



Podcast: Podcast: Ep#196 "In 2020 the commercial cleaning sector evolved. We're now experiencing a business boom" (ft Damien Boehm, Founder and Director of Urban Clean Commercial cleaning franchises)



**Guest Speaker: Damien Boehm, Founder and Director of Urban Clean Franchises.** 

In co-operation with Eden Exchange Pty Ltd and Urban Clean Franchises. Recorded online in October 2020.

In this Franchise Podcast Damien Boehm, Founder and Director of Urban Clean Discusses:

- Franchise expansion plan outlook and strategic focus
- The state and evolution of the commercial cleaning sector
- Urban Clean unique model and successful response plan during COVID

## **START:**

<u>Eden Exchanges:</u> Ellen Rodgers (Voice Over) [00:00:01] Hello and welcome to Eden Exchanges, 'the business journey podcast' by Eden Exchange. Today, we welcome back our returning guest, Damien Boehm, who is the Founder and Director of Urban Clean commercial cleaning franchises.

Listen as Damien discusses the industry boom of the cleaning sector in 2020, how Urban Clean has been growing and developing its business opportunities, and why Urban Clean is the ideal business opportunity for those seeking financial flexibility and independence. Listen on to find out more.

<u>Eden Exchanges:</u> Raghu Rajakumar (Host) [00:00:38] Hello everyone, my name is Raghu from Eden Exchange, today, we're joined by Damien Boehm as our special guest.

[00:00:43] Damien's the Founder and Director of Urban Clean and he's going to be talking to us today about how The Company has performed, pivoted and realigned its strategy in the midst of COVID and also continue to outperform the market, also

leading back to some of the great opportunities available with Urban Clean. Thanks a lot for joining us today, Damien.

<u>Urban Clean:</u> Damien Boehm (Guest) [00:01:05] Thank you Raghu, and thanks for inviting me back onto your show.

<u>Eden Exchanges:</u> Raghu Rajakumar [00:01:10] Now, for people who haven't heard you in the podcast before, could you tell us a bit about the Urban Clean franchise, what it is and what's your role at the franchise?

**Urban Clean: Damien Boehm** [00:01:21] Yeah sure Raghu, so we're a commercial cleaning franchise. We service a number of different industry segments. We look after schools, childcare centres, medical centres, industrial warehousing, cleaning offices. We do clean gyms as well. So that's fairly broad spectrum of commercial cleaning segments. We don't do any residential cleaning at all.

We've taken, I guess, a different approach to the rest of the market in how we franchise, how we deliver the commercial cleaning. We're very big on mentoring and building up and developing our franchise partners. So they're not just cleaners, they are business owners. And they are you know, they're at the forefront with their clients building their business. They just get a big head start, and obviously, they can leverage and utilise the systems that's taken years and years for us to develop.

**Eden Exchanges: Raghu Rajakumar** [00:02:21] It's safe to say that the year 2020 didn't turn out as everyone expected. So, you mentioned the industry and market you're in. But, what has Urban Clean to be doing during the pandemic and what else have you been doing to see it through?

<u>Urban Clean:</u> Damien Boehm [00:02:38] Well, like everybody, my year changed, we had very specific goals and targets to become an international franchise this year. In fact, in January we were over in the U.K., we're in London. We also went up to the north of England too, to speak with prospective partners who were going to launch Urban Clean into the UK market. And we had plans then for the rest of this year to be going particularly to the United States, but also to other countries inside Europe and New Zealand and grow and expand.

Now, those plans are still in place. But as you can imagine, they're very different to what they were at the beginning of the year. So we can't, we can't get on a plane. Everything is by Zoom. We're still in discussions with prospective partners in the UK, it was a very successful trip. We came back obviously in February and in March... It all came to pass, as it were, and...

[00:03:38] I think...

[00:03:40] You know, I don't need to repeat what everybody said in terms of how, how drastically it changed the business environment because I'm sure you've had a lot of podcasts about this already Raghu...

[00:03:55] But certainly, we had to regroup. That April was a very interesting month for us. That was where I think the whole market was in shock, our cleaning, our...

[00:04:10] cleaning was very it was a very diverse reaction. That's all I can say. So obviously we had some segments of a market.

[00:04:17] And again, I said we have a very diverse cross-section of clients. So our gym portfolios were all put on pause. In Victoria, that's still the case, but in the other states they've recommenced.

[00:04:32] We then, and then we had some offices who wanted to bring their staff home, so some, some of those offices said 'we need our cleaning to be reduced'. But at the same time, something else interesting happened, and that was those industry segments, particularly in industrial in, in education and many others have said, 'look, we cannot stop! We need to increase the frequency of the clean. What can you do to make sure that, you know, our clients, our students, our office workers and staff are safe in this current environment?' So we actually had an increase in some cleans were, some cleans might have been a nightly clean, then increased to twice a day, clean on top of the nightly clean.

[00:05:22] And then on top of that, there was infection control surfaces there was fogging surface treatments, antimicrobial treatments, and a whole ray of disinfecting treatments, as well as reporting which became essential for especially larger clients that needed to demonstrate they were being proactive in doing something to protect their staff and their stakeholders from COVID.

<u>Eden Exchanges:</u> Raghu Rajakumar [00:05:51] And is it also the case like there are companies that need to; (i) give the perception that they're doing better cleaning (ii) actually do better cleaning (iii) compliance is also shifting where they have to do better cleaning. I mean, all those three are there. Is that an accurate statement by me in terms of some of the trends going on?

<u>Urban Clean:</u> Damien Boehm [00:06:13] Yeah, I,I would say Raghu the most dramatic change that I've seen in the current market is a perception around cleaning and hygiene.

[00:06:25] Prior to COVID, a lot of cleaning was treated as a commodity. It was treated almost like a labour hire, something that people had to spend money on. But, if they

could spend as, as little money as possible, that would be fantastic. Now, we purposely avoided that segment of the market. We didn't want price sensitive clients. But the reality is the bigger, the bigger you go in terms of the contract size, when we start talking about eight hundred thousand one point five million to two million dollar a year cleaning contracts, price becomes a critical factor in their decision making. And so we purposely avoided those larger accounts because we were treated simply as a commodity.

The shift I've seen is that now they're looking for expert advice. They're looking for a cleaning partner. So all the things that we found in the... I guess the smaller size market.

[00:07:30] So when I said smaller size market, their offices, maybe with one hundred or two hundred staff members accounts, that may be worth you know... a... about a hundred thousand dollars a year and under or a little bit over, these things were important to them and they had some price flexibility. Now we're seeing in the larger end of town that they're looking for this real expertise here. So there's a lot less tolerance for poor practices, a lot less tolerance for, I guess for want of a better word, cowboys in the industry who are just contracting out to subcontractors and untrained unknowledgeable staff, if you can call them that, are coming in and doing the cleaning.

So that has been a big change since COVID for the cleaning industry is now that actually want to see reporting. They want transparency. They want to... they want to be sure that you've actually got standard operating procedures and methods in place that are truly going to counteract any threat to COVID.

And also, they can demonstrate to all other stakeholders that, hey, look, this is how the cleaning is getting implemented. This is the reporting of... for instance, things such as ATP testing and also... the... what actual chemicals are getting used on site. They can demonstrate that we've schedules and frequencies they can bring that back to stakeholders with reporting and say we are doing everything we possibly can around COVID. And so there's this greater awareness around the actual expertise that comes with cleaning and hygiene that never was before. And people are open and that they're willing to listen. And I want to learn because it just wasn't interesting to them before.

**Eden Exchanges: Raghu Rajakumar** [00:09:24] Yeah, and it is very interesting now, because the... I mean, I'm not sure in the past how much the level of cleaning service was taking into account for like... risk management or insurance claims or potential investors.

[00:09:39] So all of these components that have now upgraded the level of sophistication required from the service of commercial cleaning as it translates to a few factors that wouldn't be there in the past. It's a pretty unique element of what's come out of this whole pandemic?

<u>Urban Clean:</u> Damien Boehm [00:09:57] Oh, absolutely. I mean, even insurance, for instance, for the commercial cleaning sector is very, very tight.

[00:10:06] And in fact, for the size that we are right now, the only reason we were able to get the insurance policies that we did just recently because we just recently went through renewal, is having an "ISO" [International Standards Organisation] accredited system. So actually showing to them, 'hey, look, we've got management processes for quality environment for OH&S'. And showing our record for the past 12 months was critical in us getting an insurance policy in the first place. And then secondly, having it at a reasonable cost, because some people actually getting into commercial cleaning right now, they can't afford the insurance. It's that expensive because now insurance providers see the risk as so high if people don't know what they're doing in the commercial cleaning sector.

<u>Eden Exchanges:</u> Raghu Rajakumar [00:10:53] Yeah, very interesting. So this has been a big shift in the industry. Now...

[00:10:57] how has this translated to how your franchisees were travelling at the peak of the pandemic? And how do you think it will translate to as we come back to a quote-unquote "new normal", which as everyone is saying and also we have the potential revitalised industry as well?

<u>Urban Clean:</u> Damien Boehm [00:11:18] I see this is as a, a reset for our industry. Now, there are some people who want to pretend like nothing has happened, they're going to get left behind.

[00:11:31] The reason is, is, hygiene is now uppermost in people's minds. That's one of... before cleaning was an afterthought. Now cleaning is right at the forefront of the work environment. And despite what everybody is saying, that everybody is going to start working from home there's only small segments in the industry that are going to do that.

Most people do have to go to work. 'Hey! Google' even tried to get everyone to work from home for a very long period of time and they realise it doesn't work and they need a collaborative environment. Now, there's some industry segments like schools, like industrial... premises, factories, manufacturing, all of that.

You, you can't do that remotely, it's going to be on-site, so there is a perception out

there that, oh, OK! everyone's going to stop working from home. Well, there's a..., there is a shift there. There's no doubt about it. And certain people who are kind of already working from home are going to be able to do more of it.

[00:12:27] But the cleaning that remains is gonna be even more important.

[00:12:32] So what we're finding, even with, say, offices that have reduced staff, so there's less people coming to the office, the cleaning schedule has not decreased.

[00:12:43] Then now people want to know what's going on with the hygiene, so there's that fundamental shift where hygiene is now really important.

[00:12:52] It's no longer a low-level decision, it's a high-level decision and organisation to make sure that they're ticking those boxes to getting it done correctly. And that the cleaning company knows what they're doing and there's transparency around the operations of that cleaning company. So that's a big shift that's happening.

[00:13:12] Cleaning as well, is growing. We've seen that our portfolio has grown. So we have, you know, some industries...

[00:13:23] I, I feel really bad for them that have definitely decreased because of COVID like fitness is one of them, there's many others that are really suffering during this pandemic. Not so for cleaning. So we have increased our client portfolio. A lot of our clients have increased their cleaning requirements. We are now starting to see different sales channels open up to us.

And what I mean by that is now people are interested in the products. So what can you do in terms of hand sanitiser? What can you do in terms of disinfectants? And so now we've got product sales that are happening just as much as, as cleaning.

We are also doing more reporting and you know that... So there's all these elements that are now shifting. And it just means that when now I believe on a boom for the industry, this is very much the way I see it, it's very much what happened in the 40s and the 50s. And this is when the cleaning industry had its last boom was in the, in the 50s and the 60s. And so are people operating commercial cleaning businesses. And some very big companies came out of that. I'm seeing that right now.

So I'm saying that that increased awareness, the industry is booming. Obviously now there's a greater focus around the technological side and the operating side and also the chemical side and the reporting side that there never was before. That was only really sort of a dormant or a minor.

[00:14:56] Yeah, and we've got a big few years in front of us Raghu. It's... And it's a very exciting time.

**Eden Exchanges: Raghu Rajakumar** [00:15:03] Now, how have your... Now back to the... Because you've got a... your franchise network has grown considerably. How many in your network now? ... uh Damien?

<u>Urban Clean:</u> Damien Boehm [00:15:14] Uhhhhh we've got close to about 150 franchise partners now.

**Eden Exchanges: Raghu Rajakumar** [00:15:18] Ahh, wow, so it's really, really a big presence in the market! And how have, how do you think your franchises will fare in this new market compared to, say, a lone operator? And, and what type of thought and strategy goes into making sure you can maintain the level of success they've had in the past to now or even then adapting to the new, the new state of play?

**Urban Clean: Damien Boehm** [00:15:44] Well, in one sense, we've not really needed to adapt dramatically, because from the very get-go, our business was based on the idea of adapting to changing needs. Of course, recognising that it's not about us, it's about the clients that we serve. And we identify those six things that were really, really critical for a client when they engaged a cleaning service.

[00:16:13] And those six things, very simple, specific items, those items that were unique to each client that we needed to identify and address communication, consistency, transparency, security and having a professional partnership with those clients.

[00:16:29] All we needed to do is just continue the conversation that we already had with our client base. So with specific items, obviously, that changed, and this is one of the things that we educate our franchise partners on, is that they don't remain the same.

[00:16:44] They change over time.

[00:16:45] How do you know that they change over time?... Why? ...Because you are proactive in your communication. You're not managing the business by complaints, which is a very typical way that a cleaning business operates. They don't respond unless they get a complaint. No, our franchise partners... Learn and are educated on being proactive with their communication. They engage their clients. They do audits on their own business and then reach out to clients and say, what are your focus areas? What are the key areas that you want addressed for the following month.

[00:17:19] THAT obviously became hygiene very quickly into COVID, so people said what's your COVID plan?

[00:17:25] We will straight away as soon as this started happening, we started sending out memos to our client by saying, this is how we get... this is how we can mitigate this risk. This is what you should be implimaning to... implementing sorry, into your workplace. And that the franchisees were able then to implement those policies and then speak directly with their clients and find out what they needed to do specific to their, to their workplace, to.. or to their, to their office or showroom or whatever...

[00:18:01] facility they were cleaning, so we didn't need to change our processes, all we needed to do is just adapt to specific needs of that client and our partnership relationship with our clients then started to grow. So all this did was embed our relationship with our clients, from one of the things that we teach our franchisees is once you start building that relationship with your clients, then you can start growing and expanding your portfolio. That will give you more business. So we talk about wallet share, not just market share. So once you start doing business with a client, how do you get more of their business? How do you get them to spend their dollars with you rather than somebody else? And this is a programme that we teach our franchise partners to follow.

[00:18:46] From that then comes referrals and we're seeing... hey!, the market is still there! like there's, there's, there's still cleaning contracts, getting exchanges, still people who are fed up with poor service and want to go to a superior cleaning company. And so we're continuing our business development activities. We're still within cleaning contracts as well as growing and building out our existing portfolio.

<u>Eden Exchanges:</u> Raghu Rajakumar [00:19:12] Excellent. Now a part and parcel of what you incorporate into your system is a minimum guarantee of... initial guarantee of five thousand per month for new franchise owners.

[00:19:25] Now, is that still manageable or still achievable in this style of environment?

**Urban Clean: Damien Boehm** [00:19:32] Absolutely, I mean, contracts are getting won every single day. We had one month in April where it was about consolidation. So, there was not a lot of new business in that month. It did... I think the whole business environment was in shell shock and people just didn't want to talk about changing their cleaners then. Since then, people realise we've... OK!, COVID is real and it's a new environment that we're in. Business still needs to continue, and now that I know I need cleaning, I'd better get some good cleaners in. With our guarantees, we have two ways of guaranteeing it, depending on how people come into the business.

[00:20:17] If people want to invest the entire amount upfront, which is thirty-one seven hundred, this is for a unit franchise, not the regional opportunity but for a unit franchise. We guarantee that by the fifth month they'll be completely set up. So we've got four months to fill them up. So it didn't really matter at all... that... we had one month that didn't quite work and everyone was... understood what was going on and where. And then we just went in hard the following month and it wasn't hard to pick up where we left off and continue to grow.

Now, if someone wants to come in on a payment option, they can come. There's an activity guarantee on that. So we're guaranteed to... guarantee to do 60 new proposals for someone coming in. That way, we still get them their five thousand dollars, but, there's no time limit. Now, when I say there's no time limit, we do aim to get people set up within about six to eight weeks.

[00:21:13] And obviously, in that month of April, that was a little bit more challenging, but then they got filled up after April. So, you know, we've always had that flex anyway in terms of the set up for, for people with that initial five grand. So yeah...to answer... that's a very long way of, of answering that question Raghu. But basically, it hasn't slowed us down, we've always had that flexibility in the system and we're still setting people up with five thousand dollars, the initial value, and very often a lot more than five.

**Eden Exchanges: Raghu Rajakumar** [00:21:49] Excellent, now... there is a certain type of person that you're looking forward to, to come and join Urban Clean as a franchisee. And also the person that makes a good success of it. Who is that person? And that also, I wanted to lead that on to my next question, because you also have another style of business where you recruit more master franchise or branch manager style... business owners. Could you delve a bit more to that type of business and how that differs from a unit franchise and also the type of person really that makes up the... both of these types of businesses?

**Urban Clean: Damien Boehm** [00:22:26] Yeah, perfect. That's a good question. So, yes, we are looking for a specific type of person for our cleaning franchise opportunity. That is someone who wants to basically take... they don't want to be a cleaner! They're happy to clean, but they want a business. One of the things that make us different from other commercial cleaning franchise opportunities is our franchisees don't have supervisors, they don't have roster managers. They don't have someone who's going to account managers who are going to interact, interact with the clients on the franchisees' behalf.

[00:23:07] I'm very much opposed to that. And I believe that's a franchise. I believe that's... a pseudo franchise in a subcontracting arrangement. So anyone who sort of wants to just be a cleaner and not have a business, they just want to go at night time,

do the cleaning, not interact with the clients, not grow their business, just get given contracts to them. This is a wrong business for them.

What we're really looking for is people who want to learn, people who like the fact that they can get set up after hours so they don't need to quit their day jobs. They can go cleaning in the evening. We'll get them set up with a minimum of five thousand dollars per month. And then we train them. We coach them and mentor them to grow and expand their business from there. And we've got franchise partners who are doing thirty thousand dollars plus per month. So they're doing three hundred..., over three hundred thousand dollars a year just by getting set up with five grand and then being coached and mental to grow that business. For a lot of people, they're happy with that. But there are some people who want more than that, and they don't want to be on the tools.

[00:24:15] And that's when we talk about being an urban and regional and that's our master franchise opportunity. And that's really for someone who wants to make this their full-time gig.

[00:24:29] Their, their role essentially is to, to recruit new franchise partners, set them up in that initial five thousand dollars per month and sometimes more, and coach and mentor these guys to expand their business. Why would they want to do that?

[00:24:46] They get a lump sum when they recruit the franchise. We actually provide and set the leads for our regionals so they don't need to worry about 'oh, gosh, how do I get franchise enquiries and leads?'

[00:25:00] because some of these people, they may have had some sales or management experience in the past, but rarely have they done a lot of marketing. So we take that equation out for them and said, we'll provide you the leads. We know how to get the leads. We get plenty of leads every month and enquires. We... the trouble is, we get enquiries in areas that we can't... We're not servicing yet because we don't have regional partners there.

For instance, Western Australia, we get leads all the time for Western Australia, for people wanting to set up their business. We even have cleaning contract enquiries down there. We're just looking for regional partners to get started. So that's no problem for them to, to worry about. They, they just need to concentrate on following a step by step recruitment process that we set up to find the right candidates and then just follow step by step process to win the cleaning contracts. In one sense, it's quite formulaic. You just rinse, repeat, you do the same thing again and again and again, and you win cleaning contracts, no problem.

[00:26:03] So the regional opportunity is really for somebody who is looking for a couple a hundred grand a year, they're okay to talk to new clients, are OK to win business, they're OK to coach and mentor franchise partners and they want to build up a residual. So, our goal for all of our regional partners is to build a residual of around about between three hundred and five hundred thousand dollars a year.

What I mean by residual, well when a regional partner recruits a franchise, the cleaning income that that franchisee makes, they get a percentage of that for coaching and mentoring them. So they get a sense of trailing income, and that's really, I guess the biggest incentive to become a regional is that you don't just make the sales in the month, but because of the nature of commercial cleaning, commercial cleaning tends to go on for years and years and years.

[00:27:00] We've got clients that we're still servicing after 2014, when we got started, we've still got them. You get a trailing percentage of all of that income and over time that builds out, builds up to be a substantial amount. And we've got regional partners right now who just say trailing is around fifteen, twenty thousand dollars a month so it can build up relatively quickly...

[00:27:24] but it takes time, of course, but then a regional partner would still make money by recruiting as well as winning cleaning contracts while they're waiting for that residual to build up.

**Eden Exchanges: Raghu Rajakumar** [00:27:39] And for commercially minded people, delving into that in more detail with Damien and the team you'll you know, it's a real e-eye opener of, once you understand the system and start building up the network, how much that can turn into as a form of residual income and the growth prospects from that so it's a, it's an extremely well thought through system. But you do I mean, the type of people that really it suits..., to need to be, you know, they really have to come from a business mindset, isn't it? or a growth mindset, anyway to, to...

<u>Urban Clean:</u> Damien Boehm [00:28:13] Absolutely! Look, it's not a, it's not the first time. Look, sometimes people come to us and say, I really want the region. I like the numbers...

[00:28:20] and they because I get leverage and they understand the power of having a residual income because it's different income streams... th-they really can be valued differently. Like I think we all like the idea of owning property and receiving rent, and that's treated very differently.

Rental income, if it can replace your daytime job, that's a lot better than a job, right? We all know that. So people see the value in building up that residual income, but sometimes they're just not ready for it, ok? They haven't had a business in the past, so

this is a first time business for them. They haven't had management experience and they're uncomfortable around sales.

If that's the case, I always recommend 'hey, let's have a look at getting you started first and a commercial cleaning business. So as a unit franchise, you're still going to make good money, yes. You're going to be quite hands-on involved in the cleaning, but then you can grow into that role'.

We've actually got a number of franchise partners who've done just that. We have three, in fact, who started as unit franchisees and said, 'I wanna go..., I now understand this, I understand how to operate a successful commercial cleaning business. I'm making between a hundred and three hundred thousand dollars at the moment with a cleaning business. I want to go now to the next level. I want to really build this thing into, you know... a motza'. And so there is a pathway for those individuals to grow into becoming a regional.

We often say that a unit franchise ideally trading around about two, two hundred thousand dollars a year mark. That's kind of the optimal level for for a unit franchise. If they want to go to the next level, then it's a regional and that's when you are turning over millions and then you're getting a few hundred thousand dollars and it's more of a management type business.

So, but people who have had business experience before, people who've been successful in other franchises or have, or have had management or management sales background, this is often a perfect business for them and they can perform well in the front end and also they can nurture and grow their franchises once they're recruited, because that's really important is actually understanding how to have had to give value to your franchisees after you've set them up with their cleaning contracts, had..., you have the conversations where you encouraged them and guide them to start winning more business and we've got a programme for that.

[00:31:04] So they have to invent that programme.

[00:31:07] But it's important that it's kind of familiar. So they understand what it means to train, what it means to coach and what it means to mentor. If those things are completely unfamiliar to them, then it can be a steep learning curve. That's what we say.

**Eden Exchanges:** Raghu Rajakumar [00:31:22] Excellent. And look, we've had some interactions and we do see how much thought coaching and you get some of the best of the best people also coming in too, to expand the knowledge of the business owners with Urban Clean so you can understand how you could clearly differentiate from..., you want to disparage with some of the other systems out there. Is there

anything you could hit home to say, the clear point of differentiation for someone who may want to come on board with your system versus what may be out there in the, in the industry?

<u>Urban Clean:</u> Damien Boehm [00:32:02] I, It's simply this, if you want a real business in commercial cleaning, we're the only game in town. I mean, that sounds almost like an arrogant thing to say, but I've seen a lot of systems,

[00:32:14] I've travelled extensively, I've talked to a lot of people, and the thing that seems to come in time and time again with commercial planning is this model, where, people get set up with cleaning contracts, they buy the cleaning contracts and that's the business...

[00:32:31] Full stop! That's it! So they're essentially cleaners! They're not allowed to talk to the clients, they're not allowed to communicate, they're not allowed to grow and develop their business. That's really left to the master franchisor, they're the ones with the real business. So I would say to anyone who sees a potential commercial cleaning and a lot of people do right now, but I don't want to be treated as a cleaner. They don't want to just have cleaning contracts they actually want to grow and develop the business, then Urban Clean is the opportunity for them. Now, I would say as well, if they're looking at getting into this industry and they've got that sales and management experience, there's not that many opportunities around to get in the..., to get in as a franchisor in commercial cleaning.

[00:33:20] They are very rare opportunities. People don't want to let them go. Once they're sold, they very rarely come up for sale again. And, there's, besides our system, I don't know any of..., any other systems in Australia that have got this opportunity where you can really leverage the commercial cleaning model as a franchisor, so, in those two senses, we are very different in the marketplace. And it's a-a-a-a... I-I've said it before, it's an exciting time, it's exciting as well because, even though we are growing and consolidating our growth inside Australia, we're still expanding as well overseas.

We're still having discussions with still setting up in Texas. We're still looking in discussions with people in the UK. So even though we're getting very consolidated in the Australian market, this is, this is the beginning of our journey. So people coming to join us get to see that. And it's a very exciting time for them. We really do treat our franchisees as partners.

Our regionals, we, we not only coach them directly, but we also have a..., weekly workshops and we invite their ideas. Some of these guys have come from very successful backgrounds and careers. And they can also give us a lot of... I guess as a group, we can learn from each other and we can learn from their past experience. So

we're looking for a high calibre candidate and individual and partic-ul-particularly for those regional, regional opportunities.

<u>Eden Exchanges:</u> Raghu Rajakumar [00:35:05] And now, where..., look, it sounds really exciting, where are the regional opportunities available now?

**Urban Clean: Damien Boehm** [00:35:12] Not many in Queensland, south-east Queensland, but outside south-east Queensland, outside Victoria. We still have plenty. So, we do, we do have a regional partner in Sydney, we've got a presence, we've got quite a few franchise partners in Sydney, but there's a lot of Sydney still available. There's a lot of regional New South Wales available. There's regional Queensland. A-a-and of course, we've got Western Australia, South Australia and Tasmania. And I can't forget the NT. So we have about 20 opportunities that are still ready and available. Now, some of these places, we've got cleaning contracts and franchises operating. In fact, we're just..., we've just got a whole bunch of work coming in, in Adelaide, it's about half a million dollars a year there. I don't have a regional partner in Adelaide and it would be great for someone to be on the ground to take care of the business, to set up the franchises. COVID makes travel quite difficult at the moment. So it would be great to have partners on the ground and actually facilitating a lot of business that's coming our way.

**Eden Exchanges: Raghu Rajakumar** [00:36:21] So now what's the next step to get in touch with you? Look, obviously there will be people interested, but what's the next step of getting the right person on board? We do encourage anyone interested, there will be some 'contact us' options near the podcast. Please put your name down. One of the team will be in touch with you ASAP to get to your journey going with Urban Clean. We also encourage you to have a look at the Urban Clean website and get a better feel for the company. But, from your end Damien, once someone does put forward to you, what's your process in finding them and seeing if they're the right fit for you?

<u>Urban Clean:</u> Damien Boehm [00:36:58] Well, I guess the first thing is to see whether they're more suited to the unit franchise model or the regional opportunity. So that's the first question, ok? 'Which one are you really looking at? Tell, tell us a little bit about yourself? What's your background? What are you really trying to get out of the business?' For some people, what..., a unit franchise is always going to be a better option than a regional one. For some, regional is a..., is really the only option moving forward. Now, once we've established that we have a very sort of a set process and it's a relaxed process as a process of discovery. So you get to learn more about our system, how it works, where the opportunities are, how you would be benefiting from that. We get to learn a little bit about you as well.

So we are both looking at each other and in a sense, qualifying each other. Then we move towards what we call our strategy sessions. And in those strategy sessions, we actually create a blueprint. So we look at where we are coming in is as a regional partner or as a unit franchise partner. We say, 'Okay, these are the goals that you want to set for yourself. How do we turn that into reality?' So knowing what we know about the system, we'll have a look and say, 'well, look, if you want to... if you, for instance, as someone coming in as a unit franchise, cleaning franchises, says 'look! I want to be making fifteen thousand dollars a month out of my business and gross income'. We say 'Right, well, we're set up the first five, let's talk about the other ten'. And so we actually create a programme with them for them to achieve that additional ten thousand dollars a month. And then basically we're looking after that point, going through into the more formal parts.

Obviously, there's a period of validation where they get to speak to other franchise partners and regionals to validate that the system does what it says it does. And then we go in and say, 'Okay, well, let's go through the formal process and issuing franchise documents', et cetera. So there's a kind of a journey that we go on that doesn't need to be a long journey, but it is a process that we expect everyone to go for. You can't just say 'I've got, I've got a hundred thousand or I've got thirty thousand. I want to buy it tomorrow', cause we'd say " Woah! Slow down! Let's get to know each other and, and, and we invite you to learn more about us so that we can be true partners and grow the business together.

**Eden Exchanges: Raghu Rajakumar** [00:39:17] Beautiful. Now, obviously, the opportunity is there. You had a great, big, fantastic journey with Urban Clean as you've grown it. Now...

[00:39:27] Any highlights that we can, you know... you can enlighten us as we come to the end of the podcast. Of... you know, you've obviously seen it grow dramatically. But are there any key things you think are the highlights of being part of Urban Clean and anything you'd like to convey towards people thinking about... taking that first step and joining Urban Clean as a business owner?

**Urban Clean: Damien Boehm** [00:39:52] Well, there's been pivot points, so they are being very critical. Like, early on in the journey, as we started the business, we started to get clarity around what we wanted to achieve and how we wanted it to be different in the marketplace. The big... one of the big things was..., is..., business owner cleaners. Not cleaners owning a business. So we wanted to make sure that people coming in were operating a business and we're educating them like that, not educating them simply as cleaners.

So that was a real big pivot point that came early in the business. And it seemed undoable. It seemed impossible because it's completely against the industry grain.

And then when we started seeing success and we started seeing franchise partners grab hold of this and run with it, that was, I guess, a true... That..., that period was very satisfying, ok? it, it seemed everyone told us at that time, 'that's impossible. The industry doesn't do that..., that they're just cleaners!'. And then we said, 'No! we don't accept that! We believe that they can be true business partners and grow and expand their business'. And we got laughed at! So, there's a lot of satisfaction turning that around, turning that paradigm around. But I guess closer..., to me, it's more the individual story. So it's me, it's...

[00:41:15] seeing people not very confident with themselves, not really sure what they're doing and grow into becoming a business owner. To me, that's where my greatest satisfaction comes. I remember..., one of our franchisees, Canberra franchisees, they came up to Brisbane for some extra training. We showed them how to win cleaning contracts, it didn't really seem real to them. We showed them how to go through a demonstration and adding value there on the spot with the clients.

[00:41:51] And, they got the theory... they didn't really seem that confident about it, and then I got this phone call when..., The day after he came, came back to Canberra, and, he just sounded like a little boy who's just jumping up and down, he's like...
'Damien! Damien! Damien! It works! It works! I can't believe it! It works!' And, you know, he'd won a cleaning contract on the spot just following this, the methodology we taught him, and then seeing that success and then seeing the self-belief that comes out of that success. That probably is the thing that gets me out of bed, and getting to work every day is seeing that. And it's for our regional partners too! Some of these guys, you know, we're in retail and they are so, oo trapped in a, in a store that their... income is limited. Now, I've got guys that..., we had one regional partner, they came into the door. It was just last week, in fact. And they came to our camp manager and they said, 'Well, I've got a really big problem'. And we said like...' Well what?' then he said. 'I've got too much money. I don't know what to do?'. He's got, you know, thirty-five thousand dollars in the bank, just free cash that..., from that month!

[00:42:59] And he's said 'I don't know what to do with this money!' [chuckles]

[00:43:01] So, I mean, they're the things that individual success stories. And that's..., I guess...., where I get the truth.... I guess feeling of satisfaction and success from is seeing other people achieve levels of success they've never had before.

**Eden Exchanges: Raghu Rajakumar** [00:43:18] Thanks so much, Damien. Very insightful, both about your response and position of the industry around the pandemic, the support you've provided. And also, it was very enlightening about the different models. You can always say it's a once in a... lifetime or generational type environment, we're seeing where, people with that attitude, you want to get into

business within this industry, it's harder to find a better time to do it. So really appreciate your time and would love to have you on again soon, to give us an update on how your growth and expansion continues.

<u>Urban Clean:</u> Damien Boehm [00:43:56] Oh, absolutely! I'd love to Raghu! All right. Thanks very much. Thanks for having me on again.

Eden Exchanges: Raghu Rajakumar [00:44:00] Thanks again, Damien.

**Urban Clean: Damien Boehm** [00:44:00] Thanks, mate, see ya!

Eden Exchanges: Ellen Rodgers [00:44:08] Eden Exchanges was brought to you by the team at Eden Exchange. In this episode, we spoke to our returning guest Damien Boehm, who is the Founder and Director of Urban Clean commercial cleaning franchises. To find out more about Damien and the Urban Clean franchise or to discover other episodes by Eden Exchanges, head to our networking website, business-buy-invest dot com. You can subscribe to this series on iTunes, or Stichers if you're using Android. Find us on Facebook, LinkedIn, Twitter and Instagram, for recent info on the buying, selling and investing world... Thanks for listening.

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## **About Urban Clean:**

Since franchising the business in 2014, more than 100 franchisees have joined Urban Clean. Urban Clean has established a national footprint and cleans offices, gyms, medical centres and provide deep hygiene cleans throughout

Australia.

An Urban Clean business targets the profitable segment of the commercial cleaning market. The service is designed directly around this target market and uses industry only technology and systems to deliver on customers' unique needs. Our sales system to secure new cleaning contracts is unique and second to none in the industry.

The commercial cleaning industry is huge. Billions of dollars get spent every year, to keep businesses clean. A commercial cleaning business is a truly great way to earn flexible extra income after hours.

We invite you to explore this exciting opportunity. The Urban Clean team look forward to meeting you in person in the near future.

<u>Click here</u> to enquire now.