

**FRANCHISE DISCLOSURE DOCUMENT****SALON PROFESSIONAL EDUCATION COMPANY, LLC****d/b/a S.P.E.C. LLC****(A Minnesota Limited Liability Company)****4377 15<sup>th</sup> Avenue South, Fargo, ND 58103****Telephone Number: 888-478-6856****[www.TheSalonProfessionalAcademy.com](http://www.TheSalonProfessionalAcademy.com)****[JKrahn@SPECfranchise.com](mailto:JKrahn@SPECfranchise.com)**

Salon Professional Education Company, LLC (d/b/a S.P.E.C. LLC) offers franchisees the right to establish and operate a distinctive school for training students in hairdressing and cosmetology. The system's distinguishing characteristics include: uniform standards and procedures for business operations; ongoing training in the operation, management, and promotion of the franchised business; advertising and promotional programs; quality education facilities; customer development and service techniques; student development; and other technical assistance.

The total investment necessary to begin operation of a The Salon Professional Academy franchise is \$983,000 to \$1,423,000. This includes the \$35,000 that must be paid to the franchisor or its affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Jill Krahn at Salon Professional Education Company, LLC, 4377 15<sup>th</sup> Avenue South, Fargo, ND 58103, 888-478-6856, or [JKrahn@SPECfranchise.com](mailto:JKrahn@SPECfranchise.com).

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "[A Consumer's Guide to Buying a Franchise](#)," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at [www.ftc.gov](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

The date of issuance of this disclosure document is: \_\_\_\_\_

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### EXHIBITS:

- EXHIBIT A – FRANCHISE AGREEMENT
- EXHIBIT B – TABLE OF CONTENTS- OPERATING MANUAL
- EXHIBIT C – FINANCIAL STATEMENTS
- EXHIBIT D – LIST OF STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS
- EXHIBIT E – LIST OF CURRENT FRANCHISEE OUTLETS
- EXHIBIT F – LIST OF FRANCHISEE OUTLETS TERMINATED, NOT-RENEWED, ETC.
- EXHIBIT G – FRANCHISEE QUESTIONNAIRE

## **ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES**

To simplify the language in this disclosure document, “SPEC” means Salon Professional Education Company, LLC, the franchisor. “We”, “us”, and “our” also refer to Salon Professional Education Company, LLC. “You” and “your” mean the person who buys the franchise, the franchisee. If the purchaser of the franchise is a partnership, corporation, limited liability company, or other entity, “you” includes the franchisee’s owners, who must join, and agree to be bound by, the Franchise Agreement, which is attached as Exhibit A to this disclosure document.

Unless otherwise defined, all initially capitalized terms appearing in this disclosure document have the meanings given to them in your Franchise Agreement, unless otherwise defined.

### **Franchisor’s Corporate Information**

We are a Minnesota limited liability company, organized on July 13, 2004, and doing business under the name S.P.E.C. LLC. Our principal business address is 4377 15<sup>th</sup> Avenue South, Fargo, ND 58103.

Our agent for service of process is listed on Exhibit D to this disclosure document.

### **Parents and Predecessors**

We have no parent. We have no predecessors from whom we acquired, directly or indirectly, the major portion of our assets within the past 10-year period.

### **Affiliates Providing Goods or Services to Franchisees**

Our affiliate Salon Brand It, LLC, whose principal business address is 4377 15<sup>th</sup> Ave. S., Fargo, ND 58103, is a designated supplier of certain promotional products. In addition, our affiliate Fuel Productions, LLC (d/b/a Fuel Education Systems), whose principal business address is 38 E. 21<sup>st</sup> Street, 9<sup>th</sup> Floor, New York, NY 10010, is a designated supplier of certain training materials and other equipment and promotional materials. Neither Salon Brand It, LLC nor Fuel Productions, LLC have ever owned or operated a Salon Professional Academy franchise or offered franchises for any other line of business.

### **Franchisor’s Business**

Our principal business is selling and servicing The Salon Professional Academy franchises, which we have been doing since 2008. We have never ourselves operated a Salon Professional Academy franchise or offered franchises for any other line of business. From 2004 to 2008, we provided consulting services to cosmetology schools and hair salons.

### **The Franchised Business**

A franchise grants you the right to own and operate a distinctive school training students in hairdressing and cosmetology. Each franchise operates under the trademarks **The Salon Professional Academy**<sup>®</sup> and **The Salon Professional Academy** logos.

In addition to these trademarks, our franchise system features uniform standards and procedures for business operations; ongoing training in the operation, management, and promotion of the franchised business; advertising and promotional programs; quality education facilities; customer development and service techniques; student development; and other technical assistance.

### **General Market and Competition**

The market for services consists of members of the general public who wish to be trained in hairdressing/cosmetology. Sales are not seasonal. The market for cosmetology schools is developing.

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