

COOKIE'S CLIPS

Cookie Cutters
Haircuts for Kids
And
CC Franchising

Circle of Friends to Release New Salon Exclusive Line

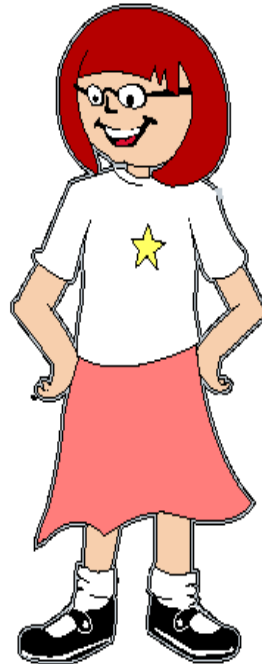
Circle of Friends will launch their new Salon Exclusive product line May 19, 2005. This line will only be available in salons, unlike the current line that can be found in other retail stores.

The Salon Exclusive line still has all the favorites available, but they do have new names and a new look. Circle of Friends has added new products exclusive to this line, such as a new shampoo, two new detanglers and a pomade shine. They also have made the shampoo, conditioner and detangler bottles 10 oz. sizes and done away with the pump. The 2 oz. products are packaged in kits of three. The kits include a shampoo, conditioner or detangler and a

styling product. We will no longer carry the individual 2 oz. products.

While this line will be released May 19th and will be available through corporate at that time, we will fill orders with the existing line until our supply is gone. We have kept stock levels low in anticipation of this new line, so please be patient as we may be out of certain items at this time.

We are very excited to offer this line in our franchises and expect it to help boost product sales. I have attached a flyer showing the new look and will be sending out an order form with pricing next week. The best thing: pricing is about the same as you pay for the 8 oz. sizes!



If you have any questions please let us know.

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Reminders:

- *Royalty payments are due in the office by the 10th of each month.*
- *Send in tax exempt forms ASAP to avoid being charged sales tax on your next order*

SALE

Herdoos brushes still on sale through the office for \$3.00, they're regularly \$4.25. They must be purchased in case quantities of 24 and can be mixed with 4 styles of brushes to receive the sale price. If you have any questions or to place an order call 317 334-1680.

Who is the Customer?

Customer Service. A simple statement with a logical meaning. While everyone thinks customer service means taking care of clients, sometimes we forget that one of our most important clients is our employee. Many successful businesses have remained that way by truly treating employees and customers alike. Take a

hard look at how you treat your staff and how you treat your clients. If either one is not up to standards then both will soon suffer. Your employees are your most important asset, as without them you can not service clients. Most of us have been employed by others at some time in our life and understand how we felt

when our employer was rude or condescending. Nearly every customer complaint we receive involves an employee who is also not satisfied with something in the salon. Earning a living is important, but so is being appreciated for helping a salon succeed. Thank your employee every time you thank a client.



**Cookie Cutters Haircuts for Kids
And
CC Franchising**

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***Discover How Much Fun a
Haircut Can Be!***

**A Deal Well Done!!
How to Save Money on your Lease**

Ryan Zickler, of Zickler Associates, has faithfully acted as our real estate agent in the securing and leasing of new spaces for the last nine years. Zickler Associates take careful steps to minimize risk and reduce cost, as well as, limit exposure to our Cookie Cutters franchisees. Recent evidence of this top notch brokerage service and leasing expertise can be found in the successful negotiations on behalf of Erin Wojcik in Vienna, WV.

Erin was presented a proposal by the landlord for a location she had selected for her first Cookie Cutters' salon. The rent was too high, the location was not the best for her type of business, and worst of all the terms of the proposal were completely one sided in favor of the landlord. Ryan gathered a quick understanding of Erin's space needs, her expectations of Zickler Associates involvement in the transaction, and deal parameters acceptable to her. Immediately, Ryan began to negotiate a lease structure resulting in the following:

A reduction of \$290.36 in her monthly rent or \$3,484.32 per year, two months of rent abatement equivalent to \$2,519.28, the leasing of 281 less square footage to better serve her needs, and most important, the landlord is willing to do ALL her build out with no increase in the rent or out-of-pocket expense to Erin.

To learn more about Zickler Associates and Ryan Zickler, please visit our website at www.ZicklerAssociates.com or contact Larry Shelton at sheltonlr@haircutsarefun.com.

**Franchise Spotlight: Mark and Alysia Weidner
owners of Draper, Utah franchise**

For quite some time my wife and I had been searching for the perfect business that we could own and operate together. In March 2003 we were introduced to the idea of Cookie Cutters by my wife's parents. They had visited a store in the Columbus, Ohio area and fell in love with the concept. After a few weeks of research and a visit to Indianapolis we made the decision to bring Cookie Cutters to the great state of Utah.

Utah is a state with a small, but rapidly growing population. The growth in the number of families with small children presents huge potential for us and the Cookie Cutters franchise. However, being a small state with big families also presents some challenges and obstacles. Pricing by far was our biggest obstacle to overcome. Take a drive through the Salt Lake Valley and you will see that every development with a grocery store is accompanied by a Super Cuts, Great Clips, Dollar Cuts, or Fantastic Sam's.



With some great advice from Corporate and aggressive and continuous marketing we have been able to overcome the price issue and have seen an increase in sales. We send every new customer a thank you coupon for \$2 off their next haircut. We have also implemented a \$2 discount for customers who reschedule

at the end of their visit. Our stylist's are trained to be "suggestive sales people". By this I mean that it is their job to explain to the parent what products they are using in the child's hair and what the advantages are of using those products. The stylist's receive a separate commission based upon product sales and an additional bonus is given to the top salesperson. This seems to have boosted our product sales recently.

Our first year has been filled with joy and discouragement, ups and downs, profits and loses, but overall we are encouraged and excited for the future here in Utah and plan to open several more locations. Our two year old daughter has spent half of her young life growing up in the salon, but with all the balloons, suckers, and games she doesn't seem to mind.

Mark & Alysia Weidner