





Building A **BETTER** Imaging Supplies **BUSINESS MODEL**

—Cartridge World's Harry Stoubos reinvents
the global brand across all continents

David Gibbons, RT Media

According to *Franchise Direct*, the Cartridge World franchise has joined the ranks of the top 100 franchises in the world at position 92. The organization has more than 20 years of franchise success behind it with some 800 stores in 40 countries providing printer supplies and a range of service for home and business.

“Despite standing the test of time with a track record unparalleled in our industry,” says Global Chief Development Officer Harry Stoubos, “we have to make sure we remain relevant in a rapidly changing and demanding industry.” The award-winning franchise continues to be the leading global franchisor for the printer and printer cartridge consumable industry.

Why Are You Impressed By Cartridge World Business Model?



AUSTRALIA

Phil Mustoe
ANZ National Operations Manager

Cartridge World has built its global reputation on the strength of its trusted brand. The business model does not just offer consumables; it offers print hardware, print medium, service and support, cost-effective business printing solutions and reliable advice. In contrast, other retail providers focus on the lowest price point.

Cartridge World stores look after a wide range of customers who are provided with value-added experience and guidance that assists in matching the product to their requirements the first time, at the best price.



USA

Gregory J. Carafello
Master Franchisee: Mid Atlantic Region

Our world-class B2B tools provide storeowners with a very high success rate in securing long-term business-to-business (B2B) contracts that are usually three to five years in length. Our Training University is very thorough and provides owners with the skill sets needed for a high level of success with printers, printer service and supplies for all products.



USA

Michael Mancuso
Master Franchisee: Rhode Island

Let me state it clearly:

- Cartridge World has no global franchise competitor—none!
- it's family-friendly.
- it's focus is B2B and retail with a contract sales model that "locks in" customer loyalty with hardware, software and supplies sales.
- it has "normal" business hours with very high gross margins.
- it has ongoing sales: not seasonal, nor cyclical, not one and done!
- it's the perfect "add-on" business for existing business owners: computer or printer repair techs, freelance IT, cellphone repair, local printing or sign shops, local copier companies, etc.



A Little World History

Bryan Stokes saw an advertisement in the South Australian Advertiser that read, "Make \$75 every 15 minutes refilling laser printer cartridges." So he decided to give it a try. He founded a business named the Australian Cartridge Company in Adelaide, South Australia in 1988. In 1996, Stokes joined forces with Paul Wheeler and together they planned the franchising business structure, and the first franchise was sold in South Australia in 1997. The second, third and fourth franchises followed in rapid succession.

In 1999, the company's name was changed to Cartridge World. Critical to the growth of the company was the decision later that year to introduce "masters," who would oversee a specific territory in which there would exist a number of franchisees. This enabled a significant expansion of

stores worldwide. The first international master franchise was established in New Zealand in 2000, followed by ones in the U.S. and Europe.

"Success came from appointing masters from their own country or region," Stoubos explains. "Having local knowledge about market potential was critical to the success of

implementing the Cartridge World business model and carefully managing its move to capture a share of the market."

Operating within a US\$80 billion global printing consumables

industry provided a huge opportunity for the young enterprise. It was before the advent of smart phones and tablets and every household and enterprise depended upon access to a printer. It moved into services including: managed print services (MPS), no-cost printer leasing, inkjet and laser printer products, copier toners, printer parts and printer repair training programs.

Consumers want to be sure the burger they buy around the corner from home has the same consistent quality and taste as the one bought in an airport on the other side of the world.



The World Today

Cartridge World provides its network of stores and sales professionals around the world with all the “back of house” assistance needed: marketing, innovation, sales tools, training and supply chain expertise.

It has now established a global procurement center in Zhuhai, China to critically analyze all components to ensure the quality of finished products supplied consistently and reliably to the stores. This allows the masters and franchisees to focus on selling and providing printing solutions to its customers.

Twenty years later, Cartridge World has evolved to provide a robust business model that works in 2018. Today, Cartridge World employs more than 2,000 people and contributes to the economies of more than 40 countries. It is able to tackle multiple revenue streams in order to create and keep long-term business customers. Traditionally strong in consumer markets, it now has its sales teams

winning prized business and government contracts and national accounts.

According to Stoubos, Cartridge World has adapted its business model to meet the changes in market demands. “Our people have the skills, knowledge and technology to offer a unique experience with the many products and services we provide,” he said.

“ We need to be innovative in order to be relevant. We have to offer a serious alternative to OEM cartridges.”

and the U.K. “We have great success in emerging markets as well,” Stoubos said. “The organization has seen big successes in countries like Guatemala, Paraguay, Afghanistan, the Philippines, Chile, Malaysia and more recently in East Africa and Saudi Arabia.” Stoubos cites master franchisees that have been appointed in Tanzania, Kenya, Uganda and Saudi Arabia. “These leaders are

Where and Who in the World?

Cartridge World was quick to move successfully into established first-world markets such as the U.S., Australia, New Zealand, India, France



ENGLAND

Paul Callow

Master Franchisee: UK, Ireland, Spain and Portugal

I, and my business partners, invested into the Cartridge World brand in 2016 because we could see a genuine opportunity to use the power of a global brand to generate a large and profitable business in a massive, stable market segment.

With the support of the Executive Team, we have worked together in our regions to create an optimal channel sales and marketing strategy that is leading to fast growth in online, trade and direct B2B sales whilst supporting the traditional network of franchisees.

The market is tough and competitive, but, by working together with the support of the global brand owners, we are making great progress. Everybody is winning.



USA

John Applegate

Cartridge World Store Owner: Princeton

The Cartridge World business model fills an ever increasing need for 'at the ground level' sales, service & support for the small to medium business sector. It is this client base that usually does not have an IT staff and therefore no onsite support for their printer fleet. This is where our business shines as we are the local solution that can provide expert service and a cost-effective means of managing their printing budget. You won't find that at a big-box store or an online retailer!



USA

Francisco Garrido

Master Franchisee: Florida

The Cartridge World model is solid and easy to operate, which helps masters and franchisees to quickly develop their businesses. By providing a locally based, comprehensive printing solution for local businesses—including printers, cartridges, maintenance and Managed Print Service (MPS)—we offer the support each needs at a very competitive price with attention to detail. The initial investment in the Cartridge World business is relatively low and includes all the essential training as well as on-going support. With marketing initiatives and national account programs increasing the brand awareness, new clients are consistently visiting the stores.



USA

WH (Bill) Burch
Co-Owner Cartridge World
Traverse City Store

My interest in the Cartridge World franchise was immediate. As I listened to the rebranding the company was going through, they also represented how they were transforming franchise locations from a transactional based model to a recurring income model. This was important to me because I felt my performance would insure increased value for my franchise. After I obtained the franchise everything that was presented has been delivered and a two-way relationship has emerged allowing me to work at building my store.



PARAGUAY

Monica Cattoni
Master Franchisee for Paraguay

In my opinion, the reason for Cartridge World's success is its dedication to service and satisfying customer needs.

That is backed up with high quality products, excellent presentation and very competitive pricing. All this differentiates Cartridge World from its competition. In addition customers recognise to and appreciate it is a truly multinational brand.



GREECE

Chris Kaloyeros
Master Franchisee: Greece

I have been a Master for Cartridge World for more than 14 years and have seen many changes in the company's system as it has adapted to the changes in the business world. The major advantage of the Cartridge World model is its focus on local expertise. This "local people" element together with the technical knowledge, the training, the premium quality of the supplied finished products and the number of business programs makes the model unbeatable. The name of the game is printer ownership and the Cartridge World model offers better value for money than any other in the market including what is offered by the OEMs.



building the Cartridge World brand from a zero base within a short time frame," he said. "Consequently high-end business customers such as DHL, Mercedes, PWC, Hyatt Hotels and leading national banks are coming on board as loyal and dependable customers." Stoubos is keen to continue this success by further expanding the Cartridge World footprint into Africa and the wider Middle East region.

In order to do that, Stoubos says he is looking for highly-successful entrepreneurs or businesses that have the passion to build a global brand within their country. He says there are ten essential characteristics needed:

1. Excellence in communication skills;
2. Capability to invest in a corporate store;
3. Ability to train and improve the skills of its team;
4. Ability to meet the required business model requirements;
5. Possesses a solid and experienced sales team;
6. Capable of accessing the necessary supply chains;
7. Provide marketing for brand growth and store openings;
8. Can be innovative;
9. Capable of meeting and adhering to compliance standards; and
10. Possess trust and integrity.

"I cannot understate the need for hard work, together with a positive attitude and great work ethic," Stoubos said. "However, the rewards are there for

those who qualify. We have many stores throughout our network generating over US\$50,000 per month and growing. These stores typically have two to three sales people, who are capable of selling and supporting a full line of cartridges and printers into long-term contracts for three years."

Stoubos is confident the Cartridge World organization has the expertise, the products, the technology, the training, and the vision to drive the global franchise network forward. "We cannot look back or stand still. We need to be innovative in order to be relevant. We are confident we can offer a proven alternative to OEM cartridges." In 2018, Cartridge World will launch its Store Refresh Program in Australia and New Zealand. The newly established campus training center at the North American office in Chicago will provide all the masters, franchisees and staff with an intensive, two-week program that covers all aspects of the franchise business model, industry insights and training on all the latest innovations and new products.

Cartridge World is investing in its people and innovation so it can enjoy the benefits the next twenty years will bring. ■



Harry Stoubos: Why I Believe In The Cartridge World Business Model



Australian businessman Harry Stoubos has worked in key management roles with large corporations. He passed up a career in professional football, excelling instead at professional sales. His first job was with Cadbury Schweppes, where he mastered the skills of selling and marketing into small and large businesses. He furthered his career at Sara Lee and PepsiCo, where he held senior management positions. “Joining Cartridge World in November 2009 was a natural progression toward my career aspirations,” he said. “It has enabled me to operate on a global stage with a successful global brand.”

He became general manager for Cartridge World Asia Pacific following an initial position in sales and marketing. In 2015, he was appointed the global chief development officer. “This role allows me to be a brand ambassador to all corners of the globe. “My most recent opportunity for outreach was speaking to an industry audience at the RT Imaging Expo in Cairo.”

Stoubos works closely with what he describes as a committed and talented Board and senior executive team made up of regional heads and master franchisees to define and implement strategies across the global network. His primary focus is to expand the Cartridge World brand through the appointment of new master franchisees in assigned territories. Emerging markets such as Africa, the Middle East and Latin America are pivotal to the growth of the entity.

His passion for Cartridge World is obvious. “It’s a proven, successful, global business model that resonates well with the master franchisees, franchisees and the customers—all stakeholders receive tremendous value.” He claims the loyal customer base enjoys the Cartridge World experience thanks to its quality products, services and savings. “We are the best alternative to the OEM because we can provide a full solution and industry expertise,” he said.

Stoubos says the business model is unique and has been adapted into more than 40 countries. Stoubos welcomes the opportunity to share the Cartridge World business model in more detail. He can be contacted at

<harry.stoubos@cartridgeworld.com.au>



TANZANIA

Ashish Nagewadia
Business Development Manager
– East Africa

Africa has long been a captive market and had to pay much higher prices than the rest of the world due to lack of alternatives. Consumers are becoming more aware of alternative supplies as they seek a reliable alternative to the expensive OEM printer consumables. Large companies are looking for solutions providers over old school box movers. The Cartridge World business model provides entrepreneurs with a platform by means of a quality range of products, a global brand, long-term experience and a vision and strategy to dominate the print market in any country. Cartridge World provides outstanding support to employees with marketing plans and customized sales training allowing business driven individuals to be more successful more quickly in their respective markets.



USA

Chuck Sawyer
Cartridge World Store Owner:
Tucson, AZ

Cartridge World Stores are uniquely positioned in a changing marketplace to be successful in serving the Business-to-Business (B2B) market.

First, we are locally owned and know our market. This means we can focus on responsiveness and quality. We also benefit from leverage that comes from being a part of an international franchise that delivers technology and operational insight support to the stores.

Second, as the needs of customers change (they may be printing less or differently) we are uniquely qualified to provide expert advice about which printers and cartridges are the most cost efficient to meet the change in needs. Being brand/manufacture agnostic allows us to recommend and provide the best printing solution for our customers.

Finally, our franchise system has developed innovative programs to tailor a specific solution to meet local business and customer needs. Our “Why Buy A Printer”, “Managed Print Services” and “Cost Per Page” program prove we are knowledgeable, responsive, adaptable and customer driven...all the things that spell success in a changing print market.



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