

CONFIDENTIAL BUSINESS MEMORANDUM

Gotcha Covered

$450,000 Asking Price

Some Seller Financing

Executive Summary

BUSINESS NAME

Gotcha Covered
North Baltimore, MD

ESTABLISHED

2019

ADDRESS

Home-Based

STAFF

Subcontracted installers

RENT

NA

LICENSE

NA

SALE INCLUDES

$2,000 FF&E

REASON FOR SALE

Retirement

WEBSITE FRANCHISE

www.gotchacovered.com/nb
Facebook, Instagram, YouTube, LinkedIn

GROSS SALES

$734,167 (2023)
$912,263 (2022)
$729,722 (2021)

WEBSITE CORPORATE

https://www.gotchacovered.com/
Facebook, YouTube, LinkedIn
https://fivestarfranchising.com/gc

CASH FLOW (SDE)

$189,853 (2023)
$288,650 (2022)
$195,881 (2021)

ASKING PRICE

$450,000

Some Seller Financing Available





Franchise Overview

Gotcha Covered excels in the expansive, $20 billion window treatment industry—a sector that is fragmented, largely unbranded, and full of opportunities for high income and impressive margins. Specializing in custom blinds, shutters, shades, and draperies for residential and commercial markets, this franchise boasts an exceptional average online rating of 4.9 out of 5 stars, reflecting high customer satisfaction and brand reliability.

Gotcha Covered provides a simple, accessible business model that doesn't require design experience, appealing to a wide array of entrepreneurs. Ideal for high-energy, friendly, self-motivated individuals with a strong work ethic and a passion for customer engagement, the franchise offers a flexible schedule, the potential to start from home and later expand to a retail space, impressive margins over 50% on sales, and a beneficial flat-fee royalty structure. This setup attracts diverse candidates, from stay-at-home parents to former CEOs.

Embracing the latest in technology, Gotcha Covered integrates cutting-edge solutions allowing remote control of window treatments via apps and smart devices, catering to the growing demand for "Connected Home" systems. This not only places the franchise at the forefront of technological integration but also enhances the appeal to tech-savvy consumers.

Nearly 30 years ago, the founders of Gotcha Covered developed proprietary software to streamline the sales process for window treatments. Since then, the franchise has grown impressively, beginning franchising in 2009 and expanding to over 150 locations. This development underscores a strong business model and robust franchise system within the prestigious FiveStar Franchising family of brands. Whether the economy is booming or in a downturn, the need to cover windows remains constant, making this an evergreen business opportunity.





YouTube: [Why Franchise with Gotcha Covered]

Click the link above to watch the video.

Business Overview

Dream Opportunity! Own a Top-Notch Window Treatments Business in North Baltimore!

Ever dreamt of running your own show in a thriving market? Dive into the vibrant world of custom window treatments with a business that's already a local favorite in North Baltimore. With over 1,100 installs and 200 five-star reviews since 2020, this gem is a proven crowd-pleaser and money maker.

What Makes This Business Special?
- **Proven Financial Performance**: The business consistently generates revenues over $725,000, peaking at over $900,000 in 2022.
- **Great Earnings:** It consistently produces a cash flow of $190,000, with 2022 as a blockbuster year showing top earnings of $289,000. This business knows how to pull in the bucks!
- **Loyal Customers:** The locals don't just like this business; they love it! Expect repeat visits and referrals. It's all about relationships, and this business has them in spades.
- **Smart Marketing:** Marketing is simple, using tools like Google Ads to keep customers coming. No need to reinvent the wheel; just keep it rolling!
- **Rewarding Work:** Not only does this business earn well, it makes a real difference by helping people enhance their homes and enjoy them more. Every project adds a touch of beauty and comfort to someone's living space.
- **Ready to Grow:** Want to spread your wings? There's room to grow by partnering with interior designers, serving new neighborhoods, or amping up the marketing. Maybe even open a storefront?
- **Turnkey Setup:** Step right in and take the reins with confidence. Everything's set up for you, from a skilled installer team to a solid business model. It's like hitting the easy button on starting your own business.

The business seeks a dynamic owner-operator or a personable couple who thrive in customer-facing roles and have a flair for home design. While design skills are a bonus, they are not essential. This opportunity is perfect for someone ready to take over a well-established business with all the tools for success, offering both fun and financial freedom. Are you ready to be your own boss and enjoy life while making good money? This business is waiting for you. Inquire now!

Financial Performance

Financial Performance Overview - North Baltimore

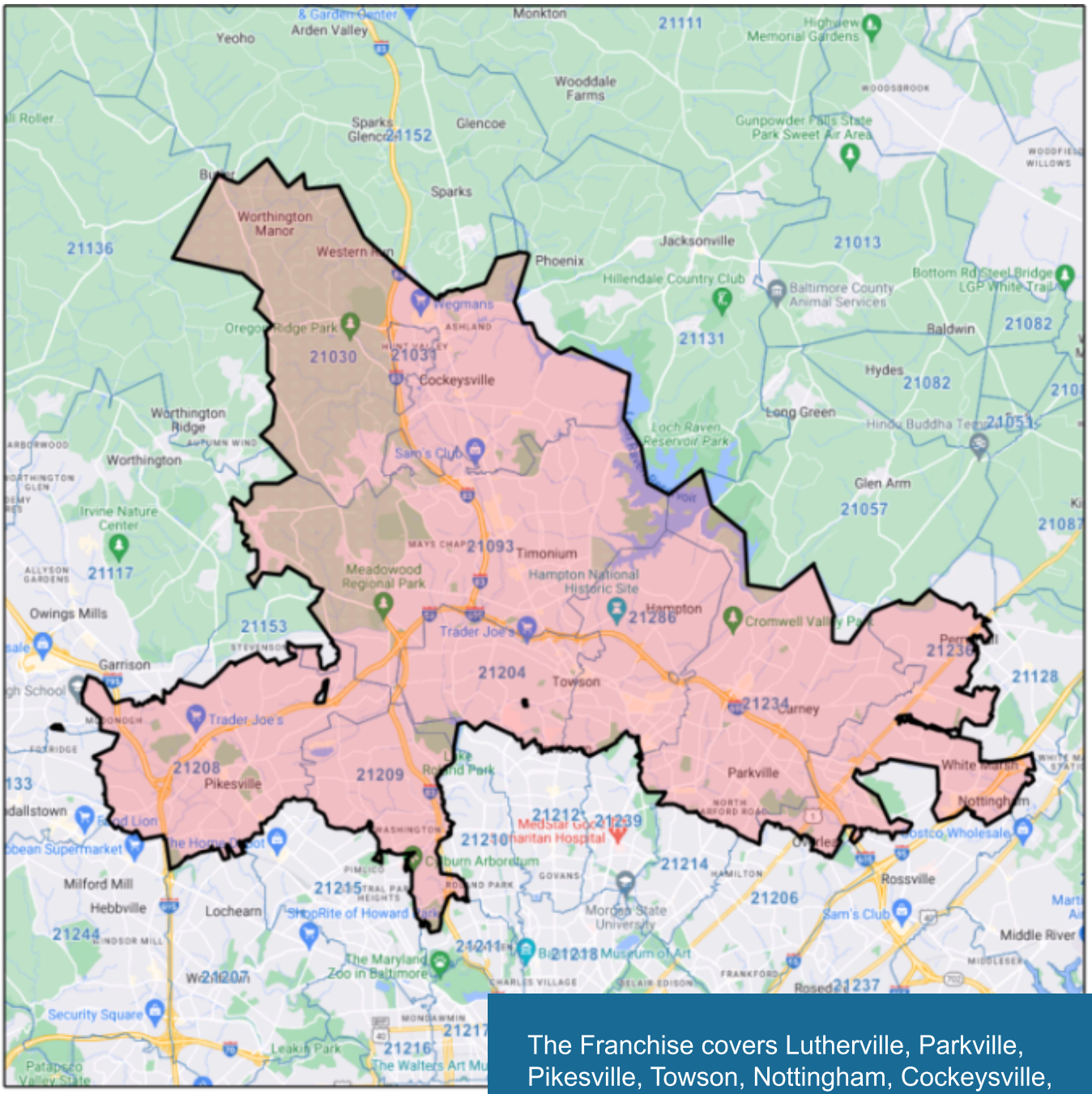
	2021	2022	2023
Gross Revenue plus Vendor Rebate:	$729,722	$912,263	$734,167
Less: COGS	$440,083	$501,892	$440,982
Gross Profit:	$289,639	$410,371	$293,185
Less: Operating Expense	$276,285	$359,997	$296,616
Net Income:	$13,353	$50,374	-$3,432
SDE Adjustments from P&Ls:			
- Owner Wages	$160,000	$214,142	$174,000
- Owner Payroll Taxes	$14,916	$17,320	$13,565
- Credit Card Fees	$155	$0	$0
- Interest Expense	$318	$201	$144
- Bookkeeping - One-Time	$0	$0	$1,325
- Employee Benefits - Discretionary	$10,500	$15,854	$19,493
- Legal & Professional - Discretionary	$1,740	$1,740	$1,860
- Retirement - Discretionary	$40,000	$32,121	$26,000
- Uncategorized - One-Time	-$2,000	$0	$0
- Adjust to 1 FT Owner	-$43,102	-$43,102	-$43,102
Total SDE Adjustments from P&Ls:	$182,528	$238,276	$193,285
Seller's Discretionary Earnings (Cash Flow):	$195,881	$288,650	$189,853

Key Metric Performance:	2021	2022	2023
Completed Installs	~275	330	270

These metrics are based on the information provided in the P&Ls, Balance Sheet, and in phone/email conversations. These metrics did not utilize tax returns and should not be relied upon for any purpose requiring a formal business appraisal. "Future" numbers provided, if any, are not a projection or expectation of future performance.

Territory

A franchise territory is the geographic area in which a franchisee has the sole right to sell, market and provide the franchise company's services or products. This franchise serves the North Baltimore area, which includes 10 zip codes. However, there are no other franchisees nearby so the franchisee is able to serve the entire greater Baltimore area. This is an affluent area with high demand for the services provided and a customer base that drives lots of referrals.



The Franchise covers Lutherville, Parkville, Pikesville, Towson, Nottingham, Cockeysville, Baltimore, Nottingham and more.

Assets

The sale price includes all of the assets required for running the business, which includes about $2,000 of product samples and fabric swatch books. No inventory is maintained.

Opportunities for Growth

The window covering industry, a vast market valued at $20 billion, remains largely fragmented and unbranded, presenting significant growth opportunities. Gotcha Covered, a prominent player in this sector, specializes in custom blinds, shutters, shades, and draperies for both residential and commercial markets. The demand for sophisticated and technologically integrated solutions like remote-controlled and "Connected Home" systems continues to drive the industry forward. Despite economic fluctuations, the essential need to cover windows ensures this industry’s status as an evergreen business opportunity, with Gotcha Covered leading the way in innovation and customer satisfaction.

The North Baltimore Gotcha Covered franchise is teeming with dynamic growth opportunities. By enhancing partnerships with interior designers and real estate agencies, the business could captivate a network ripe with prospective customers, potentially elevating sales to the thriving levels seen in 2022 and beyond. The current owners limit their territory for a shorter commute, leaving room for expansion into farther reaches. Establishing a storefront could also increase visibility significantly. Additionally, forming alliances with small commercial property managers might open avenues to a fresh client base.

Marketing has been minimal due to robust demand, yet there is substantial potential for the new owner to elevate the brand’s visibility. An increase in social media spending and proactive networking could invigorate the business’s presence. These initiatives are likely to unlock exciting possibilities and drive significant growth for the franchise.





Reviews

Google	4.9 Stars, 199 Reviews

Brian S
Local Guide · 33 reviews · 8 photos

★★★★★ 9 months ago

I can't recommend Dave and Donna with Gotcha Covered more. They are professional, prompt and a pleasure to deal with. Their installation team is detail oriented and also a pleasure. They do beautiful work. 5 stars!

Alex Goldfaden
4 reviews

★★★★★ 10 months ago

Dave and Donna were very responsive and organized. They are also super knowledgeable and helpful, providing many options and ideas. They were thoughtful, kind and dependable. Also, their installers were professional and smart. We will definitely use them again in the near future and would certainly recommend them to anyone in need of window treatments.

Keith Hammonds
3 reviews

★★★★★ 5 months ago

Donna and Dave were terrific. They came to our home and helped us sort through options, listening to what we needed and guiding us to a drapery product that worked well. Production/delivery time was about three weeks – shorter than we had been promised. And the installers did a great job. Everything was easy, and the drapes look great.

Elizabeth Whitted Dawson
Local Guide · 8 reviews · 4 photos

★★★★★ 6 months ago

Great Service and Products. Donna and Dave are easy to work with. Tony and Kim delivered and installed really quick and efficiently. I found Gotcha Covered through a Google Search and read their great reviews. Donna spoke with me and promptly set up an appointment for the next day with Dave. He came out measured and helped me select the perfect blinds and cellular blackout shades for my window coverings. They were great to work with. The order came on time. Everything was seamless. I highly recommend them!

Awards & Accolades

Gotcha Covered has consistently received high honors in the franchise industry, regularly ranked as a Top 500 Franchise by Entrepreneur magazine since 2020. However, even more notable is its recognition by Franchise Business Review, which has featured Gotcha Covered in its Top 200 Franchises list for the past three years. Here, it has been celebrated across several categories, including Top Low-Cost Franchises, Top Recession-Proof Franchises, Top Franchise Cultures, and Most Innovative Franchises, with these accolades based on the ratings of actual franchise business owners. This underscores the franchise's significant appeal and innovative business model.

