Anago sets cash aside for franchisee advertising

the population," Povlitz said. "Then again, we also sell unit franchises to individuals who are looking to create a business."

Jeff Schaffer has been awarded the new Cleveland master franchise. He is primed for combat and ready to begin taking on unit franchisees, which will be the heart of his organization. Schaffer's company will be known as Anago of Cleveland.

"I looked for many years to hook up with a successful cleaning company," Schaffer said. "When I found it and discovered the master franchise was available, I wanted to have it. The best things was it was in my own backyard."

Anago locations have spawned about 250 unit franchisees and ranks second in *Florida Trend Magazine's* list behind Burger King in total statewide franchise operations. However, Anago has barely scratched the surface when compared to the more than 10,000 units of these two industry icons.

"New office buildings are being built every day," Povlitz said. "There's plenty of dirt and trash in businesses all over America. Besides, we have what the big guys don't. Anago is offering master franchise opportunities in many key cities like Philadelphia, Boston and Houston, where CoverAll or Jani-King are sold-out."

Anago has set the stage for aggressive growth by taking its proprietary Anago cleaning system, integrating new economy technologies and totally revamping this traditionally old economy mop and bucket business.

"Our franchisees, our clients and customers can have access to our 24-hour Internet accounts," he said. "The companies know when their offices are scheduled to be cleaned or if they have already been cleaned, the status of their account, or they can request special services without having to go through operators to arrange their needs."

Franchisees have their total business portfolio available to them on the Internet, 24 hours a day. They don't have to keep records; Anago does that for them. On their exclusive database, they can find out the status of any information on their clients - account balances, special scheduled special maintenance requests, everything they would normally have to do if they maintained their own business records.

'The last thing we want is to see anyone fail in our business.'

David Povlitz
President of Anago Franchising

"That's the difference in our company vs. the big boys," Mollica said. "First of all, we have the franchises available while theirs are not available. We handle the complete administration so their company can handle the service end of the business. Many people want to go into business but don't know the administrative side. We handle it 100 percent and free up their time to providing actual service. We even help develop new clients with our marketing and sales department."

The company charges a 5 percent royalty on gross billings for their computer, accounting and marketing services.

After purchasing a franchise, the training program is not only extensive but ongoing to insure lasting viability in the marketplace.

"The last thing we want is to see anyone fail in our business," Povlitz said.

Neither Povlitz nor Mollica would be specific on the amounts of money a potential franchisee could be expected to make.

"Let's be honest," Mollica said. "The Federal Trade Commission has specific rules and regulations about these matters. We don't get into hype and false promises with these franchisees. We explain what we do and what our obligations are and we aid and assist our investors in every way possible to be a success. Yes, we do share with them success stories but we provide them the opportunity to talk freely and openly to every person in the organization, so they can make their own determination about the business opportunity."

Anago even has a 2 percent of gross income set aside to help their franchises in a co-op advertising program to promote their businesses.

A franchisee is allowed to sell their business anytime. Even master franchises can be sold, but Anago does reserve the first right of refusal based upon a fair market appraisal.

Anago has had steady growth in the past few years. Next year's revenues are targeted to be $7 million. This year's will be at $6 million while 1999 revenues were $4.5 million, 1998 came in at $4 million and 1997 was at $3.4 million.

Povlitz and Mollica share a common vision for the future. Both say they plan to develop a national company and see master contracts established in almost every major market. Yet down the line there are some slight differences. Povlitz, 52, a Michigan native, wants to see the company go public, while Mollica, 53, a Georgia native, wants life a little easier so he can spend more time with his young family.

"No matter which way we go, the company will continue to grow and will remain in Florida," Povlitz said.

E-MAIL INVESTIGATIONS/HEALTH CARE WRITER
JPBender at JPBender@bizjournals.com.