



FRANCHISE OPPORTUNITIES



**YOUR
BIG
MOMENT
IS HERE**





Hello Future Big Blue Swim School Franchise Partner,

Since you’ve made it to this step of the franchise awarding process, you have likely come to the same conclusion I did — that Big Blue Swim School is a very special brand. Our mission is to unlock the full potential of a child, and we will service one-third of the 12 million kids that need to learn to swim in the United States. We’re excited that you’re exploring the opportunity and we’re eager to share with you our brand book, which contains a lot of information that will help you in your decision process.

Because we feel confident that Big Blue Swim School is the future leader of the dedicated swim school franchise space, we need to make sure we align with franchise partners that support our 2030 vision of having 400 swim schools throughout the US. We hope you share our vision and we look forward to continuing the conversation.

To Your Success,

**Dennis Campbell and
Courtney Kane**



PROMISE, MISSION AND VALUES



**We show kids they can do anything
by unlocking their full potential in the water.**

OUR VALUES



**Show Passion
for Our Mission**
be the change you
want to see



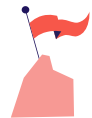
**Reach Beyond
Your Grasp**
be better today
than you were
yesterday



**Embrace
Our Differences**
be inclusive



Radiate Energy
be the sun



**Go the
Extra Mile**
be awesome



**Make Teamwork
Happen**
be a champion
for others

STRENGTH OF THE INDUSTRY



\$3 BILLION INDUSTRY

Swim school financials stack up against other franchise concepts with the added bonus of contributing to the health and well-being of children with safety and confidence building through swimming.



GROWING INDUSTRY

Athletic participation for kids ages 6 through 12 is down almost 8% over the last decade. * But participation in swimming is growing, with 52% growth in year-round swim memberships from 2000 to 2017**



ESSENTIAL LIFE SKILL

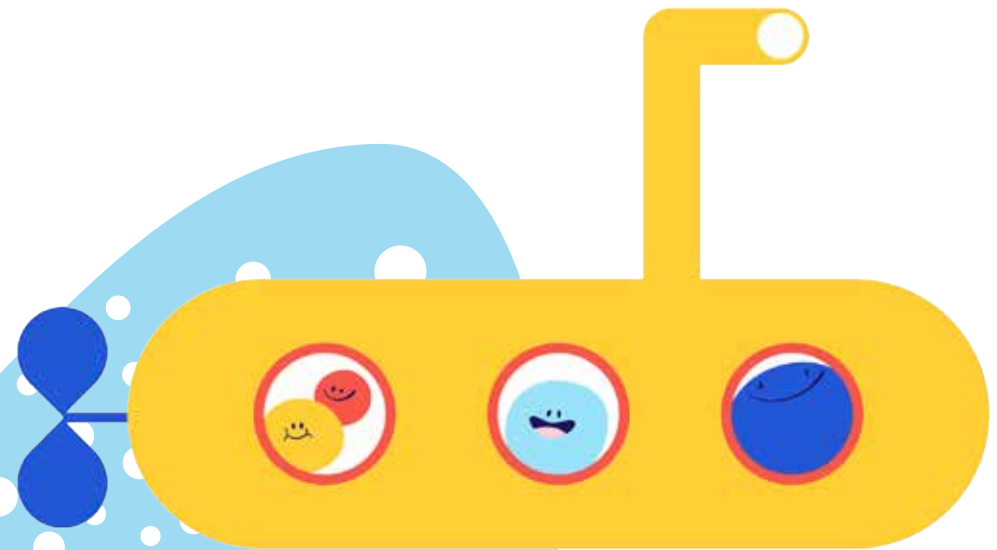
- Can't be outsourced or automated
- Amazon-proof
- Parents will always invest in their children



NO DOMINANT NATIONAL PLAYER

With no dominant players in the swim-lesson space, and recent decreases in state and local spending, the market demand for quality swim schools focused on basic skills is high.

Other brands in the space leverage existing pools, or have dedicated swim lessons but poor real estate and difficulty finding and retaining talent. This opens up an opportunity for Big Blue Swim School to emerge as a national player.





THE STRENGTH OF THE

LEADERSHIP TEAM



Chris DeJong
Founder and President

Backed by a top-notch team of experts across industries such as marketing, operations and real estate selection, Big Blue Swim School is guided by the vision of former U.S. National Championship swimmer — now founder and president — Chris DeJong.

With strong backgrounds in private equity and Fortune 500 companies, Chairman of the Board Chris Kenny and CEO Scott Sanders drives Big Blue's strategic initiatives. As the managing partner of Level 5 Capital Partners, Kenny applies his direct experience growing brands across markets while informing the brand's strategic expansion plans. Rounding out the leadership team, with more than 18 years of experience in franchising, franchise development and executive management, CDO Scott Thompson is also an IFA-Certified Franchise Executive.

Together, this all-star team is leading the charge to maximize revenue systemwide — all while positively impacting the lives of children and their families.



Chris Kenny
Chairman of the Board



Scott Thompson
CDO



Scott Sanders
CEO



Casey Morford
CTO



Michael Lonergan
Chief Swim Officer



Justin Waltz
VP of Operations



Brooke Mallick
VP of Marketing



Michael Chin
President of L-5 Real
Estate Services



Jennifer Falbo
Director of Human
Resources



Dennis Campbell
Franchise Development
Director



WHY FRANCHISE WITH BIG BLUE?

REAL ESTATE ADVANTAGE

LOCATION IS KEY

Competitors in the swim school space typically connect franchisees with local real estate brokers who source Class C or D locations in warehouse areas. Big Blue Swim School's dedicated real estate team uses its data-driven real estate strategy to identify prime real estate in trade areas that set up franchise locations for optimal results.

BEST IN CLASS POOL DESIGN

Our pool design gives us a structural advantage over the competition by driving customer lifetime value and allowing franchisees to better serve multi-kid families during prime demand times.

HIGHER REVENUE POTENTIAL



PROPRIETARY, CLOUD-BASED ENTERPRISE SYSTEM

CUSTOMER FACING MOBILE APP

Families can schedule and reschedule lessons for their whole family with the touch of a button and track their swimmers' progress all in one place.

CUSTOMER MANAGEMENT AND DATABASE

Track and manage families and swimmers with ease, add new swimmers and update billing.

CAPACITY PLANNING

Create class schedules that maximize the amount of students and the variety of class levels in the pool at the same time, which optimizes revenue potential.

SCHEDULE MANAGEMENT

Optimize your capacity utilization by managing and tracking the team's daily schedule in a convenient dashboard.

CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

Ensure nothing falls through the cracks.

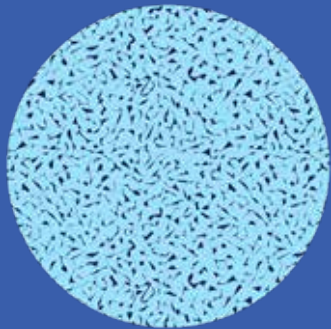
DAILY TASK LIST

Keep the team on track with ease.

REPORTING

Comprehensive tools to help managers maximize profitability.





FINANCIALS

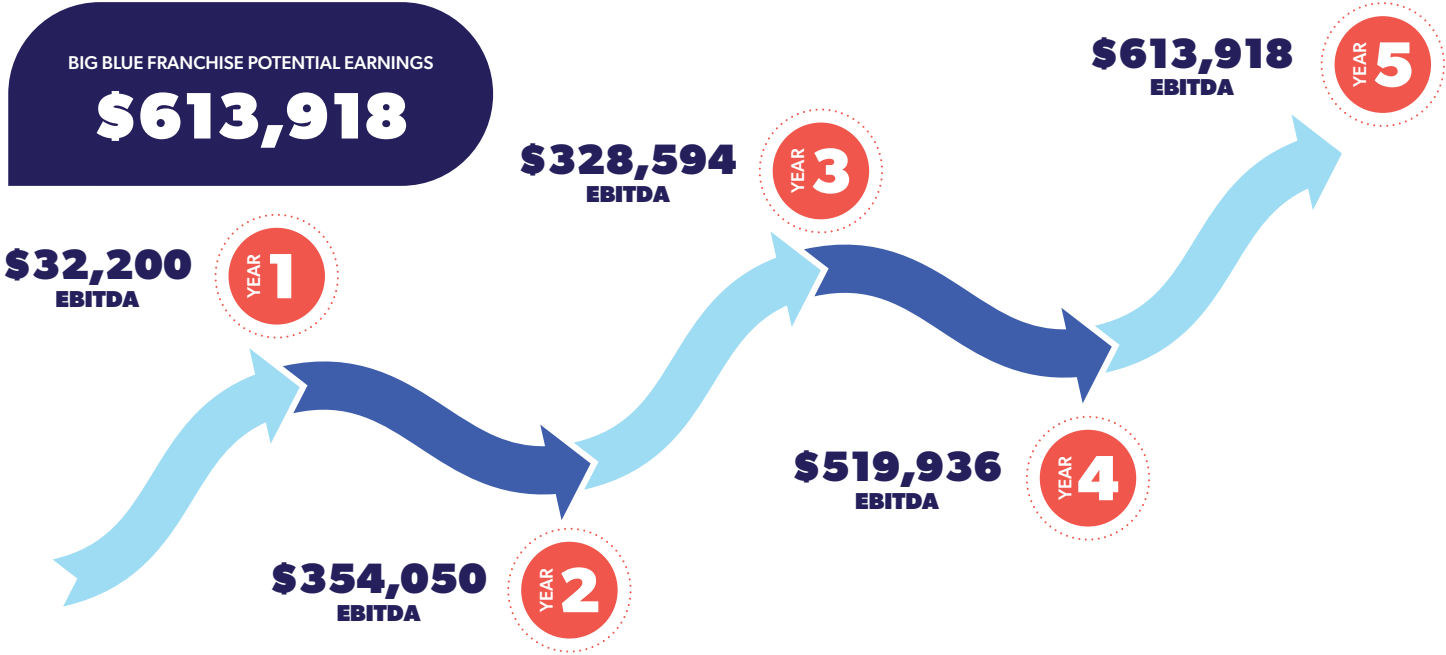
Big Blue Swim School’s strong unit economics stacks up against other franchises



TOTAL INVESTMENT

HIGH	\$3,636,998	FRANCHISE FEE*
LOW	\$2,329,223	\$80,000
REAL ESTATE / CONSTRUCTION MANAGEMENT FEE		NEW POOL OPENING FEE
\$80,000		\$82,000

STRONG UNIT ECONOMICS



1. Adjusted operating income/earnings before interest, taxes, depreciation, and amortization, "EBITDA".

2. Figure reflects the actual annual EBITDA for 1 affiliate-owned and operated BIG BLUE Swim School (operational for at least 5 full years as of December 31, 2018) during its 5th full 12 months of operation, as published in Item 19 of our 2018 Franchise Disclosure Document. That Item 19 also includes annual gross revenue, expense, EBITDA, and other financial performance information for 3 affiliate-owned and operated BIG BLUE Swim Schools (operational for at least 1 full year as of December 31, 2018) during their 1st full 12 months of operation, for 2 of those 3 Swim Schools during their 2nd and 3rd full 12 months of operation, and for 1 of those 3 Swim Schools during its 4th and 5th full 12 months of operation. A new franchisee's results may differ from the represented performance. There is no assurance that you will do as well, and you must accept that risk.

This discloses average annual EBITDA for 3 affiliated BIG BLUE Swim Schools in Illinois during their 1st, 2nd, and 3rd full years of operation and for 2 of those 3 Schools during their 4th and 5th full years of operation. Each School operated for at least 3 full years as of December 31, 2019. 1 (33%) of the 3 Schools exceeded the average EBITDA during each of their 1st, 2nd, and 3rd full years of operation, and 1 (50%) of the 2 Schools exceeded the average EBITDA during each of their 4th and 5th full years of operation. The start and end dates of the years of operation for each School differ because each opened on a different date. A new franchisee's results may differ from the represented performance. There is no assurance that you will do as well and you must accept that risk. These figures appear in Item 19 of our 6/19/2020 Franchise Disclosure Document with other historical financial performance information for these 3 Schools.

At Big Blue Swim School, kids don't just learn how to swim. They learn to believe in themselves. Then they dive back in for even more Big Moments. Where Fish Learn to Fly!

OUR BRAND PROMISE...

A CLEAN, COMFORTABLE SWIM LESSON

Big Blue Swim School's ultra-clean pools are kept to a comfortable 90 degrees, with the air temperature kept at 91 degrees inside the pool deck and a comfortable 72 degrees outside the pool in our carpeted viewing lobby that provides a relaxing environment for busy parents.

SIMPLE AND CONVENIENT SCHEDULING

Our weekly lessons run year-round and offer the flexibility to start and stop lessons whenever families choose. And with our mobile LessonBuddy™ app and two pools with 13 lanes each, parents can sign up for multiple kids' lessons all in the same 30-minute window, regardless of their age and level.

THE ABILITY TO TRACK PROGRESS AND CELEBRATE MILESTONES

Our program has transformed the way swim lessons are taught. We strive for every kid to improve their abilities lesson after lesson. Our proprietary software also allows parents to track that progress from anywhere—and high-five with gusto as their kids level up.





OPERATIONAL EXCELLENCE AND ON-GOING SUPPORT



From the moment a franchise partner signs with Big Blue, support begins. Owners are even assigned a dedicated Launch Support Specialist to work with them through the point of profitability. Our goal is for your pool to open on day one and operate like it is year five.

POOL READINESS-CONSTRUCTION MANAGEMENT

Our dedicated teams provide assistance with site selection and lease negotiation as well as full pool design and construction management.

LESSON READINESS-TRAINING AND SUPPORT

The first step in Big Blue Swim School's training program is online Learning Management Software training to learn the foundational aspects of the business.

Next, franchise partners engage with additional modules that provide weekly tasks that are more in-depth than the foundational training, including setting up merchant accounts, buying computers, getting email set up and more.

COMMUNITY READINESS-NPO MARKETING AND OPENING SUPPORT

Big Blue Swim School franchise partners and general managers receive training at a Chicago corporate location and at their own facility. The training also includes lifeguard, CPR and Certified Pool Operator and general operations training.

Franchise partners will have monthly support calls to track business progress. Additional financial support includes Key Performance Indicators management, benchmarking and unit economics coaching. Ongoing support includes licensing compliance, IT training, technology development, annual in-market visits and AI-driven facilities management.

ONGOING MARKETING SUPPORT

We don't hand a franchise partner a brand guidebook and wish them good luck. Instead, we invest local marketing dollars for the franchisee in programs we know work. Our franchisor-operated marketing program has refined customer acquisition and retention to ensure long-term success.





NEW POOL OPENING (NPO)

Franchisor will handle all online and local lead generation for your new pool using our proprietary New Pool Opening (NPO) system; NPO support occurs four months prior to your grand opening through four months after your grand opening

Once the facility's doors are open, the NPO team is deployed to help the franchise owner with in-market training for two weeks. They help the franchisee organize grand opening events, develop partnerships with other small businesses in the area, and more. The NPO team will visit quarterly in the first year of business, then bi-annually after the first year.

ONGOING SUPPORT

- Licensing compliance
- IT support and training
- Technology development support
- Annual In-Market Visits
- Hands off, AI-driven facilities management

FRANCHISE FIELD SUPPORT

Once profitable, each franchisee will work with a Franchise Field Support Team member to help manage ongoing profitability and growth. This team member holds weekly calls with the franchisee, and is on-call to help troubleshoot issues.

ONGOING EDUCATION

Big Blue Swim School will host regular ongoing training sessions for franchisees, including regional town hall meetings and power groups, during which a top-performing franchisee shares best practices with new owners or those who are in need of additional support.

Big Blue Swim School will also have a Franchise Advisory Council (FAC) comprised of several committees -- marketing, technology, national brand fund and more -- that will work directly with the corporate team and serve as the voice of the franchise system.



POOL READINESS TIMELINE



**1 ORIENTATION,
REAL ESTATE
VALIDATION AND
PIPELINE REPORT**
5-6 weeks

**2 DEAL
APPROVAL**
4-8 weeks

**3 LEASE
NEGOTIATION**
6-8 weeks

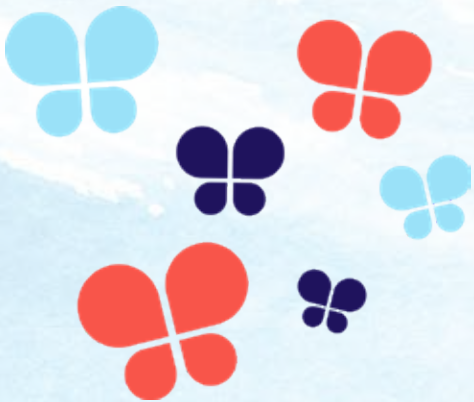
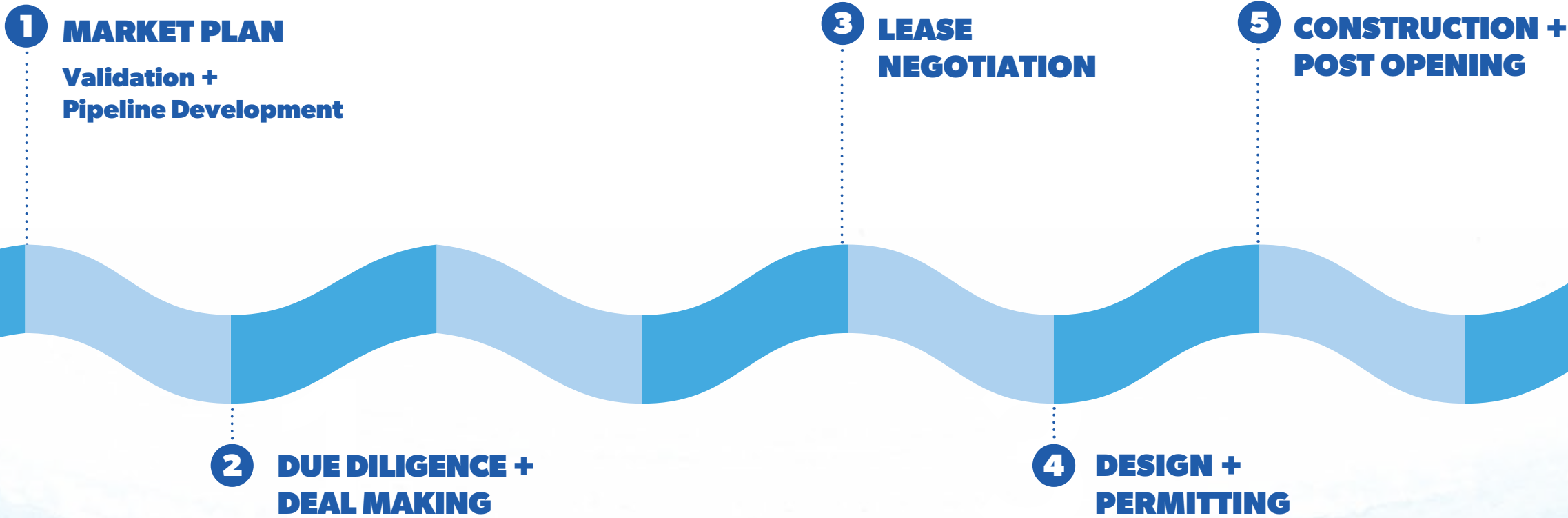
4 DESIGN AND PERMITTING
17-21 weeks (with special use,
could be 45 weeks)

5 CONSTRUCTION
22-26 weeks

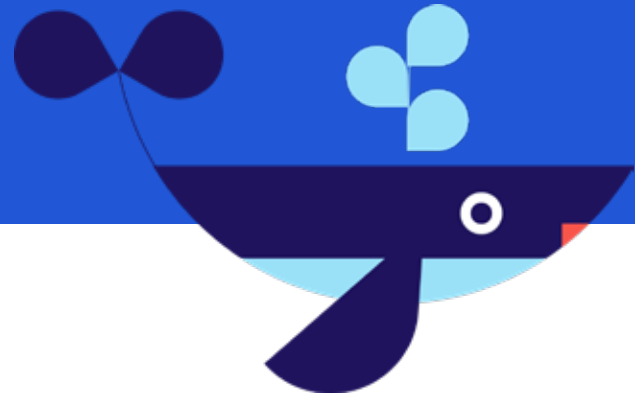
**6 SOFT
OPENING**
3 weeks



POOL READINESS PLAYBOOK TIMELINE



LESSON READINESS TIMELINE



**1 GENERAL MANAGER
RECRUITMENT AND HIRING
4-6 weeks**

**3 GENERAL MANAGER AND
ASSISTANT MANAGER TRAINING –
ROAD TO CHICAGO
4-6 weeks**

**5 LESSON BUDDY CONFIGURED
(for on-boarding staff, setting
schedules and assigning
lessons)**

**7 SWIM ASSOCIATE TRAINING
3-4 weeks**

**2 ASSISTANT
MANAGER RECRUITING
AND HIRING
4-6 weeks**

**4 GENERAL MANAGER
ASSISTANT MANAGER
TRAIN THE TRAINER
CERTIFIED POOL OPERATOR
LIFE GUARD INSTRUCTOR
CERTIFICATION
POOL OPERATIONS
4 weeks**

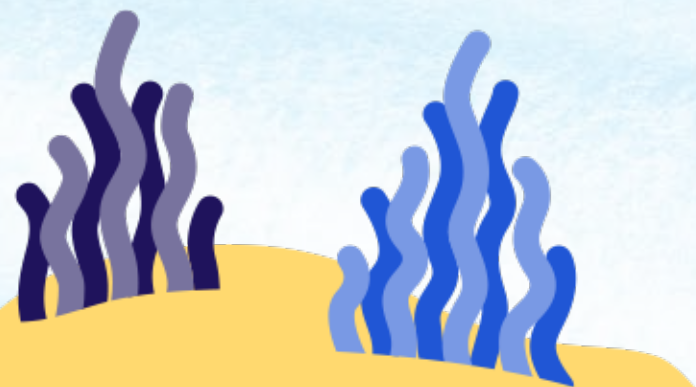
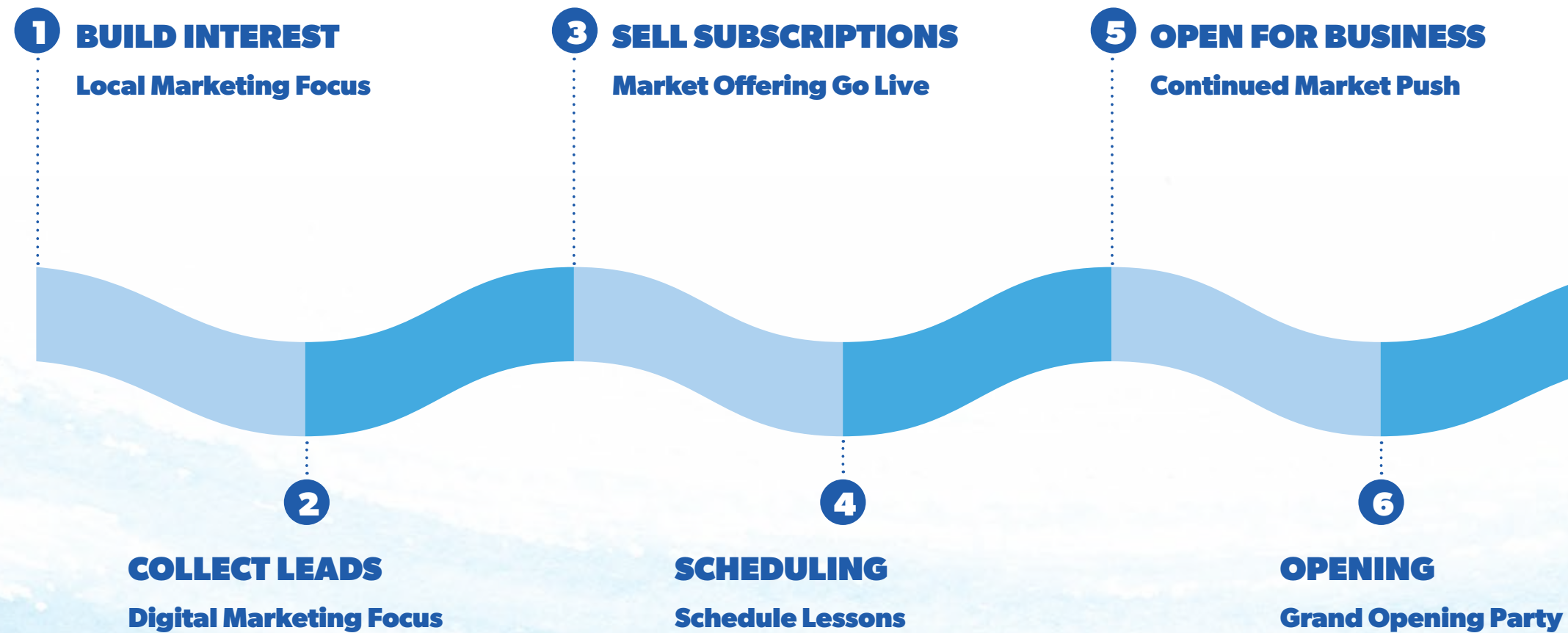
**6 SWIM ASSOCIATE
RECRUITING AND HIRING
4-6 weeks**

**8 CAPACITY PLANNING, OPERATING
SCHEDULE
AND POOL CONFIGURATION**





COMMUNITY READINESS TIMELINE





OUR FRANCHISE PARTNERS



WENDY AND ERIC SKAALERUD
Multi-Unit Developers

**5 POOLS IN
DENVER, COLORADO**

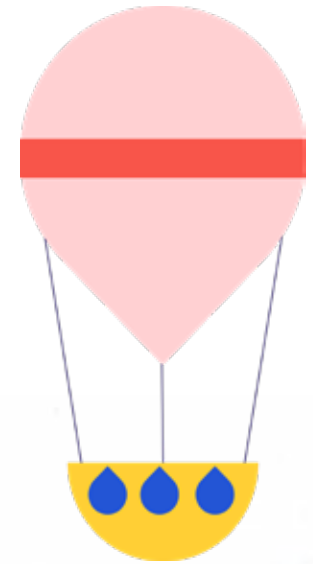
“We are already deeply impressed with the integrity of the group behind the Big Blue concept and look forward to adding value where we can given our past franchise and finance background.”

– Wendy & Eric Skaalerud



SDG SWIM, LLC
Real Estate Developers

**10 POOLS IN CHICAGOLAND
6 POOLS IN TWIN CITIES**



“With childhood drowning being the number one reason for accidental death for children under the age of 12, I knew I could make a difference in my community. I am really excited to open a business”

– Zack Groesbeck



ZACK AND BRITTANY GROESBECK
Husband and Wife Team

**3 POOLS IN
SALT LAKE CITY**

“I love that Big Blue is a service-based franchise that has repeat customers, a very diverse customer base, is family-oriented, and offers a service that is not threatened by technology or can be outsourced to a foreign country which is nearly impossible”

– Wayne van der Poll



WAYNE AND LINDA VAN DER POLL
Husband and Wife Team

**3 POOLS IN RALEIGH,
NORTH CAROLINA**



OUR FRANCHISE PARTNERS



CHRIS BURDEN AND PENELOPE CLARK
Husband and Wife Team

**3 POOLS IN NORTHERN
NEW JERSEY**

“Big Blue stood out over the competition because its investment level interested me, adding proof of concept. Some swim schools have a lower investment, but that also means they could have a lower return. Big Blue has a really attractive business model. As a parent, I know that everyone needs to learn how to swim, which means that there will always be a target customer. What really appealed to me about Big Blue Swim School is that I could pioneer the market”

– Chris Burden



SAMER AND MIRNA ABRAHAM
Husband and Wife Team

**3 POOLS IN
NEW JERSEY**

“Learning about what and how Big Blue does everything versus the competition proved that Big Blue has solved any problems we saw with the competitors we looked at. LessonBuddy was a really strong selling point that we know will set us up for success”

– Sam Abraham

“One of the reasons that we decided to buy Big Blue is that the company uses data to drive business decisions. Plus, we couldn’t find a management team better than Big Blue’s at any of the competitors”

– Rohit Patel



NEEL AND ROHIT PATEL
Father and Son Team

**3 POOLS IN
AUSTIN, TEXAS**



SARA OTEPKA AND CHARLES MEYERS
Business Partners and Investors

**16 POOLS IN ATLANTA, DALLAS
AND WASHINGTON, D.C.**

REBRANDED POOL PREVIEW



SERVICE FEE BREAKDOWN

REAL ESTATE AND CONSTRUCTION MANAGEMENT:

PLANNING AND SITE ACQUISITION: \$27K

LEASE NEGOTIATIONS: \$3K

DESIGN AND CONSTRUCTION: \$50K

WHAT'S INCLUDED:

PLANNING AND SITE ACQUISITION

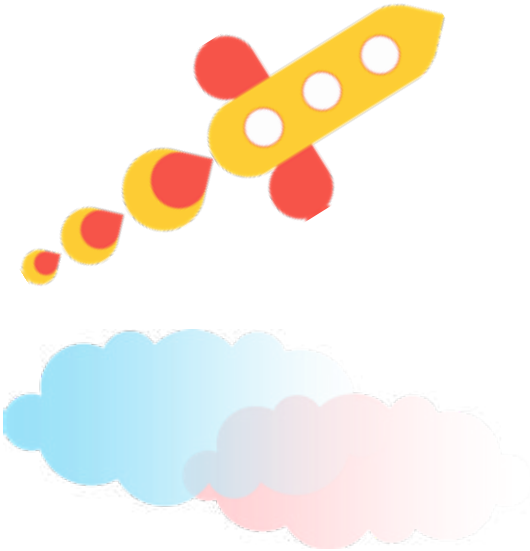
- Strategic Market Planning
- Market Validation
- Site Selection (LOI and Work Letter Negotiation)
- REC Package

CONSTRUCTION MANAGEMENT

- Surveying (Site Investigation Reports)
- Preliminary Pricing
- Bidding
- Ongoing Construction Project Management
- Pay Application Management (Cost for construction is billed and paid separately)
- Change Order Management
- Management of Tenant Allowance acquisition
- Weekly Reporting
- Certificate of Occupancy
- Punchlist
- Close-out package with lien waivers
- Post Opening Management (12-month warranty)

DESIGN

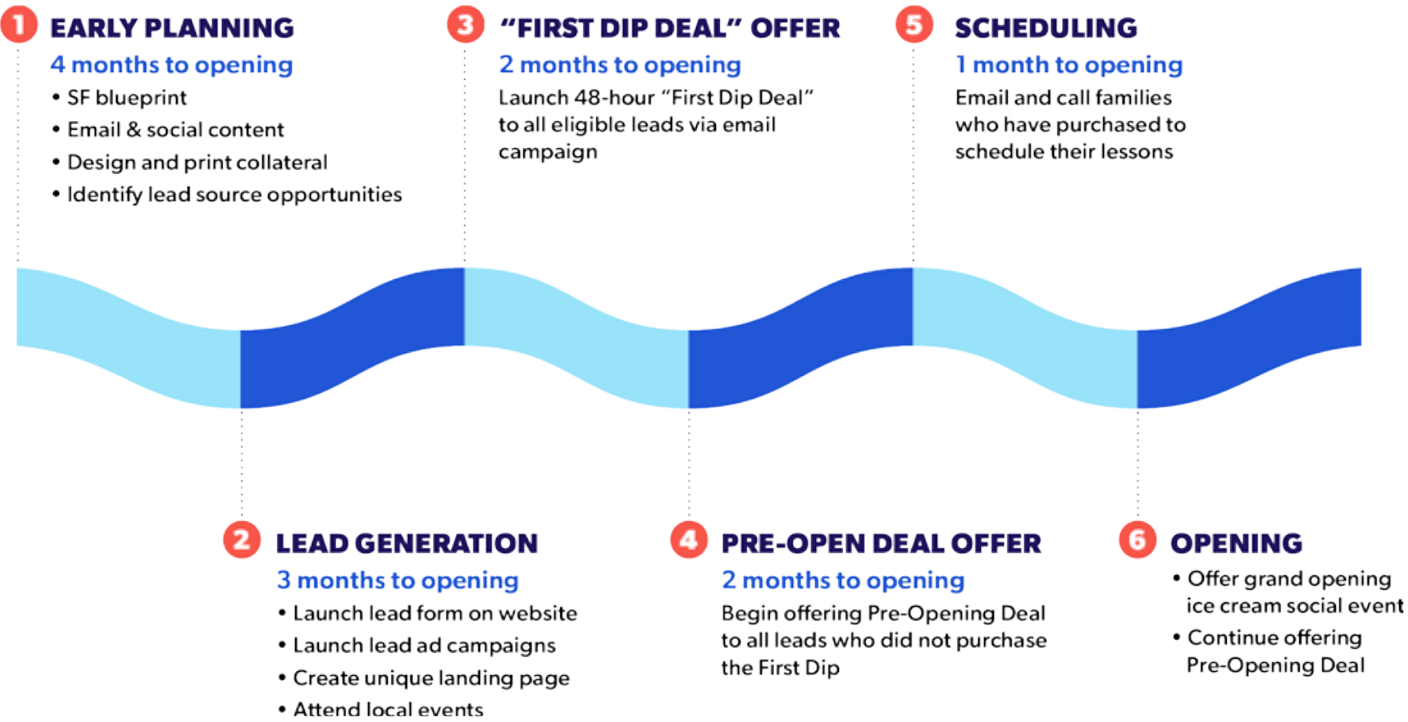
- Layouts (Test Fits/ Schematics)
- Signage Management
- Elevations and Renderings (If applicable)
- Architect and Engineer Management
- Construction Drawing (CD) Management (Cost for CDs is billed and paid separately to Architect)
- Permit Management



SERVICES FEE BREAKDOWN

MARKETING BUDGET: \$50K

MANAGEMENT FEE: \$32K



WHAT'S INCLUDED:

- We handle strategy and execution of your pre-opening marketing plan so you can focus on building the right team and culture
- The four months prior to opening are critical for driving memberships for your location





BigBlue[®]
SWIM SCHOOL

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