Galileusz



"Outstanding profits and happiness of teaching."

- Open your own educational unit with "Galileusz" company

Franchising in Galileusz Company...



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I. About our company



Who are we?

Leszek Lewandowski is a founder of Galileusz and an author of a nationwide Maths handbook for secondary school students.

His twenty years of experience has been fruitful for the company and it can be supposed that this fact will help develop franchise network and assure successful business for franchisees in the future

Another reason for operating under franchise in other cities is the fact that this company has been successfully operating in a very difficult market in Włocławek, where the unemployment rate is extremely high and salaries are very low. This may contribute to achieve profits faster and easier in other cities with bigger potential.

Two groups of young people are our customers. First of them are pupils from primary schools, lower secondary schools and upper secondary schools. The second one includes children aged 6 to 12 present on classes within Galileusz Junior.

There are following types of classes offered by Galileusz:

- Individual tutoring or in small groups
- Basic and extended level of Matura courses (upper secondary school external matriculation exam)
- Courses for lower secondary school exams
- Consultations for students
- Assistance in doing homework
- Classes developing biological skills and interests based on simple experiments for children aged 6 to 12

Classes are in the following subjects: Maths, Physics, Chemistry, Biology, Geography, History and languages on all levels.

Extremely important is the fact that company has totally eliminated competitors in a local market. Moreover, our clients are from nearby cities, too. This situation indicates interest in Galileusz services not only in Włocławek and it shows the need to open new branches in other cities. Galileusz has signed 27 franchise agreements since January 2013.

What distinguishes us from other competitors?

- a partnership approach to students who are treated as clients
- students have an access to free educational materials provided by our teachers or in an electronic version available on www.galileusz.com.pl





- a waiting room for students and their parents with an access to a toilet, hot and cold drinks
- unusual ways od conducting classes. Classes are conducted in an unconventional way and break away with current teaching methods used in public school
- the level of classes is adapted to individual skills of each student. All issues are discussed
 in a very detailed way in order to allow students to understand the particular topic. We have
 time for jokes and some fun, but our main goal is a high level of education
- Natural science lessons are supported by practical exercises
- Well-educated teachers who like young people and want to establish good relation with their students. They have extraordinary skills in conducting classes.
- Thoroughly tested business model and proven standards of customer services which provide outstanding profits and fast return of investment
- IT system, which helps enroll on the courses online, manage classrooms and lessons schedule along with an internal forum for franchisees and an administrative panel for marking own changes on the website

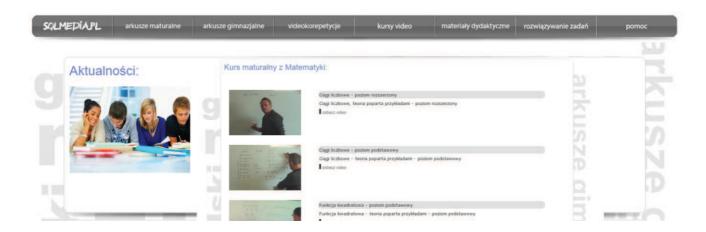




II. Benefits and advantages of partnership

Benefits resulting from joining the Galileusz franchise system ...

- The franchisee receives know-how scheme that allows to obtain profitability in a relatively short time due to the fact that fewer mistakes are made than if such activity would start independently
- Common graphic design logo etc.
- One website based on cms system (possibility to carry out changes without IT support).
 www. galileusz.com.pl let enroll on the courses online, manage classrooms and lessons schedule
- Common share of server (Galileusz is the owner), the host, domain, dropbox platform,
 e-mail: name@galileusz.com.pl or city@galileusz.com.pl
- IT, legal and marketing support
- Teaching support in conducting practical classes
- The common teaching materials (we own them, Teacher zone) such as ready to use papers helpful for students of secondary schools to prepare for their external exams in Mathematics, Physics, Chemistry, Biology
- Personal assistance in staff recruiting teachers
- Galileusz owns a nationwide education portal- www.sqlmedia.pl, which has a huge audience and its customers are potential target groups of the network



- Common unique advertising campaign on the Internet: Google, Youtube, www.sqlmedia.pl, Facebook and through a nationwide handbook of Mathematics, published by Galileusz
- Company owner Leszek Lewandowski has his own channel on Youtube called sqlmedia, where short films are presented, with a big number of viewers; an advertisement of Galileusz network will be presented on this Internet portal
- During one-day obligatory training session all details about business activity are presented to the franchisees
- Administrative assistance in business activity
- Business support which helps franchisee avoid basic mistakes
- An exemption from monthly fees during a holiday season (July and August) and in the first month of activity

Benefits resulting from joining the Galileusz franchise network ...

- low costs of opening a unit
- low fixed costs in this kind of business activity
- fast rate of return (about 5 months)
- easiness of staff recruitment (high unemployment rate among teachers)
- lower risk and higher credibility resulting from standards. Research and experience of foreign markets prove that the number of bankruptcies within franchise systems is significantly lower when those operating independently
- a wide range of services
- a large target group of customers
- resistance of this type of services on the economic situation. Despite financial shortage in a family budget, expenditures on child's education are prority
- exclusive rights for the franchisee in a given area

Determinants of success in Galileusz company...

Raports about condition of Polish education are not optimistic. They point out a lot of mistakes in the system of education. A traditional Polish school is out of date, teachers discourage their pupils and don't develop their individual talents and skills. The current school is not a place where a student gets complete and detailed knowledge but only its outline. Knowledge is often delivered in a chaotic and random way and it is not supported by any kind of experiments or exercises. Another problem is shortage of time for completion of the syllabus due to poor organization and time-wasting.

In 2015, over 330,000 students took their upper-secondary school external matriculation exam. 80 per cent of them passed their exams. In 2012, almost one in four of upper-secondary pupil did not pass his exams (25%). The worst results were in Maths- 10% more students did not pass this exam than in 2010. Disastrous results of matura exam (mainly Science subjects) are showing the condition of Polish education system and growing demand for professional tutoring services.

These factors mean that students are more often using the services of such centers as Galileusz Lots of reports and surveys have shown that every second student is attending extra classes. The presented conclusions are confirmed by collected statistics.

Scheme 1: The structure of junior and high school students who used and didn't use private lessons in 2014.



Source: Own work based on www.ekorki.net.

¹ www.natemat.pl

III. Our requirements to franchise holders.

Franchisee profile...

- Do you enjoy working with children and young people?
- Are you interested in pedagogy?
- Do you have some managerial skills?
- Do you want to run your own company?
- Do you want to improve your financial status?

If your answer is "**YES**", it is just enough to open your own educational institution - Galileusz.





The offer is directed to the following target groups:

- people interested in the educational sector
- university graduates who cannot find employment in public schools and want to run their own business
- parents who know their children's problems against the background of the education system in Poland
- people providing tutoring who want to legalize and expand their operations
- people not afraid of challenges and who like to work in an unconventional way

Formal requirements...

- Operating according to the rules and legal regulations in a given country
- Access to the premises (ownership or rental) with the following parameters:
 - a) at least two classrooms (bigger and smaller)
 - minimal size of a bigger classroom: 20m²
 - minimal size of a smaller classroom: 12m²
 - b) toilet with a sink
 - c) a waiting room
- The ability to finance the adaptation of premises and cover franchise fees

Leave us the rest, let us manage your career ...

IV. Franchise fees

Galileusz franchise fees are divided into two types: fee for the licence and a monthly fee.

Scheme: types of fees in Galileusz company.



Source: Own work based od Galileusz network operating textbook.

The payment for a one-off licence fee depends on the size of the city. The franchisee has to pay a fee for the licence after signing a confidentiality form and the franchise agreement within the period specified in the franchise agreement. Then Manual is given and one-day training is carried out, during which all details about business activity are presented to the franchisee.

Table 1: The amount of these fees is as follows:

It applies to European Union countries (excluding Poland).

| Numbers of residents : | Fee for licence (EUR) : |
|------------------------|-------------------------|
| to 200 000 | 3.000 |
| 201 000 - 500 000 | 4.000 |
| above 500 000 | 5.000 |

Source: Own work based on Galileusz network operating testbook.

Franchisee is required to pay the basic fee until the end of the month for a given month on a bank account specified in the franchise agreement. The first basic fee shall be paid in the second month of actual activity. A franchisee isn't obliged to pay basic fee in July and August. The basic fee is fixed at 300PLN. Its amount does not depend on the size of the city and the number of its inhabitants.

The content contained in this folder does not constitute an offer within the meaning of Article 66. of Civil Code. (in Poland)

We invite you to cooperation!

Galileusz

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