



# MAKING THE CUT

John Longmire wouldn't be the first man to grumble about the cost of his partner's haircuts.

But when his wife Monica came home complaining of being charged \$20 for a simple fringe trim, it got the pair thinking there might just be a business opportunity for them in the sector.

'I was looking through a franchising magazine one day and saw this opportunity. I said, "Look, you can get a whole hair cut for \$12" and it sort of went from there.'

Grabbed by the concept of budget cut-only salons, the pair embarked on a long journey towards becoming franchisees which culminated in them opening the first ACT Just Cuts salon in Belconnen, in 1994.

It was a big call for the Canberra couple, neither of whom had hairdressing experience, with Mr Longmire walking away from a 15-year career as an AusTrade IT specialist.

In the initial phase Mr Longmire continued to work his full-time job while studying business management and marketing part-time. Mrs Longmire also worked part-time as a social worker while studying.

Not having been in business before, franchising seemed to offer the ideal step from paid employment to working for themselves.

After success with the first store, the couple expanded to running five salons in the ACT as part of a long-term plan, before scaling back to two stores.



### John Longmire's tips for potential franchisees

Mr Longmire believes one of the reasons he was able to succeed was dedicating time to ensuring the business was running properly.

‘We worked very hard to create what we have. It’s also a matter of being focused. I use a technique called chunking—allocating different blocks of time to tasks. Time management is quite important and you’ve got to have good guys working there, good leaders.’

Unemployment rates in the ACT are currently among the lowest in the country, making it increasingly difficult for franchisees to find good staff.

‘Our biggest challenges were staffing and getting used to running the business.’

The Longmires are very stringent in their staff selection. ‘Haircuts are our widget, but people management is our business. We treat our guys with respect and get them to treat our customers how they would like to be treated, so it takes a while to get that through the business.’

While now in a more comfortable financial position, there was a degree of trial and error involved. Mr Longmire says it was a long journey, requiring commitment to the system, and belief in the business to ensure everything was properly set up from the start.

Do your research. If you focus on your business goals, it can be a successful venture.

Picture where you want to be. If you are happy behind a counter making coffees all day, that’s fine but if you can’t see yourself doing that, don’t buy a coffee shop because you won’t be passionate about it.

Ask the franchisor lots of questions. Get a list of existing franchisees, go see them and see how they are performing, talk to the staff.

Make sure you get on with your franchisor. If you don’t think much of the franchisor when you meet them, it probably doesn’t bode well for the future.

Verify all the information you are given, get a professional with franchising experience involved.

Accept personal responsibility for your investment. Every business involves some risk which franchisees need to understand.

Get a copy of the *Franchisee start-up checklist* (see page 15).