



Understanding Niche Business & Licensing



UNDERSTANDING A NICHE BUSINESS

A niche market is a focused, targetable portion of a market. By definition, then, a business that focuses on a niche is addressing a need for a product or service that mainstream providers are not addressing. Establishing a niche market allows you to offer products and services to a specific group that other businesses have overlooked. You can think of a niche market as a [narrowly defined group of potential customers](#) that have particular needs, a subset of a larger group.

Consider the group of consumers interested in purchasing cleaning services, for example. Instead of offering general cleaning services, a business might establish a niche market by targeting the portion of this market interested in blind cleaning services. Another company might occupy its own niche in this market by specializing in the use of only environmentally friendly cleaning products. Markets of any discernible size contain multiple subsets of potential markets, although not all of the possible niche markets will be worth targeting from a business point of view. Why Establish a Niche Market?

There are a number of benefits to targeting a niche market, including:



Reduced competition

Other small businesses may not be aware of your particular niche market, and large businesses won't want to bother with it. (Be aware that this is usually not a long-term condition; once one business has established a profitable niche, others are normally quick to move in and if it's profitable enough bigger businesses will take notice.)



Focusing your efforts

Targeting a narrower client base allows you to focus your efforts on fine-tuning your product and service offerings to cater to more specific needs and enhancing relationships.



Gaining expertise

Becoming known as the specialist in a particular product or service makes your business more likely to be recommended to others by customers (and even other businesses). Customers are always looking for businesses that excel in their area of need.



Reducing resources

Trying to appeal to a broader customer audience takes more time and effort in product/service development, marketing, and customer service.



Establishing a toehold

Solidifying a position in a particular market can enable a business to expand its wares into the larger market.

The trick to capitalizing on a niche market is to find or develop a market niche that has customers who are accessible, that is growing fast enough, and that is not owned by one established vendor already.

Home-Based Business Licensing Opportunity



BUY A HOME BUSINESS OR START FROM SCRATCH?

Pros, Cons, and Considerations

Pros of Starting from Scratch

There are many benefits that come from taking your idea and forming it into a business including:

- Greater amount of control over your idea and how you manage your business.
- Ability to be more creative.
- Opportunity to use your unique knowledge, skills, and passion to create your vision.
- Low start-up, especially for service-based businesses.
- Easier time recouping loss or expenses.

Pros of Buying

If you're not sure you want to start from nothing, there are many different ways you can buy a business, including buying an existing business, joining a business opportunity or direct sales company, or buying a license or franchise. There are many benefits that come from buying a business, such as:

- Brand recognition, especially when buying a direct sales or franchise business.
- The products and services already exist, as does the marketing plan and promotional materials.
- Operating systems are already in place.
- Expert help and training available to teach what you need to know and do, as well as answer questions.
- Faster path to profits and reduced risk of failure because the business has a history of success.

Cons of Starting from Scratch

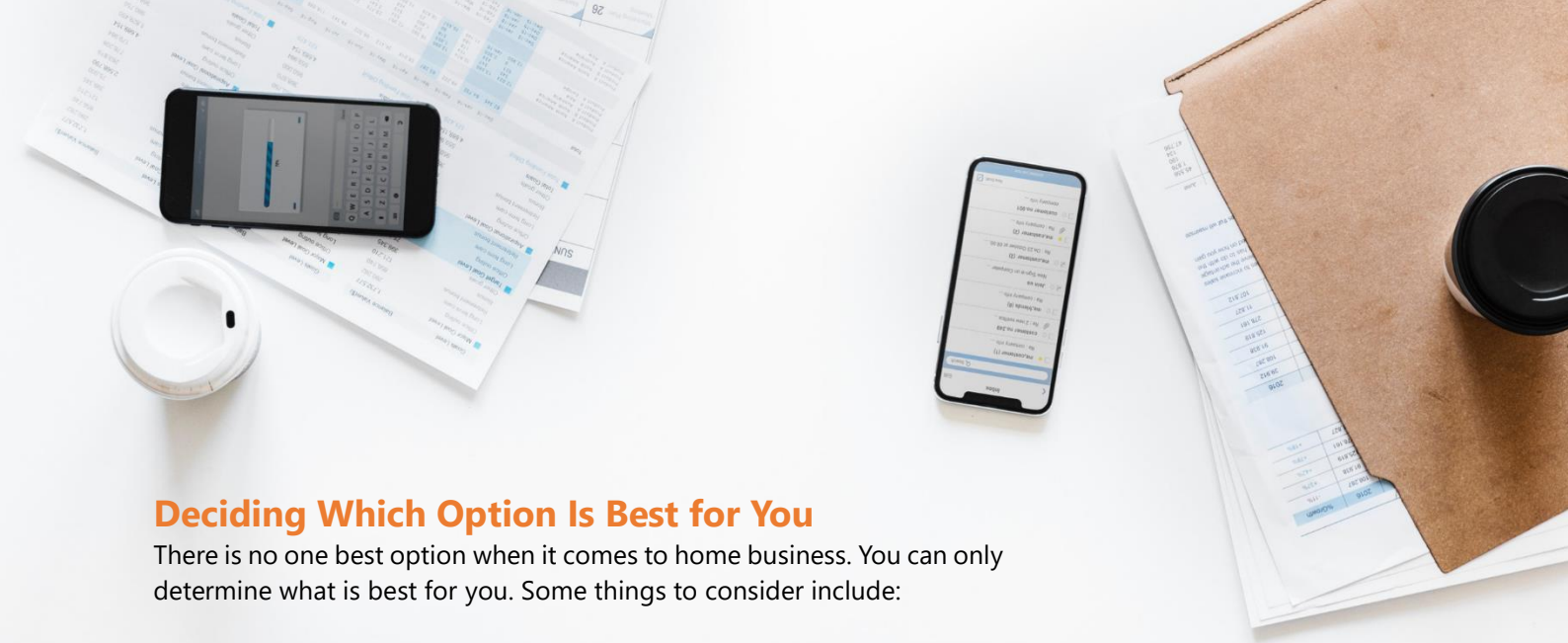
Like everything else in life, there are a few negatives to starting a business from scratch, including:

- You're responsible for all aspects of the business including the product or service development, creating the marketing plan and promotional materials, distributing your products, etc.
- You need to create your own systems and plans for organizing and running your home business.
- It can take longer to achieve success because of a longer learning curve and starting at zero.

Cons of Buying

There are a few drawbacks to consider when buying a home business, such as:

- Cost of purchase. **While direct sales businesses are affordable, buying an existing business or franchise can cost hundreds of thousands of dollars.** Plus, there's the purchase of any special equipment, inventory and marketing materials.
- Less control over how the business is run. While having an existing plan you can follow is helpful, it can also limit how you run your business. Many direct sales companies and franchises have rules restrictions you're required to adhere to.



Deciding Which Option Is Best for You

There is no one best option when it comes to home business. You can only determine what is best for you. Some things to consider include:



Interest: Choosing a business idea should first come from finding an option that you have a knowledge of and/or interest in. Too many people search for what will pay the most, but you should always choose passion over profit. Running a business that doesn't excite you, or that you don't like, is a sure way to fail. Once you have an idea, you need to research how to start it, including whether or not you should start from scratch or invest in buying a business. The answer could be made for you if there is no business to buy.



Cost: What do you have to invest in your business? Starting from scratch or direct sales is usually the most affordable while buying an existing business or franchise can get expensive



Control: Do you prefer to set your rules and do what you want? Then a scratch business, or possibly buying an existing business is best. If you'd prefer tap into an existing structure and system of business, buying a direct sales or franchise business might be a better option.



Training: You can get books, take courses and/or get a mentor to start a scratch business, but generally, buying a business offers training included in the deal.



Operation: Finally, you need to decide how and where you want to work. Do you want to run your business 100 percent online? Would you rather meet with clients in person? You can create from scratch or buy online businesses, but many direct sales and franchises require in-person work, even if they have online resources.



Time: Are you hoping to run your business part-time or full-time? Do you need to operate around a schedule, such as homeschooling? Most home businesses, even those you buy, offer flexibility, but not all. You'll want to consider start-up and management time as you research your business options.

TYPICAL FRANCHISE OR LICENSING AGREEMENT BASICS



Because of the legal ground they must cover, franchise and licensing agreements are fairly lengthy and complex documents. But most such agreements cover the same basic points. These include the scope of the agreement, including exclusivity or territorial restrictions; financial aspects including required advances, royalty rates, and how royalties are calculated; guarantees of minimum sales; time schedules involving "to market" dates, length of contract, and renewal options; the lessor's rights of monitoring and quality control, including procedures to be followed; minimum inventories may be required to be maintained; finally, returns and allowances. One of the most important elements of a licensing agreement covers the financial arrangement.

Not all franchisors / licensors require guarantees, although some experts recommend that licensors get as much compensation up front as possible. In some cases, licensors may use renewals or guarantees as the basis for renewing a licensing agreement.

Another essential element of a franchise/licensing agreement establishes the time frame of the deal. Many franchisors/licensors insist upon a strict market release date for opening and or products licensed to outside manufacturers. After all, it is not in the licensor's best interest to grant a license to a company that never markets the product. The franchise or licensing agreement will also include provisions regarding the contract length, renewal options, fee structures, advertising costs, and termination conditions.

Another common element of a franchise licensing agreement covers which party maintains control of copyrights, patents, or trademarks. Many contracts also include provisions regarding territorial rights, or who manages distribution in various parts of the country or the world. In addition to the various clauses inserted into agreements to protect the franchisor/licensor, some licensees may add their own requirements. They may insist on a guarantee that the licensor owns the rights to the property, for example, or they may insert a clause prohibiting from competing directly with the licensed property in certain markets.

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FULLY PROTECTED TERRITORIES – DO YOU NEED?

Meridian Pointe, LLC has **licensee programs that** train you to develop a Protected Territory. You will want to know as much as you can about Protected Territories.

It is simple - a Protected Territory ensures that in the best-case scenario you will not have to compete with another vendor as you create income you at the same time build equity in your business.

You have a multiple areas and prospects to utilize. Normally determined by a lot of factors - our pre-launch software usually looks at key demographics:

- ▶ Population / Median Income / Property Values
- ▶ Number of Households, including Apartments
- ▶ Number of Auto / Truck / RV / Mobile Home Dealerships / Limo Companies
- ▶ Number of Real Estate offices / Brokers
- ▶ Number of Day Care Centers / Nursing Homes
- ▶ Number of Private Gyms
- ▶ Number of Hotel / Motel Rooms
- ▶ Municipal Transportation - buses/trains
- ▶ Number (if applicable) of registered boats/yachts
- ▶ Number of Vacation Rental Agencies
- ▶ The other factors are proprietary

Protected Territory Definition:

If you become a licensee instead of a workshop attendee. The right granted to a licensee by licensor to open / operate / advertise in (1) territory / location in a specific area. A designated area or geographic boundary granted to the licensee by the terms of a licensee agreement. Licensor agrees not to sell another license or company-owned business of a similar nature within the licensee's protected territory.

A Protected Territory License allows the licensee to build equity and re-sell their territory / book of business to a business opportunity seeker for a multiple – usually 3- 5x annual average earnings achieved in their territory over a few years in business.

Master Territory:

The right granted to a licensee by licensor to open / operate / advertise in several three (3) territories / locations in a specific area. A designated area or geographic boundary granted to the licensee by the terms of a licensee agreement. Licensor agrees not to sell another license or company-owned business of a similar nature within the licensee's protected territory.

This opportunity may include a requirement to develop a certain number of locations within a specified timeframe, and also includes the right to sell territories within the selected area. A Master Protected Territory License allows the licensee to resell their territory/book of business to a business opportunity seeker for a multiple, usually 3- 5x annual average earnings.

The geographical, protected or exclusive territory is a licensee's chance to develop equity across a demographic and protect future income. Master Territory Licensees may sell in whole or all of the designated territory,



SK Turnkey, LLC is mindful of how we divide Protected Territories so that our licensees have enough opportunity to succeed without encroachment by another service professional within their territory.

On the one hand, by cutting Protected Territories into small portions, most licensors force licensees to penetrate the market more deeply so that the overall brand has a higher market saturation. However, a Protected Territory must be large enough to ensure an exceptional earning potential for the licensee. Our goal is to achieve a balance between these conflicting points of view, one that considers brand awareness and success (sales and profits), convenience (customer service), and system stability.

Meridian Point, LLC designates Protected Territories by geographical boundaries and zip codes.

A Protected / Master Territory is developed to achieve the highest market share and gross revenue possible, while also maintaining individual unit profitability at levels high enough to compensate licensees sufficiently, they stay in business and continue building the brand.

From experience, we know that the geographic size of each territory is less important than the number of potential clients it contains. We know that successful businesses require a minimum number of potential clients to build their clientele. That's why we use state-of-the-art demographic and mapping software to ensure your Protected Territory provides you with the optimal opportunities for success.

Because each licensee has a protected, exclusive territory, you won't find yourself competing with other members of our network for business and clients. In fact, we encourage our network of licensees to proactively support each other by sharing marketing initiatives in adjacent territories, and participating in a variety of support activities such as our peer groups webinars and annual conventions.

Of course, as our network grows, the number of new, unopened Protected Territories decreases. However, we do continue to have Protected Territory opportunities in most regions of North America. If you have submitted your Licensee Application, we will conduct demographic research to determine the feasibility of your market for our conference call.



About Us:

Meridian Pointe, LLC is a dedicated consulting, training and offer licenses representing unique niche home-based business opportunities. We believe in the entrepreneurial spirit that creates dynamic possibilities for individuals regardless of age, background or gender. Our goal will always be to provide superior communication, to develop meaningful relationships and generate greater brand awareness.

IF we both agree on you becoming an **OFFICIAL** Licensee you will have use of our registered brand, and slogans combined with a patent-pending 2-Step System. We also offer a protected territory with locations available across the US and in select counties.

Benefits Include:

- **\$ 2+ Billion niche recession-proof industry**
- **Brand identity and recognition**
- **Operational flexibility with home-based and executive office models**
- **Field training if needed and 24/7 technical support**
- **Protected territory models that enable unlimited growth opportunities**
- **Personal fulfillment from assisting and servicing your community**



Licensing Executives Society
(U.S.A. and Canada), Inc.

ODORS IN THE NEWS EXCERPTS

Case Review: Marriott sued for misuse of ozone machine

Jury awards Marriott guest \$120,000 for housekeeping supervisor's negligent use of ozone machine

Stephanie Tolson was a paying guest in a Marriott hotel in Arlington, Virginia on the evening of January 26, 1998.

She complained of the smell of cigarettes in her room but was advised that there were no other rooms available and that an ozone machine would be employed to clean her room the next day. She was also informed that, for health reasons, she could not be present while the machine was running. Later that evening, Tolson was transported to the emergency room where she was diagnosed with acute pulmonary chemical irritation. Her family doctor examined her the following weekend and referred her for diagnostic testing, which revealed that Tolson

was suffering from asthma and thickened vocal cords. Tolson was then referred to a board-certified occupational disease physician, Dr. Laura Welch, for an examination.

Tolson subsequently filed a lawsuit against Marriott for negligence. The jury returned a verdict in favor of Tolson for \$ 120,000. Marriott appealed to the United States Court of Appeals for The Fourth Circuit which upheld the jury verdict.

***Source: Tolson v. Marriott Int'l, Inc., 2001 U.S. App. LEXIS 8795
(United States Court Of Appeals For The Fourth Circuit)***

The Nose Knows: How to Deal with Smelly Listings

Why baking cookies just isn't going to cut it.

Ackerman continues that "Each day, we breathe about 23,040 times and move around 438 cubic feet of air.

It takes us about five seconds to breathe — two seconds to inhale and three seconds to exhale — and, in that time, molecules of odor flood through our systems. Inhaling and exhaling, we smell odors.

We tend to focus on what we can see, touch, taste and hear. But if you are in real estate, you know that just like seeing roaches in a home will turn off a buyer, so will experiencing a home that reeks of cat urine or cigarette smoke. But human sense of smell is still nothing to sneeze at. Recent studies have shown that we can detect over a trillion different odors. Neutral smells sell. **So, we know there is science behind what most real estate agents already know — a good-smelling house is** going to sell faster than one that stinks. Our goal is to provide a neutral canvas, allowing buyers to envision their life in the home. A strong odor in a house that doesn't fit their lifestyle can ruin the entire scene. Odor control needs to be established between an agent and seller before the home listing becomes active, and includes pet smells, mold, body odor, and tobacco.



Doral Passes Ordinance Penalizing Residents, Businesses for 'Offensive' Odors

Offensive odors are not welcome in Doral.

Following a vote at Wednesday's city council meeting, Doral approved a citywide ordinance that would penalize residents and businesses if they cannot control odors coming from their property. The proposal passed unanimously.

The new measure will penalize any offender who:

- “Creates odors or smells which are offensive or obnoxious to other persons within the City”
- “Endanger the health and welfare of other persons within the City”
- “Create a detrimental effect of the use and enjoyment of property of other persons in the City”

- “Unreasonably interferes with the enjoyment of life, health, safety, peace, comfort or property of other persons in the City”

A first violation of the odor ordinance will incur a \$500 fine, a second violation rises to \$1,000, and a third and subsequent violations will result in a \$1,500 fine if they occur within 180 days of the previous violation.

“We have the right to have pure air,” Mayor Luigi Boria said. The measure comes after a series of complaints by Doral residents regarding unpleasant smells in the city. Adam Temple, the city's Code Compliance Director. “This is meant to deal with odors that are emanating from properties within the city of Doral limits.”



Something stinks: How to address odors in the workplace

When co-workers go on “the offensive” with unwelcome odors, an employer's response requires some delicate HR diplomacy.

Sometimes work stinks — literally. According to a recent survey from staffing firm OfficeTeam, the most annoying workplace smells come from co-workers eating stinky food (57%), followed by wearing too much body Fragrance (52%), and having a strong scent on their person. Odors in the office have become such a hot-button issue that some companies are even instituting a scent-free policy — 19% of survey respondents say their companies have such a policy. The bottom line is that smells can be unpleasant and be downright distracting. Even more so, fragrances can be problematic to people with allergies and sensitivities. What often happens, though, is that the

person responsible for a distracting or unpleasant smell doesn't realize the effect they may be having on their co-workers. According to research by OfficeTeam, 46% of those surveyed say they just let it go and suffer in silence when a colleague is smelly. desks (39%). Seventeen percent confronted the and 15% asked their manager or human resources to intervene, notes Truckenbrod. Fragrance-free policies established by a company's human resources. The department can help to define what is and isn't. allowed in the office, she says, but they might still leave a lot of gray areas that can create problems.