

Fantastic Franchisors

Navy vets looking for fellow vets to run their child fitness franchises.

by Mike Woelflein



John Mann and Joe Dondero have been there: They've worked long hours in Corporate America, slaving away at jobs they didn't love. Five years ago, the enterprising Naval Academy graduates made a change, finding more fulfilling, more lucrative work as small business owners. Now, they want other veterans to join them.

Mann and Dondero, 1991 Annapolis grads and former Navy lieutenants, co-founded Rolly Pollies, a children's gymnasium and activity center in Severna Park, Md., in 2002. The plan? Build the business, track everything they did to be successful, then build a system that others could follow to do the same. They hoped to sell the model as a franchise, with a focus on veteran franchisees.

They've done it all. Six months after opening the first Rolly Pollies, they had 600 children, ages six months to six years, in their gymnastics/motor skills programs. After a year, they added music, and then creative arts. Today they've got five franchises open — in Maryland, Arizona, Florida, Minnesota and New York — two in the works (Maryland and Charlotte, N.C.), and many more under discussion. Four of the seven are run by vets.



Why Veterans?

When Mann and Dondero thought about selling franchises, they tried to formulate the ideal candidate for a Rolly Pollies owner.

“We looked at why we were successful in Severna Park,” Dondero says. “And we kept coming back to skills we learned and developed in the Navy. As officers, we were managing people, managing processes, and those skills translated beautifully to owning a business, being an entrepreneur, and following a franchise system.”

“We have a set system,” Mann adds. “Someone coming in really just needs to follow it, implement it, and manage it. That's a natural fit for military people.”

Break Out on Their Own

The Rolly Pollies model, in particular, was a fit for Mann and Dondero. The pair were working in New York City for telecom and financial printing firms, respectively, and kept exchanging e-mails with each other and friends, lamenting their jobs and promising to one day break out on their own, to start a business where they could enjoy work, and do well financially, while doing good for their community.

“At the end of my e-mails, I’d always say, ‘When are we going to do this?’ Mann says. “And one day, Joe said, ‘I’m ready. What are we going to do?’”

They looked at where the money was, who was spending it, and what businesses work well in economic downturns. One industry that kept coming up was working with children. Mann, a father of three, sent Dondero to one of his daughter’s gymnastics classes to observe. Mann walked out afterward, certain that he and Dondero could do it better in a suburban Baltimore/D.C. market with a lot of well-off, growing families in the midst of a mini-Baby boom. “The gym was dirty,” Mann says. “It was old. It was nothing special. And they had 800 to 900 kids coming through there, and a waiting list. I said, ‘We can make a better facility and give them a better experience.’”



A For-Profit Community Center

That’s what they did; building what they like to say is a “for-profit community center.” Working seven days a week, 10 or more hours a day, Mann and Dondero taught all the classes and ran all the birthday parties. Soon, they hired other instructors and experts to build curricula, from folks with doctorates to experienced daycare providers and coaches.

“Within four months, we had more kids than we knew what to do with,” Dondero says. “It’s a high-energy environment, and those early days took a lot out of us. But we were also having a great time with it. We still are.”

Along the way, they worked to give the children and their parents, exactly what they wanted. They added new programs, allowing parents with more than one child to enroll one in gym and another in say, music, on the same day and time. Now, they’re in a beta phase of a dance program that will soon be available to franchisees, some of whom have added their own programs, such as cheerleading, baby sign language, and Spanish classes.

Along the way, Mann and Dondero documented their successes and failures, with an eye toward developing a franchise model they could sell to others. “From the Naval Academy on up, they just pounded into us the idea of doing things the most efficient way possible, and documenting everything,” Mann says. “The military really set us up well for franchising.”

Have You Heard of McDonald's?

Asked what the long-term goal is, Mann answers simply, with a laugh.

“Have you heard of McDonald's?” he asks. “We want to be the leading franchise in the industry. More than that, we want to be the trusted source for childhood development, a trusted brand with programs that help children develop, get stronger, get better, get some confidence and gain self-esteem.”

“Maybe,” Dondero adds, “they'll carry this foundation with them, and play soccer or basketball, gymnastics, whatever. They'll stay in shape, and they'll be more likely to go outside and throw a ball around with their friends instead of sitting at home playing video games.”



Military Experience Pays Off

Military experience can pay off for franchisees. In the franchise model, the franchisor sells a license to franchisees to open their own, using the brand and the business model. Franchisees also receive assistance in organizing, training, marketing and managing the business, benefiting from the original owner's experience.

“You're in business for yourself, but not by yourself,” Dondero says, repeating a mantra of the franchise community.

The goal of every session says Joe Dondero is too exercise their students so they want to go home and take a nap.

It's similar to being in the military, where things are broken down from on high to smaller and smaller groups, and the processes — down to the smallest detail — carry across the globe, right down to the squad level.

Procedure and Process Driven

“The military is procedure driven and process driven, and military experience teaches you to thrive in that type of atmosphere, which is similar to a franchise,” Mann says. “Everything is a process in the Navy, right down to how to fold your t-shirt. It gets ingrained in your mind, and gives you the ability to follow orders, or follow the business model.”

Last year, Mann and Dondero joined the International Franchise Association (www.franchise.org) and heard about IFA's VetFran, a program that partners the VA, SBA and Veterans Corp. to inform and encourage veterans to look into franchising. VetFran participants offer discounts and incentives to vets.

Rolly Pollies, VetFran's 200th franchisor, offers veterans a 15 percent discount off of their \$35,000 franchise fee.

Rolly Pollies, according to Mann and Dondero, offers a moderate investment (\$147,000 to \$380,000, largely dependent on building and build-out costs), fast start-up (six to nine months), and a great work environment. Their facilities, at least 5,000 square feet, are larger than many competitors, with more equipment (Rolly Pollies provides climbing walls, trampolines, a foam pit, cargo nets, and more).

To get a loan for the average start-up costs of about \$175,000, Mann and Dondero say many candidates use their home equity after a long run-up of real estate prices. They say banks and the SBA are looking to help vets, and with 30 percent of the loan amount as liquid cash, many can qualify for a loan that can help them start a business. Rolly Pollies, like other franchises, offers turnkey solutions.

Rolly Pollies Franchise Info

Founded: by Joe Dondero & John Mann (2002)

Headquarters: Severna Park, Md.

Franchises: five franchises in Md., Ariz., Fla, Minn., and N.Y.

Web site: www.rollypollies.com

Phone number: 410-544-9002

E-mail: info@rollypollies.com

“We have an equipment package,” Mann says. “And they also get all of our programs, our operations manual — how to run the business, day-to-day — our training manual, all the marketing materials we’ve created and are working on, and a Web site (www.rollypollies.com).”

The package also includes on-site training and anything else the duo can provide to help, from architectural drawings to help with negotiating leases and finding the right facility. As Dondero says, “We take you from a conversation today to flicking on the lights in six to nine months.”

Are You the Ideal Candidate?

The ideal franchisee candidate — aside from having the necessary cash — needs to love working with children, enjoy socializing with kids and their parents, and be high-energy, both physically and mentally. Franchisees should live in an area that matches up with the model demographically, with a dense population of people with disposable income. Franchisees should also have a personal mission to make their communities better and to have fun at work. There has to be passion, both say, for the business, the model, and the community.

“It’s great fun,” says Dondero. “We go to work in shorts and t-shirts every day, and the kids look forward to it. A two-year-old wakes up every day and says, ‘Is it Rolly Pollies day?’ But at the same time, it’s a lot of work, and you need a certain personality.”

It's a personality, Mann says, that matches up well with many veterans.

“These are people who served their country, and now many of them want to serve their communities,” he says. “And you can make money while making a difference. That's huge. Guys are getting out of the military, and they're in good shape, they're used to working out, and they're used to being a role model, setting an example. We want those people.”

No franchise model is for everyone, of course. Still, from what they've seen, Mann and Dondero believe the basic model works for veterans, whether it's Rolly Pollies, Subway, or anything else. They're willing to talk to veterans about model and the process, whether the vet is looking into Rolly Pollies or not.

“If they want to talk to us about owning their own business and what it entails, we'd love to help,” Mann says. “It's all the same concept, and a franchise is a franchise. It's about managing people and following a process. We can talk to them, get them in touch with the right people. We want to be a resource for people transitioning out of the military.”
