

# Water Cooler

## MD's Letter

Dear franchisees

It's hard to believe it's already the middle of February! With the Global Financial Crisis slowly fading into the economic background, I do hope you're as excited about the coming year as we are. Luckily, the cleaning industry is reasonably recession-proof – after all, businesses will always need cleaners – but improved financial conditions are certainly welcome!

Please enjoy this latest edition of *Water Cooler*. In this issue, we discuss the state of franchising in 2010, our exciting new marketing plans for Mastercare Property Services, and some of our most recent press.

And don't forget, if you need any business advice or assistance, we're just a phone call away!

Kind regards  
Colin Walker  
Managing Director



## Good news for franchising in 2010

For so many people, a chance to be their own boss remains a key career focus. And franchising represents a great option for anyone wanting to work for themselves, not by themselves. So what's in store for the franchising sector in 2010? Based on the most recent stats and surveys, things are looking good!

Although uncertainty has surrounded the economy in recent years, the Australian franchising sector continues to expand. In 2004, there were 850 franchisors across the country. That figure grew to 960 in 2006, and 1,100 in 2008. The Franchise Council of Australia will release its 2009 figures sometime this year. We'll let you know the results as soon as they're out.

According to another survey, released in September last year by PricewaterhouseCoopers (PwC), the franchising sector can look forward to strong growth over the next one to three years. That's despite the fact that 46% of franchisors report that access to capital and bank lending policies has been a major challenge to reaching short-term growth targets.

Based on Mastercare Franchising's success in 2009, it comes as no surprise to us to learn there was a huge franchising boom last year. In fact, despite a couple of franchising insolvencies - Kleenmaid and Midas - 2009 saw above-average sales and profitability for many franchisors.

Franchisebusiness.com.au, a leading industry website, has also reported a sharp increase in public interest in the franchising sector, with their visitor numbers up 15 percent compared to 2008.

Even more interestingly, a recent *BRW* survey reports that, although 67 per cent of fast-growing franchise systems claim to have prepared for the downturn, just 18 per cent said the GFC was a key concern.

At the recent Melbourne and Sydney Expos, exhibitor numbers were up and visitor numbers leapt 25 percent and 30 percent respectively, compared to the previous year.

Franchising now represents \$130 billion to the Australian economy. Combined with other factors, like rising interest rates and changes to franchise legislation, chances are good that things will just keep getting better.



## New focus on MPS marketing plan in 2010

This year, we are committed to growing our wider business – Mastercare Property Services – in order to offer our franchisees bigger and better contracts, in more locations, right across Australia. That’s why we’re looking into a number of new marketing initiatives that will see the Mastercare name on the lips of business owners and decision makers everywhere.

The people in our marketing team have their heads down, feverishly coming up with great new ways to market our business. Ideas include print advertising, sponsorships, referral campaigns, direct marketing and a renewed emphasis on telemarketing, to name but a few. We’re very excited because, the more Mastercare Property Services grows, the more our franchising arm grows, and the more fantastic opportunities we can offer our franchisees, now and into the future.

### FRANCHISEE OF THE MONTH Julia Chang

Julia Chang worked in the world of Finance before taking the plunge and switching to a career in contract cleaning. “What first interested me about Mastercare Franchising was the flexibility, the opportunities, and the fact that the staff were very helpful,” says Julia. “In the future, I’m looking forward to making plenty of progress, as well as learning, and growing and expanding my business.”

According to Julia, “I enjoy being able to manage my own business, and the freedom that comes with working in a good environment.” And if she could describe her business approach in one word? “Commitment,” says Julia. That’s the kind of attitude that will take you far, Julia! Welcome to the Mastercare team!

## Breaking news!



The word is out! Mastercare recently garnered interest from well-respected industry magazine, *Franchising*. The January/February issue features a two-page article in its ‘Spotlight’ section. The article examines who we are and what we offer. If you’re interested, you’ll find the full article on page 125 of *Franchising*.

### Contact

Got questions or story ideas? Get in touch with Cheryl Fitzell, our *Water Cooler* editor, on 0402 672 076.

