

FRANCHISE FIND

RAMP UP FOR RICHES

New home-run franchise provides ramps for disabled.

Today's economy is forcing Americans to make difficult choices. Some decisions are being put off. However, in some instances, options are few. Action must be taken.

Consider families expecting a loved one to be released from the hospital in a wheelchair. While hospital stays are getting shorter, individuals requiring wheelchairs often need continuing treatment that can include visits to doctors or therapists several times a week. These individuals not only need to regain access in and out of their homes, but they need to be able to maintain their personal freedom and independence without waiting days or even weeks for construction of a wood or concrete ramp.

American Ramp Systems, a manufacturer of low-priced steel ramps for disability access to residential and commercial buildings as well as special events is the only franchise concept of its kind – and one of only a few national ramp companies in the U.S. – serving this fast-growing market that will be further buoyed in the coming years by the graying of America's estimated 78 million baby boomers.

The amRAMP modular ramp system is available to rent or buy with no minimum size or rental period. With a national network of 40 franchisee partners serving 27 states and 42 percent of the U.S. population, American Ramp Systems provides uncompromised response time for delivery, with most ramps installed in only a few hours and usually within 24 to 48 hours after approval. It is the only company in the U.S. that rents ramps.

Coupling a high-demand product with outstanding service and an easy, proven, home-based business model has resulted in strong growth for American Ramp Systems, which in recession-like times, has posted sales growth of 400 percent over the last 48 months, with 2008 year-to-date sales increasing more than 30 percent over 2007. American Ramp is nationally recognized as a leading recession-friendly franchise.

American Ramp Systems was founded in 1998 by Julian Gordon, who recognized



Julian Gordon started building ramps in the late 1990s for architects and contractors but an interesting thing happened during installation of the products: passersby would stop and ask if they could get a ramp for their mother, grandfather or disabled family member. Gordon immediately started expanding his client base.

a demand for the product in the late 1990s while heading Gordon Industries, Inc., a company he started in South Boston in 1970 that manufactured metal products such as doors, railings and stairs for the architectural and construction industries. Franchising was launched in 2002.

"We have grown fantastically," Gordon said. "Health care continues to grow in good times or bad because of the aging U.S. population, creating extremely strong demand for what we do."

Health care's growth is staggering.

According to the National Coalition on Health Care, U.S. health care spending is expected to reach \$4.2 trillion in 2016, representing 20 percent of the gross domestic product. Health care spending is 4.3 times the amount spent on national defense.

American Ramp Systems' market includes four segments, creating a universal market for ramps that are safe, affordable and attractive. The sectors include sales and rental opportunities for: 1) home healthcare; 2) aging or disabled individuals wishing to remain at home, as well as children with disabilities; 3) ADA compliance for existing public buildings and recreational facilities; 4) special events such as graduations, corporate conferences, banquets, etc.

Forty-six percent of American Ramp Systems' sales come from national accounts including Veterans Affairs and third-party workers' compensation administrators. Forty-five percent of ramp sales come from the high-profit rental market. Because they are highly durable and low maintenance, franchisees rent and resell used ramps for substantial profit.

Once the ramp is paid for by the franchisee partner, every rental transaction is 100-percent gross profit," Gordon said. "It is a simple and profitable business. There is no tech bubble to be burst."

Target referral sources include occupational and physical therapists, insurance administrators, non-profit organizations, architects, housing officials, builders and

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INNOVATIVE ENTREPRENEUR MADE LEMONADE FROM LEMONS

Julian Gordon was living the good life in Boston in the 1980s, as he found himself right in the middle of a speculative bull market in the construction industry.

Condominiums and high-rise apartment buildings were sprouting all over the city and Gordon couldn't have been happier. In 1970, Gordon, an aeronautical engineer with a degree from Boston University, had founded Gordon Industries, Inc., which manufactured metal architectural products such as doors, railings, stairs and more.

"In the heyday of all this speculative building I was a prime beneficiary because I made all the stairs and railings for those buildings. Speculators were throwing money at me," Gordon recalled. "My wife and I would fly regularly on the Concorde to Europe. I was collecting old Mercedes. I didn't work on Fridays and Mondays and spent winters in Florida. It was crazy."

It all came to an abrupt end with the collapse of the Bank of New England in January 1991, a fall that had begun in the 1980s "as it aggressively expanded its lending for speculative office buildings, hotels, shopping malls and condominiums that could not pay back their loans when the New England economy collapsed," the New York Times reported.

"It all ended in 90 days," Gordon said. "I fell into this... I wouldn't say poverty, but I couldn't cash paychecks. Business fell to nothing."

After doing some market research to confirm the viability of the market, American Ramp Systems was launched in South Boston in 1998. Franchise sales began in 2002 and today 40 American Ramp Systems franchisee partners serve 27 states and 42% of the U.S. population.

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renovators and others with large client bases rather than individual end users.

"Our product is unique," Gordon said. "There are dozens of other franchise opportunities in non-medical, home care services, but our franchise concept speaks to so many more varied opportunities."

About seven new franchises are expected to be granted in 2009, consistent with the controlled growth rate that American Ramp Systems has maintained for the last three years. But 2009 will also bring opportunities in international expansion, headed by COO Jim Norton, who joined American Ramp Systems in 2008.

Norton spent 16 years as vice president of international finance/operations for Dunkin' Donuts/Baskin Robbins, during which time international division sales grew from \$50 million to \$750 million through 3,000 franchise locations in 60 countries.

Canada, the UK and Australia are being eyed for initial international expansion through a master franchise program.

"Jim has worked for 16 years introducing franchise concepts on a worldwide basis, so American Ramp Systems will have the benefit of his international experience," Gordon said. "We have had inquiries from almost every country in the world and the United Nations. Because our ramps are so simple and effective, the United Nations has expressed an interest in assisting our international expansion to serve the many disabled people throughout the world, especially those disabled as a result of wars."

Closer to home, American Ramp Systems has 22 major-market territories (approximately two million population within a two-hour driving radius) available across the country. It also recently introduced a smaller-scale franchise opportunity for territories with less than one million population available in secondary markets across the country.

"They are for markets like Waterloo, Iowa, or Boise, Idaho," Gordon said. "They will fill the gaps between our large-market franchise locations. These exclusive territories are particularly well suited for part-time business interests or existing medical equipment dealers looking for another revenue stream."

American Ramp Systems' home-based business model was designed to be operated by one individual along with an installer who may be hired on a contract basis. Operations can be scaled through the hiring of additional sales and installation personnel and low overhead expenses translate into much higher earnings potential.

Franchisee partners should be empathetic and enjoy helping people. Many are women and the concept is well suited for couples, with one person developing a targeted list of referral sources while the other focuses on installations and development and management of the territory. A national call center qualifies leads for franchisees, which results in a 43 percent closing rate.

In many instances, an amRAMP installation might mean the difference between an aging family member remaining in their own home or entering a nursing home. Gordon said his franchisee partners gain immense enjoyment out of owning a profitable business that makes a difference in people's lives, while allowing for an attractive work schedule since most client interactions are done by appointment, typically from 9 to 5.

"In this business, people say 'thank you' and 'you are wonderful' because they deeply appreciate us being able to help them live a functional life," Gordon said. "It has helped American Ramp Systems to attract empathetic franchisee partners who like the idea that what they do is important in people's lives. It has real value." ●