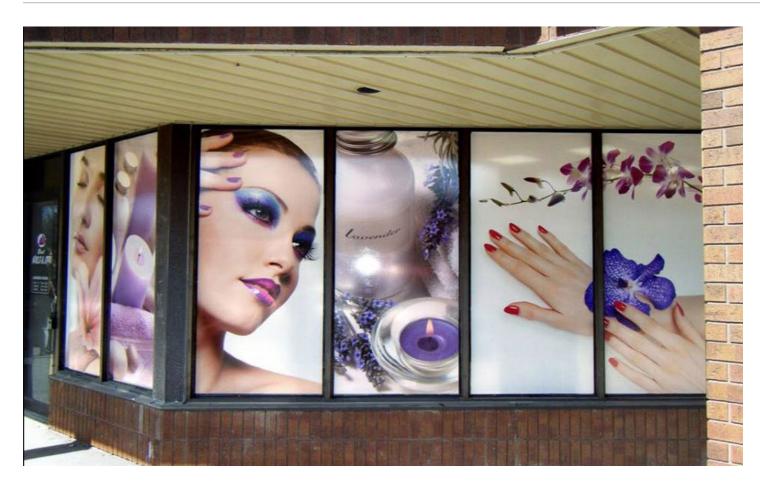


SIGNARAMA







SIGNARAMA

THE WAY TO GROW YOUR BUSINESS





ignarama is an international sign and advertising franchise operating under the umbrella of the United Franchise Group (UFG), led by CEO, Ray Titus. The company was founded in 1986, when the first pilot store opened in Farmingdale, New York.

Jim "JT" Tatem, the current President of Signarama, was there at the beginning and, today, presides over a franchise network of more than 800 locations in 60-plus countries around the world.

Recently Business View Magazine spoke to JT about the history, growth, and current state of the company that Entrepreneur Magazine named the Number One Sign Franchise in 2013 and 71st overall franchise in 2015. The following is an edited transcript of that conversation.

BVM: Can you talk about how the franchise got started?

JT: "We were part of another franchise organization that had been around since the '70s in the print industry, called Minuteman Press. Minuteman served business owners with commercial and offset printing needs – fliers, business cards, letterheads, etc. – and they had worked very closely with a company called 3M - Minnesota Mining and Manufacturing. They had a lot of success working with them in their industrial graphics division.







"3M had another division called commercial graphics that manufactured a product called pressure-sensitive, vinyl film. It had been used, primarily, in fleet markings and military vehicle markings. They saw an opportunity to take that product to the end user, being a sign buyer. And it was a product that would replace the traditional, hand-painted signs that would crack and peel and chip and fade and flake over time.

"So, combining 3M's materials with some technology from a company called Gerber Scientific, we launched the first Speedy Signarama USA store in Farmingdale, New York, in 1986. We thought that would be a good test market for us. And the reason we thought the timing was right was because we found that customers were having to go to three, four, five different sign companies to get all their sign needs met. They would go to one large company to get the lighted signs that were going to go on the side of the building, saying 'here's my restaurant,' but then they'd have to go to a different company to get a banner to put out front when it was time for the grand opening, and they'd have to go to a third company to get name badges for the waiters and waitresses that were going to work in the restaurant.

"So, we thought it was a great opportunity for us to say, 'What if we created







a one-stop sign shop so that a customer looking for any type of sign, large or small, paper sign, all the way to the out-door, lighted sign, could go to one place, and the Speedy Signarama USA store would be able to be their full-service sign center?'

"Roy Titus was the founder of Minuteman, and his son, Ray, who today is our CEO, was the first salesperson in the Farmingdale store, and I was the first production person. Ray sold the signs, I made the signs and that's how we started store number one. We opened a second company store in North Palm Beach, Florida to test a separate market at the end of 1987. We ran that store for a significant period of time and then decided we'd proven it in two different markets and it was time to begin franchising.

"So, we moved into franchising mode. At that time, my role shifted and I became the training instructor for new franchisees coming into the business. Most of our franchisees don't come from previous experience in signs, banners, graphics, and many of them had never run a small business, before, so when we created our training program, we took those two things into consideration.

"So, the two-week training that we created was to teach franchise operators how to find customers, hire and train the right staff, understand the products and



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materials, learn how to operate the equipment, make the signs, schedule the work, check the quality of the work, handle the key accounts, but most importantly, actively market and promote the business, because we always found over the last 30 years, that the best way for us to grow our stores is through a unique, active marketing program, which means that the franchise operator and, oftentimes, an additional outside sales representative that they hire, are going into the local business community, explaining who we are, what we do, and where we're located. And that's the primary way we generate business for the stores."

BVM: So if you're not necessarily looking for those with print or store experience, what do

you look for in a potential franchisee?

JT: "We're looking for franchise operators who are hands-on people. This is an owner/operator model. We prefer franchisees who are going to be willing to get out into the business community, lead their organization, build their team, and help other businesses in their community get more business; but are also looking for a good quality of life. We're a retail location, but with business hours. You don't have to be there at four in the morning until midnight. It's typically 8:30 to 5:30, Monday through Friday."

BVM: How do you find those people? How do they find you?

JT: "We exhibit at all the major trade shows;





each year there are at least three major franchise shows that are part of the International Franchise Exposition. We do a large Paris show in the spring; we do shows in Sydney and Melbourne; we do shows in South Africa, Canada, the UK. So, franchise shows are still a large part of finding both domestic franchisees as well as master license partners. Of the 60-plus countries that we're in, today, we franchise directly only in the United States and Australia. Every other country we're in is through a master license partner – someone who has purchased the rights for the Signarama brand in their country.

"There's also our own website and the UFG website; both have a lot of information for prospective franchise buyers. We get a majority of our leads for new franchisees through our own corporate sites. There are referrals from existing franchise partners; we do a lot of work with brokers; a lot comes in from franchise portals. And we have a lot of success with conversions of independent sign or print companies who are looking to take their business to the next level and they see

the benefit of joining a franchise to do that.

This year alone we've had about seven or eight new franchisees join us that way.

BVM: How do your stores compete in a very competitive marketplace? What sets them apart?

JT: "Obviously there are a lot of other sign companies. There were many in business before we came onto the scene and there are still many out there, both independent and franchised. I think that the first thing that sets us apart is that full-service mentality-that full-service concept. We're interested in going after the higher end client; somebody who is

AT A GLANCE

SIGNARAMA

WHAT: An international sign and advertising franchise company

WHERE: Headquarters in West Palm Beach, Florida

WEBSITE: www.signarama.com

concerned about the visual integrity of their branding, their products, their services.

"And, I think the personalized service is definitely a differentiator for us. Many sign companies, today, sit back and wait for customers to come find them. We believe in a much more proactive and service-oriented approach. We're









going to come see you to talk to you about your needs. We're going to come back and show you what your sign is going to look like before we actually make it. We'll personally deliver the sign to you to make sure you're satisfied with the quality. That customer experience sets us apart. That full-service capability sets us apart.

"And the fact that we're small enough on a local level to handle the personal service that any client deserves, but we're large enough on a global level to handle any size account. So to have a local, as well as a national and international footprint, is definitely a differentiator for us."

BVM: What kind of support do you offer your franchisees?

JT: "We have one customer – our franchisee. When they're successful, we're successful. The bottom line for us is to continually look for new, innovative ways to bring them additional revenue streams and increased profits. So, we're constantly looking at what is new and exciting. We do lots of the research and development for our franchisees. They have the latest and greatest hardware, software, and technology available for their production.

"Franchisees also get 30-plus years of our franchising experience. We know



the products and services that we're helping them provide to their clients and we have local backup and support. We have 205 people on staff, right now, and many of those people, more than half, are regional people. They're set up in our regional offices in New York, Chicago, Bos-

ton, Baltimore, Virginia, North Carolina, Atlanta, Houston, Dallas, L.A., San Francisco, Oregon – and those people are there on a local level to provide support to the franchisee when they first open and ongoing support to the franchisee and their team as the business is growing.



So, they're in business for themselves, but they're not by themselves. They've got a great team of people around them."

BVM: Anything of note recently happen at the company? **JT:** "We're just completing a refresh of the brand – a change of the identity, modernizing the name, adding an icon, adding some technology to the brand itself, and moving away from our former tagline which was: 'Signarama – Where the World Goes for Signs,' to 'Signarama – The Way to Grow your Business.' We're becoming more of a marketing and consulting company for our customers. It's not just, 'Yes, I can do your banners and your business cards,' it's 'I can also help you if you're going to do a tradeshow and give you pointers on what you should do when you're there."



BVM: How about going forward?

JT: "We have a very heavy concentration from a marketing standpoint on products that fall in the category of what we call 'wall art' or 'wall graphics,' or 'wall décor.' You may go into a retailer or a service or hospitality business, and you begin to see, now, that instead of just painting a wall one color, that wall now has graphics on it. And what we've seen is double-digit growth over the past two years in wall décor as a medium. Now, our stores are much more heavily involved in being able to help clients, who are not just looking to put signs on a building, but to change the way the interior of their building looks by adding graphics to the walls, or the floor. So the same equipment that we traditionally use to create vehicle graphics and window graphics is now also being used to produce wall décor. We









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do it interior and we also have materials that allow us to do wall décor on an exterior, concrete block or brick wall. Years ago you had to find somebody who was a mural artist to paint that. Today, we digitally print it.

"And a lot of our franchisees have embraced the digital signage market, meaning instead of a static image that never changes being printed and applied to a wall, or a floor, or a board, or a window, we're using digital technology, LCD panels, full-motion video screens, etc., where we create content that gets pushed to that screen and engages with a viewer. You'll see digital signage taking over in places that are retail, that are hospitality. If you go to the airport today to look for your flight, you go to a digital sign to find it. You go to the movie the-

ater and order your popcorn; the menu behind the counter is a full-motion video screen. So, digital signage is definitely coming and coming on stronger."

BVM: Finally, what's the macro plan for the Signarama brand?

JT: "We want more people buying Signarama signs than anybody else's. And so, all of us are working together; every franchisee is on the same path. We're looking to continually gain market share, help businesses in their local communities, and become the number one sign company on the planet. We've been successful in doing that for the past few years, and we're not going to take our foot off the gas anytime soon. We're a cutting edge company; we don't sit still."

