

BEST OF THE BEST OPERATIONAL EXCELLENCE HIGHEST SALES VOLUME DUAL BRAND SALES SALES PINNACLE SALES EXCELLENCE SALES GROWTH SALES MILESTONE ROOKIE OF THE YEAR MARGIN MASTERS CIRCLE OF CUSTOMER EXCELLENCE BRAND AMBASSADOR MARKETING TRAILBLAZER SPIRIT OF THE NETWORK

# & RECOGNITION PROGRAM

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Alliance Franchise Brands LLC is the parent company of Allegra Network LLC and KK Printing Canada ULC.

The 2019 Alliance Franchise Brands' Marketing & Print Division Award and Recognition Program is designed to recognize our Franchise Members for their accomplishments and business excellence in sales, profitability, services offered and customer experience. This brochure highlights the key criteria and eligibility requirements for each award for 2019.

# **BUSINESS EXCELLENCE AWARDS**

#### Best of the Best

Awarded to one Franchise Member annually based on the following criteria (maximum points 100):

#### 1. Sales Volume - 25 Points

a. \$1.5 M and Over	25 points
<b>b.</b> \$1 M - \$1,499,999	20 points
<b>c.</b> \$750,000 - \$999,999	15 points
<b>d.</b> \$500,000 - \$749,999	10 points
e. Under \$500,000	5 points

#### 2. Owners Discretionary Profit - 25 Points

a. Over 25%	25 points
<b>b.</b> Over 20% - 25%	
<b>c.</b> Over 15% - 20%	15 points
<b>d.</b> Over 10% - 15%	10 points
e. Over 5% - 10%	5 points

#### 3. Sales Growth - 25 Points

a. One point for every 1% in sales growth, up to 25%

#### 4. Profit Mastery - 25 Points

a.	Participation in a Performance Group10 pc	oints
b.	Participation in the annual Operating Ratio Study (ORS)10 pc	oints

c. Monthly Segmented ORS (Dashboard Compliant)......5 points

#### 5. Brand Compliance

Centers must consistently present themselves in a professional manner and be brand compliant in the use of their brand's current approved logo and associated modifiers on their website. (For Allegra, that is the Allegra Marketing Print Mail logo.)

#### **Operational Excellence**

Awarded to the next nine (9) Centers based on their scores for the above Best of the Best criteria.

# **CENTER SALES AWARDS**

#### **Highest Sales Volume**

Presented to the Franchise Member with the highest sales volume for a single Center and the Franchise Member with the highest sales volume for multiple Centers.

#### **Dual Brand Member Sales Awards**

The Dual Brand Sales Award is awarded to the three dual-branded Centers with the highest combined sales volume. The sales volume is based on invoiced sales. Dual-branded Centers are eligible for three awards for sales growth: one for each Division and as a dual-branded Center.

#### Sales Pinnacle

The Sales Pinnacle Award recognizes outstanding sales performance on annual **invoiced** sales of \$1.5 million dollars or more. There are three levels of recognition:

Tier 1: \$1.5 million - \$2 million, Tier 2: >\$2 million - \$3.5 million, and Tier 3: >\$3.5 million

#### Sales Excellence

Awarded to all Franchise Members with sales exceeding \$1,838,722. This figure is derived from invoiced sales of the top 10% of Centers in 2018. Note that multiple Centers are aggregated in this calculation.

#### Sales Growth

Awarded to the top ten in system-wide sales growth **percentage** and the top ten in system-wide sales growth in **dollars**. Sales Growth Awards are presented annually and monthly. Annual awards are based on aggregate sales for multiple Centers. Monthly awards are based on individual Centers.

#### Milestone

Each award is based on achieving annual sales levels for the first time:

Bronze Star Award	\$500,000
Silver Star Award	\$750,000
Gold Star Award	\$1 million
Platinum Star Award	\$1.5 million
Two Star Award	\$2 million

Three Star Award\$3	million
Four Star Award\$4	million
Five Star Award\$5	million
Six Star Award\$6	million

\*Sales Milestone Star Awards (e.g., Seven, Eight, etc.) continue in \$1 million increments.

Please see the next page for Special Achievement Awards  $\rightarrow$ 

# SPECIAL ACHIEVEMENT AWARDS

# **Rookie of the Year**

Awarded to the Franchise Member who has the best overall performance and adoption of the Network programs within their first 24 months.

## Margin Masters (New for 2019)

Awarded to the Centers with less than 55% combined cost of goods plus cost of labor and invoiced sales of least \$400,000.

# **Circle of Customer Excellence**

Awarded to Centers with at least \$400,000 in annual invoiced sales and a Survey Advantage Net Promoter Score (NPS) of at least 90. The Survey Advantage NPS score is calculated based on 12 months of participation in Survey Advantage and a minimum of 200 completed surveys.

## **Brand Ambassador**

Recognizes Members who meet brand identity standards and are creating positive team cultures within their Centers. Candidates for this award may be self-nominated and/or nominated by fellow Franchise Members and Home Office team members. Full details and the Nomination Form are located on the Hub. For 2019, nominations will be accepted through December 13, 2019.

#### **Marketing Trailblazer**

Awarded up to three Centers that create the most innovative print, online or multi-channel selfpromotion or customer campaigns in 2019. Franchise Members may enter as many campaigns as they wish, either self-promotion and/or customer campaigns. Entries should depict, in full detail, all elements of the campaigns and the results. Samples must be supplied along with a completed entry form. Entry forms are available on the Hub. The deadline for submission is December 13, 2019.

## Spirit of the Network

The Spirit of the Network Award is awarded to the Franchise Member who, in the eyes of their fellow Franchise Members, has been of service to others, impacted the trajectory of the Network and/or goes the extra mile mentoring and assisting others. Full details and the Nomination Form are located on the Hub. For 2019, nominations will be accepted through December 13, 2019.

# **RULES FOR THE 2019 AWARDS & RECOGNITION PROGRAM**

- Franchise Members must be in good standing on all financial obligations, agreements and trademark usage to qualify for these awards.
- 2. Owner's Discretionary Profit (ODP) is calculated as net income (loss) plus Owner's wages (one Owner only) and applicable health benefits, payroll taxes, insurance and savings program contributions, divided by sales. ODP does not include adjustments for auto allowances or travel and entertainment expenses. In order to be considered, all expenses must be detailed on the Franchise Member's accountant-prepared financial statement.
- 3. These awards are exclusive to Franchise Members. A Member is defined as a person with ownership in the business and who is on the franchise agreement.

- 4. For the purpose of this program only, Canadian dollars are recognized at par to U.S. dollars.
- 5. Sales are defined as reported invoiced sales, unless otherwise specified.
- 6. Dual-branded Members may only participate in the Marketing & Print Division Awards Program based on the performance of their Allegra franchise. Sign & Graphics Division Franchise Members may be eligible to participate in the Sign & Graphics Division Awards Program. Dualbranded Centers will be eligible for the Dual Brand Awards, based on the identified criteria for each award.
- 7. To qualify for the Rookie of the Year Award, Members must have been in the network 24 months or less.