

Prospectus

Merlin

Add a little magic to your life

The Gadget and Gifting industry is Big Business
... Now is the time to *join the Best in the industry.*

If you have a passion for health, sales and for people, join the winning team of experts and be a success by owning a GADGET Shop business.

...we are looking for new franchisees that are dynamic, positively minded, go-getter-type people with a great sense of business ethics, who place a high value on social development and will be willing to join a structured franchise system with *Merlin Digital*

About Merlin Digital

Gadgets *and gizmos* are the best gifts around for grown up girls and boys. In the age of technology they are an excellent demonstration of science at work, *gadgets and gizmos* have the power to bring out the "Wow, look at that!" factor. Thank you to all those geeky *gizmo* designers for all their hard work to put a smile on everybody's faces!

Here at Merlin Digital we specialize in high quality, up to date gadgets and novelty items for everyone. *Merlin Digital* prides itself on First to launch, latest innovations, Best service, Competitive price, Quality with high standards and reliability.

Merlin Digital offers the best in quality and unique, never-seen-before gadgets, gifts, electronics and lifestyle products. Our products are offered online, but most of our sales take place from our local and international brick-and-mortar shops and TIER 1 resellers such as Plugins, Sharaf DG, EMAX, Dubai and Abu Dhabi Airports; which you can visit should you wish to see, touch and feel the product first or hands on product experience otherwise. This fact provides our customers with peace of mind, confident and worry-free shopping, knowing that they can at any time contact the stores in case they need support or other information.

Our Products

- Audio Visual
- Boys Toys
- Business & Office
- Car & Travel Gadgets
- Digital HealthCare Technology and Massage Chairs
- Gifts
- Media Players and Digital Streaming Devices
- Lighting & Accessories
- Robots and Learning Toys
- R/C Toy's
- Safety & Security
- Sports & Outdoor
- Portable Projectors
- Voice Recorders

Why Merlin Digital?

Merlin Digital is the name our customers in the UAE and Singapore have trusted for over seven years. A testament to this is our over 175,000 likes on the Merlin Digital Facebook page.

When the customer chooses ***Merlin Digital***, they can expect the highest quality service, the latest technology and the most attractive gadgets available. *Merlin Digital* will provide you the latest products from the worlds of technology and consumer electronics. Our target audience are technophiles (20-45 males), audio and video lovers and gift seekers.

Merlin Digital's Vision

"To be the preferred supplier of the latest in gadgets and technology through quality, innovation and caring".

Our Values

- Respect - We value people and seek to understand and appreciate each and everyone's contribution. We seek to build high trust relationships.
- Integrity - We honor our commitments to others. We are ethical, honest and fair in our business with our customers as well as our partners.
- Communication - We share useful information timely, openly, and honestly. We listen attentively and consider all points of view.
- Teamwork - We collaborate with and are accountable to one another. We strive to achieve the most for the collective good of all.
- Action - We take action, meet challenges, and find solutions. We are creative and innovative.
- Service - We honor our customers and franchisees by providing timely, accurate, and complete service and support. We strive to exceed their expectations and create opportunities for success.
- Growth - We continually learn and improve ourselves to ensure greater opportunities, successes, and rewards for the entire *Merlin Digital* network. We will grow and strengthen our brand presence domestically through planned strategies that ensure success for our franchisees and our brand.

Merlin Digital

is in the process of applying for membership with
THE FRANCHISE ASSOCIATION of Dubai (UAE)

*Management Team: **Hiro, Sharad and Rohit Bachani***

A self-motivated, focused entrepreneur, with a wide range of experience in the Marketing and Business development with a PHD in Marketing. Mr H.Bachani's varied 35 years + experience in consulting and brand building is supported by his two sons who are Directors in Merlin Digital. Their passions include gadgets, computers and technology. This passion has led us to develop Merlin into one of the most recognized CES brands in the region with product availability in over 100 brand name stores and Merlin's own four excellent Gadget shops, one in Dubai, Sharjah, Abu Dhabi and the other in Singapore.

Since our first store opened in June 2003, we have been focusing and evaluating and establishing our brand presence.

Today our 12 years of extraordinary entrepreneurial success and experience to offer and together with our determination, passion, vision and will to succeed, *Merlin Digital* is now destined to become one of the greatest, biggest commercial focuses U.A.E has ever seen!

The heads of Merlin Digital franchise agreement are:

- 5 Years with the option to renew after five years
- Set-up cost: \$ 72,000.00 (excluding VAT) which includes opening stock to the value of approximately \$ 35,000.00 (excluding VAT). The balance includes complete shop fittings (please note that these are approx. costs for display cabinets, floors, lights, signage, POS system, etc. and are expected to vary from region to region)
- Franchise fee: \$ 15000.00 (excluding VAT) which is payable upon signing the Franchise contract or for the immediate reservation of a particular site (and once the Franchisee has been screened and approved by the Franchisor)
- Owner operated

Set-up cost : US\$ 72,000.00 (Excluding Tax/VAT)

Franchise Fee : US\$ 15,000.00 (Excluding Tax/VAT)

Total: US\$ 87,000.00 (Excluding Tax/VAT)

The total set up cost provides you with a complete turnkey operation. The franchise fee is a one of payment for each franchisee that is opened. It secures the rights to operate a franchise, using *Merlin Digital* trademarks and business systems. This includes training for 30 days.

Management and marketing franchise fee:

Management Fee: - 3% (Excl. VAT) monthly of Turnover
Marketing Fee: - 2% (Excl. VAT) monthly of Turnover.

Working Capital:- \$ 25000.00

We recommend \$ 25000.00 as an initial start-up working capital. This amount can either be provided in a form of an overdraft or your own funding can be used for this. These funds will be used to support your cash flow in the initial start-up phase.

Merlin Digital marketing Ethos

Merlin Digital conducts marketing and advertising activities which are funded by a central marketing fund from funds collected from the advertising levy appropriated to all franchisees.

We will advertise on selected local marketing activities. Appropriate mediums and advertorials in relevant consumer and trade magazines are generally used with a combination of

Buyer's guide and Media advertising. Joint promotions and direct mail will be encouraged to convey *Merlin Digital* message to a defined market. The direct selling concept is the very core to *Merlin Digital* mode of operation. Each franchise operates independently, marketing and selling the services to the consumer.

Training

Merlin Digital offers an intensive in-house training Course for franchisees and BTO managers for 14 days minimum followed by on-the-job training on the training site. Other training courses are also available at various times during the year and will be run on an ongoing basis.

Franchisee profile

Merlin Digital is particularly interested in people who possess most or all of the following attributes-

- A people's person who is able to work with the public and have a pleasant, positive and caring nature;
- He or she must have *very* good selling skills; experience in direct selling is preferable;
- A self-motivated and organized person who wants to succeed and be prepared to work as part of a team;
- Financially and ethically sound person who treats customers, suppliers and *Merlin Digital* support office with integrity;
- Approximately 40% of total set-up costs available in cash plus 6 months personal living expenses while the Franchise outlet is being established.

Current Franchisees

DUBAI

Computer Plaza, Al-Ain Center, Shop No. M12B,
Dubai U.A.E.
Tel: +971 4 3590175
10 am to 10pm

SHARJAH

Sharjah City Center, Shop No. B-17,
Sharjah U.A.E.
Tel: +971 6 5307047
10 am to 10pm

ABU DHABI

Al-Wahda Mall Extension, Shop No. E330, 3rd Floor
Abu Dhabi U.A.E.

10 am to 10pm

SINGAPORE

02-010, Suntec City Mall,
Singapore
Tel: +65 63373303

Benefits of being a Merlin Digital Franchisee

1. You immediately become part of a going concern
2. You start your business step by step with the support, expertise and knowhow of *Merlin Digital* management team.
3. You have *Merlin Digital* brand name which is readily accepted by customers and potential customers globally.
4. You benefit from continuing guidance and management support.
5. You are equipped with marketing and sales support and administrative procedures to ensure maximum results.
6. You benefit from the constant interplay of new ideas resulting franchisee interaction.
7. You receive the benefits of co-operative national advertising.

Merlin Digital's recipe for success

1. Top class customer service in a pleasant atmosphere.
2. Competent management and personnel.
3. Well planned and organized business management.
4. Tight control of staff, administration and finances.
5. Never taking unfair advantages of clients, but conducting business in a fair and ethical manner.
6. To maintain excellent payment record with all suppliers, landlords and other creditors.
7. Brilliant expertise in sales and marketing.

What you get for your investment:

1. Assistance with the start-up programs and identification of needs.
2. Advertising material templates.
3. **Access to the Merlin brand which entails quality control, in house technical support and design.**
4. Training and continued follow up training.
5. Proven marketing and sales strategies.
6. Advice and assistance.
7. Once the franchise agreement has been signed and the franchise fee has been paid, on the job training and start-up assistance will be provided.
8. Franchise operations manual.
9. Opening stock and equipment.

What we expect of you:

1. A commitment and determination to succeed.
2. Hard work and dedication to do the task.
3. Hands on Management.
4. Loyalty to *Merlin Digital* ideals and objectives
5. A consistent standard of service in the areas of service range, customer relations and efficient service.
6. Compliance with the franchise agreement.

Where are we looking for Franchisees?

KSA	South Africa	UK	New Zealand
Qatar	Mauritius	France	India
Kuwait	East Africa	Spain	
Oman	Egypt	Germany	
Bahrain	Libya	Switzerland	

.Now is the time to join the best in the industry - *Merlin Digital*.

We invite you to join our winning team and become part of our success story by starting your own Merlin Digital Franchise. You will be backed and supported by the management and dedicated staff of *Merlin Digital*.

Contact:
Shan Hajireen

Now on
Cellular : +971 52 9102929
Tel: +971 4 33806660
Email: shan@merlin-me.com

Thank you for your time. If you wish to receive further information regarding this Franchise Concept, please complete the Confidentiality Agreement below and email (shan@merlin-me.com) or fax back to +971 4 3806616 Once we have received and reviewed your request we will forward a Disclosure document to you, detailing more about the business and its finances.

Confidentiality Agreement

I,

Owner /Managing Partner / CEO

of(Establishment / Group of Companies / Limited Liability Company / Public) .

Acknowledge that I am looking into the possibility of purchasing a **Merlin Digital** Franchise from *Merlin Digital*. Confidential information will be made available to me. I agree for a period of two years from the date of signature that I shall neither Directly or indirectly, a Company or Close corporation, participate or have any interest in the carrying on of business in competition with *Merlin Digital* operation, anywhere in my business network.

It is also understood the Merlin Digital will be the major supplier to the franchisee. The franchisee retains the right to buy products from other suppliers to create a healthy store mix such as brand name tablets, smart phones or memory products and accessories. At any given time no less than 80% of the store must be dedicated to Merlin products.

The parties hereto acknowledge that the aforesaid restraint of trade is just and reasonable, both as to period and areas. I will also not disclose any confidential information regarding the affairs of *Merlin Digital* to any other party.

Prospective Purchaser :

As Witnesses :

Date

Merlin Digital

As Witnesses :

Date