



Since revealing our franchise model in July 2020, we've continued on a wild ride, from announcing our <u>first five</u> <u>franchise partners</u> to opening our first franchise location in <u>Wilmington, Delaware</u>. Now, we're watching our first ownership group open for business in South Carolina: starting in Greenville, expanding into Columbia, and setting their sights on Charleston later this year.

This group, led by Paul Clark, Dan Haight, and Connie and Steve Lanzl, came together with a unified passion for entrepreneurship in the Palmetto State. After initially coming across Spiffy through VentureSouth, which invested in Spiffy back in 2018, the group was excited by our franchising opportunity but waited until January 2021 to sign on. They opened their Greenville location on June 1st, with Columbia following on June 10th.

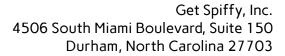
We spoke with Paul and Connie about their respective careers, what brought their group together, and their experience franchising with Spiffy. This interview was conducted before the launch of their Greenville market on June 1st and has been edited for clarity.

Let's start with your individual career stories and what led you to the point of converging into this ownership group.

Paul: Well, I am a history graduate. I'm from the UK originally, but I moved to the States about 12 years ago. I was an investment banker, worked in a private equity fund, and most recently, for the last eight years, I've run an investment firm called VentureSouth. We are an early-stage investment fund that invests in early-stage companies in the Southeast. So that's the short version of my career and why I'm here in the Southeast, looking at Spiffy.

The specific history about why I'm involved as a franchisee of Spiffy at this point starts probably five years ago when VentureSouth first met the Spiffy corporate team. When Spiffy was an early startup, it was seeking some additional funding to grow. So we crossed paths with Scot and the team. Scot [Wingo, CEO] is from Aiken, South Carolina, where we happen to have an investment group. And we do a lot of investing in the Triangle, where the Spiffy headquarters is based. So we were very intrigued by Scot's track record, Karl's [Murphy, President & Co-founder] operational efficiency, the whole team, the idea, and everything was coming together to appeal to our members to make an investment in the company. So we did that and got to know the team over a decently long period after that, as we saw how things evolved. New services and new cities and new experimentation that all rolled out at Spiffy, and we were consistently impressed with what the team was doing.

When we heard that Spiffy was looking to franchise in secondary cities, it was an obvious call for us to say that sounds pretty interesting. Maybe we can get involved in that as well, as well as in sort of corporate headquarters. We didn't jump on it as fast as we probably ought to have done, but it was at the beginning of COVID, So a lot was going on. But as soon as we found the bandwidth to focus on it and figure out who on the team wanted to roll up their sleeves and get involved. I, Connie and Steve, and another colleague Dan Haight, all knew each other from VentureSouth. They were members of our group and from other things in town. Connie, not to spoil her thunder, but she was working for a nonprofit that another VentureSouth colleague, Matt Dumbo, was also heavily involved in. Plus, Greenville is a small town, so we all knew each other.





So we all put our hands up to volunteer to be the franchisee in Greenville. Then we quickly realized when there were four of us on a franchise ownership group that we could perhaps do more than one city at a time. So we signed up to be the South Carolina franchisee and launch operations in Greenville, Columbia, and Charleston, and the smaller cities nearby at the same time. And here we are, about to launch. All of that history is turning into forklifts, warehouse preparations, and all kinds of other operational things this week before we're launch in the next couple of weeks.

Connie: If you told me 23 years ago that I would be living in South Carolina for a major part of my life, I would have said, "You're crazy!" Also, if you had told me that I would be involved with trying to figure out how to rent a forklift for a day, I would have said, "No, I don't think that's in my wheelhouse."

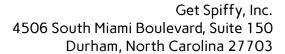
My life has been mostly in development work in independent schools. I worked in Philadelphia, and then we lived abroad in Tokyo, Japan for a while, so I did it there as well. More recently, I've done it down here in South Carolina. That was my career for a very long time, and then I had the opportunity at about 10 or 11 years ago to be the head of a nonprofit called Junior Achievement here in Greenville, which teaches kids how to prepare for careers. We teach them three things: financial literacy, the work readiness skills to get hired, and entrepreneurship. So I knew it only from a theoretical point of view, in terms of being an entrepreneur, but my husband Steve was involved with our other partner in this venture, Dan Haight, in a car floor planning business. I was a bystander, and that's what I thought I was going to be with this venture too. But I'm thrilled it's turned into more than that.

When Steve told me about it, I knew Paul, and I knew he had done his due diligence. To be honest, I might have trusted Paul even more than I trusted my husband or Dan to make sure that this was viable, but I didn't know what my role was going to be. Now, I'm just doing whatever I can to sort of help things along here and make a difference, and it's been fascinating. I've been very impressed with Spiffy as an organization, with the level of their technology they've made such an integral and significant component of what they do. It's gotten to the point where I was accused by parents from the school where my kids had gone and where I had worked. Apparently, I'm quite a salesperson for Spiffy; we already have a list of family and friends who want to give us a try. So that's been very interesting and exciting to do at this age.

I retired from Junior Achievement in June 2020 because I wanted to be able to travel and visit one of our children who's living in France for the next few years. But with COVID, that was squashed. There were many things that I was interested in doing, and I said no to anybody who asked me to do anything for the first six months I was retired. And then this came up in January, so my time of saying no is over, and I'm focused on what I can do with this venture.

You both have had interactions with Spiffy through VentureSouth. From a franchising perspective, what is the draw about mobile car care that kind of stands out as this is a viable opportunity right now?

Paul: I think we are convinced that it works in the places that Spiffy has already demonstrated that it works, and we felt like it ought to work in Greenville and Columbia. And so, given the track record and the proof that Spiffy already has, we thought it was a fairly safe bet that there would be enough people in the smaller towns to make a smaller operation feasible.





It's no question that people want their cars cleaned; they don't want to hang out in the Jiffy Lube or service dealership to get their car maintained. We may not have such large fleets in the Greenville airport as in the Orlando airport, for example, but still a pretty significant number of car rental agencies, so we think the demand will be there. There's nobody else quite like Spiffy in terms of technology basis and ability to execute, and we thought we could do the same thing and in the towns that were in.

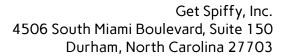
Connie: We're also are pretty familiar with the demographics that Spiffy cites as the most likely customers. And yes, we understand where we are in the office parks, and this particular moment in COVID gradually fading so that normalcy can return; we're anxious to see where that leaves us with those. With the corporate relationships with certain national fleet vendors were excited about that possibility and looking forward to exploring those opportunities, which we do have around us. So I think that was part of it. And then, in terms of the other demographic, the residences, certainly in Greenville, and I'm sure it's the same in Columbia and Charleston, we have plenty of potential customers. I have one living next door to me.

When I was going home last night, I told a man, who was a very good entrepreneur, about what we were doing. And he said, "You must invite me to this launch. We're gonna support you with this." So we walked out, and there was his truck, and I said, "Well, let me see where we can improve your truck here." And he keeps it immaculately clean; he was very proud of that. Then I said, "Do you know how to take the tree sap off of your truck? He looked at me as though I was a little crazy because this was not my usual conversation with him, and I told him about the hand sanitizer trick. It was just a funny example of nailing the pitch to potential customers in the local area passionate about their cars. And obviously, we're not doing it on a one-on-one basis. But I think it's going to be a no-brainer for some people.

How was the experience of getting from signing on as a franchise group to going through training at Spiffy HQ?

Connie: Just from my perspective, they made it pretty clear what that training would entail. So there was nothing about it that surprised me. But I was even more impressed and glad that we had gotten into this whole business when I finished that week than even when I started. I was enthusiastic from the beginning, but the incredible attention to detail, right down to the many videos we watched during training, really drove home this well-researched and well-executed business. What stood out the most was the pride and the passion in which all of the people that we met at Spiffy executed and believed in those things. And if you didn't, then you weren't going to be with Spiffy; it was pretty much that simple.

The accessibility of the support from the corporate staff has been instrumental in our decision as well. If we had had to develop the technology or do anything connected with that, this would have been much more difficult. So the things that they do to support their franchises are huge and still evolving and improving as more locations open. The people we interact with are prepared to answer questions at any time. So that was very helpful to have that support back there and have a fair amount of leeway to go in whatever direction was appropriate for our particular market.





Paul: What stood out to me with the training was we knew what we were getting in for, but to experience getting under a car in the hot sun, figuring out where the oil filter is, and the practicalities of that did hammer home how hard it is to be a technician; to learn those things and go execute day after day.

And this was at the end of April; I can't imagine doing that in Colombia in August. So there's a lot of ways that we can make that more tolerable for our technicians. Just understanding the physical demands and commitment you need to be a good technician hit home as I was stuck underneath a car with oil dripping on me.

In terms of just the process of setting up as a franchise, it's been pretty straightforward. So far, we have certain areas that the Spiffy team provides unmatchable quality in, such as scheduling the service appointments, understanding how the checklists work, the technology that goes into the trucks, and all of those things. Somebody doing this on their own wouldn't have a chance of doing well, or it would take them years to do well. That's another reason why we're confident that franchisees will work because they're getting all of that to compete and perform high-quality services right out of the gate, which is great.

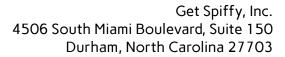
As Connie mentioned at the end, there's also flexibility as a franchisee. We will do what we think will work best in our markets; taking the information from the Spiffy headquarters and combining it with understanding the local office park owners, fleets, and neighborhoods we'll serve. That local knowledge is important. There's still enough autonomy and flexibility for a franchisee to go figure that stuff out and tailor what it does to its local community. We're still learning exactly how we do that, but I like the fact that we have that flexibility to go experiment and learn here too.

What's it been like to prepare for your launch?

Paul: Well, we were hoping to launch in May. There were some delays sourcing with trucks because there are many delays on a lot of sourcing things. Then there were some delays on the trucks and some of the materials that are in the trucks. There was another delay on a partition that goes inside the truck, but with some strong negotiation from Spiffy headquarters with those suppliers. Now we're back on track, with June 1st as our new launch date. So it got pushed back, then it got sped up a bit, but we're all trying to make sure everything is in place to be effective on June 1st. We're hiring the technicians, and we're getting just huge amounts of stuff delivered to the warehouse every day on flatbed trucks and via Amazon. All kinds of stuff are coming in with we're preparing like mad for a launch, but we're looking forward to opening for business.

What about launching your business excites you the most?

Connie: Greenville has evolved into something that people write about and are deliberately moving to for all sorts of terrific reasons. It's become a place with a growing entrepreneurial community. I think that introducing something new to Greenville is something that excites me from the initial part of this. It's something new to South Carolina, which is also trying to develop and attract more small businesses as well as major corporations. So I think that's exciting: something that is brand new, that can have a niche in here, and that is just different. That's one of the things that's very appealing to me.





Paul: My most exciting thing hasn't even happened yet, but I'm pretty confident that when the first blue van arrives at our dock door in our warehouse, that's going to be the top highlight.

That seems to be a common trend among owners! Is there anything else that either of you would like to share about this?

Paul: To somebody that isn't a franchisee yet and is considering signing up might read this interview, I would give my wholehearted endorsement for them to give it a whirl. It's not easy. There's a lot to do. There's much work involved, and I'm glad that it's not just me as a solo franchisee. I have Connie and Steve to divide and conquer all this stuff with, even though we will have you know other stuff outside of Spiffy that we're working on too. But still, having a few hands with some experts in different things is good. But I encourage people to make the leap if they can and give it a whirl. In my opinion, you wouldn't find a franchisor in any other context as committed to helping the franchisees be successful and providing any advantages to be successful in a franchised market.

Connie: One other place where we have so appreciated all the help from Spiffy is on the HR side of things. We've never hired a market manager for this kind of business before, let alone technicians who have to do all this. So this was all new to us, but having the reassurance of the HR and Operations teams at Spiffy headquarters helped us during the interview process. They're very invested in us having the right staff to do the job. So the conversations we've had with Mike [Tolzman, VP of Operations and Training] and his conversations with some of our candidates have been valuable, which made us a little more confident. And I think that because Spiffy is so well developed in understanding what it needs, understanding what constitutes success, and getting those values of excellence, quality, precision, and detail all aligned has been very helpful. It makes us confident that we're going to do some good hiring. That kind of background support is pretty amazing.

If you're looking to learn more about starting your own Spiffy Franchise, contact us today!