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Supplemental education franchise business booming

Math is not something to monkey around with. The Program for International Student Assessment's 2003 report on math performance stated U.S. 15 year olds ranked 24th

out of 41 countries in mathematical literacy and 26th in mathematical problem solving. These results are startling when compared with the findings of a recent report by the National Academy of Sciences, which show nearly 60 percent of eighth graders in American schools — double the international average — are

taught math by teachers who neither majored in math nor studied it to pass a certification exam. This paints a disturbing picture, illustrating the United States could soon lose its competitive edge in math and science to countries like China and India, where science and math education programs are much stronger on all levels.

It is this dilemma that has made the supplemental educational industry one of the fastest growing segments in franchising. Since 1998, the supplemental education services industry has grown at a compounded annual rate of nearly 12 percent, reaching \$6 billion in 2004.

According to the U.S. Department of Education, enrollment in elementary and secondary schools rose 20 percent to more

than 54 million students between 1985 and 2003. The pool of school-age children is expected to grow by an additional 2 million over the next 10 years. It's a growth market any way you look at it.

According to industry figures, supplemental education currently represents a \$50.1 billion market within the United States, with child services considered one of the fastest-growing segments in franchising. There are 41 million U.S. children between the ages of 6 and 14 and one in four receives tutoring of some kind. The industry is expected to grow at an annual rate of 12 to 15 percent due to demographic trends, legislative mandates such as the No Child Left Behind Act and increasing parental concern about their child's ability to compete within a hyper-competitive global classroom.

Franchise companies offering specialized tutoring programs in addition to standard remedial services are beginning to flourish. Take Math Monkey, a supplemental education franchise dedicated to teaching children concepts based on the principles of Vedic math from India.

Vedic math is the ancient Indian system of mathematics that teaches children how to solve complex mathematical problems within seconds without the use of calculators, pencil or paper.

Math Monkey instructors use games and puzzles to engage children in math in a way that is both fun and challenging as opposed to repetitious and boring.

Math Monkey customers are the parents of exceptional children, ages 6 to 14. The math-only concept typically appeals to upper-middle class, college-educated parents with sufficient disposable income who

are looking for ways to help their children excel.

For prospective franchisees, Math Monkey not only offers an affordable, estimated initial investment range of \$84,500 to \$143,900 but an easy-to-follow business model.

Like most franchisees in the tutoring sector, Math Monkey franchisees are expected to come from two categories: 1) individuals with an education background who take advantage of Math Monkey's proven operational, marketing and administration systems, or 2) investors looking to develop a franchise who partner with individuals with educational backgrounds.

It is estimated that more than half of franchise owners in the supplemental education industry have educational backgrounds.

About 75 percent of prospective franchisees, who attend Math Monkey's Discovery Days, have similar backgrounds. Such investors are expected to be an important component of Math Monkey's brand development, bringing with them a passion to make a difference in the lives of children.

Becoming a franchisee in the supplemental education arena is a way for educators to control their own destiny and really see the impact of what they are doing on a day-to-day basis while helping children to excel. Individuals can also build some flexibility into their schedule that doesn't really exist in a traditional teaching environment.

Steve Rosen, chief executive officer of franchise consulting firm FranNet, says the success and growth of tutoring franchises are a hot trend in 2007 and beyond. "Whether it's online tutoring, subject specific, or even for the youngest bunch of

preschoolers, parents are willing to throw down big bucks to ensure their child has the extra edge," Rosen said. Many of these tutoring franchises are even being hired by schools as the No Child Left Behind Act requires schools to provide tutoring services if their programs don't meet performance standards.

Here are some other supplemental education franchises that like Math Monkey go beyond traditional tutoring:

- Kinderdance focuses on preschool developmental education through dance, motor-skills, gymnastics, music and fitness program, blended with academics, specifically designed for boys and girls ages 2 to 8.

- Abrakadoodle is an art education program for children that combines imaginative learning activities with specialized teaching and high quality artist materials.

- Helen Doron Early English teaches English to children under the age of 14 and develops reading skills.

- Computer Tots/Computer Explorers provides quality technology education for children and adults.

- Kids "N" Clay Pottery Studio provides an environment for children to explore their creativity while learning the craft of ceramics.

Kirsten Fisch is the founder of Math Monkey. She spent six years as an educator before she left the profession to become vice president of human resources for an international call center company, directing the recruitment and training of more than 5,000 employees in the Philippines and India. Her experience in India and exposure to Vedic math sparked her desire to start a franchise company that focused on these principals.

GUEST COLUMN



KIRSTEN
FISCH