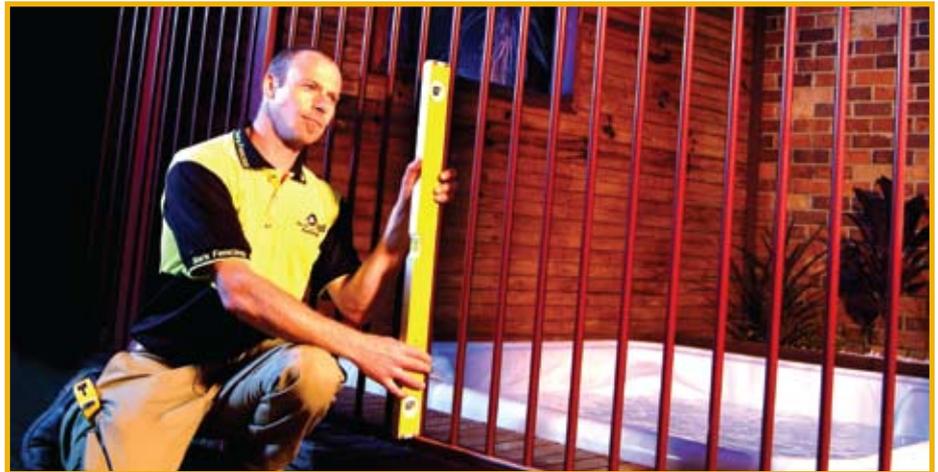
It was the first non-mowing division to reach 100 franchise owners.

“By the end of 2003,” Warren said, “I had over 100 franchise owners operating in every part of Australia except the Northern Territory.”

A HANDYMAN TOO!

Not one to slack off, in 2003, Warren then took on Jim’s Handyman, which later became Jim’s Building Maintenance. Warren took his experience with revamping Jim’s Fencing and applied the same methods to the building maintenance division.

In addition, Warren developed Jim’s Pergolas and Jim’s Painting from the ground up. By 2005, Warren and Ve’a had approximately 300 franchisees and 45 franchisors across Australia working in fencing, building maintenance, pergolas and painting.



THE NEXT STEPS

According to Warren, “By the end of 2005 I had sold off the other three divisions and went back to my first passion being Jim’s Fencing.

“After the dust settled in 2006 I did spend some time working at the Jim’s National Head Office as ‘National Operations Manager’ – for a short while. I also spent time on the Advisory Committee as well.”

Due to Warren and Ve’a living on a small farm in rural Victoria at that stage the work at head office was not feasible due to distance issues.

As with many things in life, clarity comes when we are most relaxed. Having successfully grown the Jim’s Fencing division over the years, Warren always felt there was still room for improvement.

While on holiday in Fiji with Ve’a and his family, Warren said he realised it was time to restructure the whole training procedure.

“When I came home I set about designing modules and exams,” said Warren.

Warren’s plan was to extend the training period and ensure the franchisees were shown how to run their business from top to bottom. Not only with the physical training, but the business side as well.

Once created, this Jim’s Fencing exclusive training course was implemented in late 2006.

“Accredited trainers, who follow a code of conduct, take franchisees out to actual jobs,” said Warren. They have seven weeks back to back training with reports coming back to the franchisor.

“There are checklists for the franchisee of things to complete each week and the results go back to the franchisor.

“The eighth week is held for franchisees to

expose them to types of fencing they have yet to experience and also to make sure they haven’t picked up any bad habits!”

BETTER EQUIPPED FRANCHISEES MEAN BETTER BUSINESS

“After I implemented the eight week training program there was a sharp drop in workmanship issues (complaints), a sharp drop in attrition and a further increase in income,” said Warren.

This confirmed that the shift to more training had the desired outcome.

As Warren said, “It was well worth the effort.”

In addition to the training, Warren said, “As divisional franchisor I survey all new franchisees across Australia to gauge the quality of their intake and the quality of their training so as to get direct feedback.

“In the fifth week, franchisees are surveyed by me over the phone,” said Warren. Which has allowed him to tweak a few minor things with the training, but overall the feedback from franchisees has been incredibly positive. This feedback is also made available to the Franchisors to assist them in areas that may need addressing.

Warren also said he keeps an eye out for franchisees.

“In our system we do proactive calls once per month (franchisor calling the franchisees). When they are new, we call them weekly. During the monthly calls we formulate topics for our meetings held approximately every six weeks.”

This ensures all issues are dealt with immediately and any pressing issues are brought to the group meetings to be discussed and resolved. This benefits all the franchisees.

THE STUMBLING BLOCKS

Warren found one of the biggest setbacks for new franchisees was not properly accounting for the necessary funding to see them through the first few months.

To remedy this, Warren is very clear on the financial commitment of franchisees. It is also part of the reason he changed the training process.

Initially franchisees were told to not buy the business if they couldn't cover their existing debts and the current costs of the business. Many new franchisees assumed they could do this, but had not been realistic and a few weeks into the business training started running out of money. This was not a good scenario for the franchisor or the franchisee.

Warren said they are now much more selective in their franchisees and have also developed a system whereby the new franchisees basically borrow enough money to cover themselves and obtain a salary during the eight week training period until they are out on the job and earning an income.

WHAT DOES THIS MEAN FOR FRANCHISEES?

With such successful training procedures, structured manuals and ironclad support, this means franchisees are entering a strong and thriving business.

In fact, Jim's Fencing is at a point in which they are actually reluctant to advertise the business, as they have too many leads to fill as it is and not enough franchisees on the ground to do the work.

Can you imagine? A business that has too much work available? This means franchisees can jump in, complete their training and immediately have as much work as they are ready to take on.

And franchisees have the right to choose how they obtain their leads. If they are content to have head office generate all their leads, they can fill their schedules without any worries and pay a modest lead fee to the Franchisor.

If at some point the franchisee starts generating their own leads – these are theirs to keep. No referral fees back to the franchisor. The franchisee generated the lead, did the work and is able to reap the rewards.

The system is specifically designed to allow flexibility as not all franchisees are the same. Some are eager to take on as much work as possible and are happy to work longer hours

and full workweeks. Other franchisees may choose to take on only a few jobs per day and work four days a week. Jim's Fencing accommodates both types and supports each franchisee to reach their individual goals.

WORKING THE SYSTEM

Jim's Fencing also utilises a Franchise Management System (FMS) to track the progress of all jobs and all franchisees.

Warren gave a quick example by looking at his FMS.

"I have a new guy that just started with us. I can monitor everything he is doing. He started in Southeast Melbourne on February 2. On his first day he had eight leads, second day three leads, five on the third day and six on his fourth day.

However, nothing is stopping you from running multiple trailers and multiple jobs, working two or three trailers at a time by subcontracting or taking on full-time employees do the work. The franchise owner can then build quite a good business".

TIME TO ACT

Warren said, "I am looking nationwide for franchisees as well as Franchisors for New Zealand. We need another 50-60 people just to keep up with the leads we have now in Australia.

There are numerous franchise territories available, in metropolitan city locations and regional locations. For Regional (Master) Franchisor opportunities see our website for availability.



"He had a total of 102 leads in one month from head office. He doesn't have to take these leads, but they are available if he wants them," Warren said.

WHO MAKES A GOOD FENCING FRANCHISEE?

Warren is the first to say that prior fencing experience is not essential.

"First and foremost, we are looking for good communicators. You have to be good with people. We can teach franchisees the fencing skills and the business skills, but they must have the natural interpersonal skills.

"Following the system is essential also. However the flexibility to grow the business to your own satisfaction allows for all types of franchisees.

"If you are happy to work with one trailer and take on a few jobs a week, great.

A STRONG BRAND

Jim's Fencing has been able to not only survive the GFC but continues to thrive.

"The beauty and truth is that there was no crisis for Jim's Fencing," said Warren. "I have not felt one single blip in sales. Fencing is a necessity, not necessarily to protect your property, but kids and dogs need to be safe and most of us have them!"

Warren is happy to discuss the various opportunities available with anyone who is interested in taking action and making a change.

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