

# FYZICAL Therapy & Balance Centers

## Contact Information - Who Gets Lead Referrals

Date Last Updated: July 17, 2024  
 Referral Agreement Date: January 14, 2021  
 Name: FYZICAL, LLC  
 Address: 1751 Mound Street, Suite 107, SARASOTA, FL 34236  
 Phone: 303-653-1735  
 Fax: N/A  
 Main Email: lauren.johnson@fyzicalhq.com  
 Email to send leads to: leads@fyzical.com  
 Territory check email: leads@fyzical.com  
 Website: www.fyzicalfranchise.com  
 Referral Fee: Single: \$24k Two or more : 40% of the total franchise fees collected Masters & Area Development: 25% of the total franchise fees collected

## Business Basics

Industry	Physical Therapy services	Year started franchising	2013
Year business started	2012	Franchise units open	578
Number of Company units open	60	Investment Range \$	<b>Single:</b> \$195,750.00 - \$509,000.00 Most locations open in the \$400k range, which includes working capital. However, opening costs are trending a little higher this year due to increased materials and labor costs.
Franchise fee \$	\$49k for a single \$35k for unit 2 and \$20k for unit 3 if purchased as a package up front	Required liquid capital \$	Single - \$225,000 2-Pack - \$350,000 3-Pack - \$400,000
Required net worth \$	Single - \$650,000 2-Pack - \$800,000 3 - \$850,000 4+ - \$1.0M	Royalty	6%
Industry size \$	59.4 Billion	Available in Canada/ Internationally	No/No
SBA Registry?	Yes	Discount Program Offers	Veteran Fran
Offer Group Health Insurance?	Yes	Buyer Motives	B/A/E

In House Financing?	No	Item 19	Yes
Semi Absentee/Absentee	No		

## State Registrations

### Registration States

Currently not approved and not available in:  
CA, MD, ND, WA, VA

### Non-Registration States

Currently not available in:  
None

### US Territories

Currently not available in:  
None

### Canadian Provinces

Currently not available in:  
None

Sold out: Sold Out: Las Vegas, SW Florida, Chicago Not offering to investors: New York and California (regulatory healthcare ownership hurdles)

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## **Business Features**

FYZICAL Therapy & Balance Centers is the largest Physical Therapy franchise in the world, with over 578 locations open in 46 states. FYZICAL specializes in traditional physical therapy services treating patients for injury and surgery rehab, as well as our proprietary Balance Therapy Program. Founded in 2012 by franchise industry veteran Jim Abrams (founder of Ben Franklin Plumbing, One hour heating/air, Mr Sparky electric.)

The demand for physical therapy services is strong and getting stronger. Fueled by the aging population, early hospital discharges and mobility issues due to obesity and diabetes, the U.S. PT industry is valued at \$59.4 Billion and is forecast to grow by 10.1% annually and be worth over \$128 billion by 2032. A typical location is 1800-2200 square feet and has a balance center built in with specialized equipment that we utilize. A new location will start with just 3 employees (a PT, a receptionist, and a marketer and new PTs will be added as growth demands.

Absolutely no PT or medical background required. Our franchisees hire PTs to work as their employees and provide patient care. Franchisees primary role is hiring staff, ensuring staff are trained via our FYZICAL franchise training and our online FYZICAL College portal, managing the metrics, networking and community outreach.

## **Recession Resistant**

**PT is an essential service and absolutely recession resistant. Even during the recession of 2008-2010, the PT industry grew at double digit rates. All of our locations were able to stay open for business during the pandemic. Although we did see a dip in revenues, during the pandemic, by July of 2020 our locations had bounced back and were actually outpacing 2019 revenues. This is depicted in our Item 19.**

## **Issues and Ambushes**

Don't I need PT or medical experience to operate a clinic? Absolutely not. It's a very straightforward business model. You will hire PTs as employees just like owners of urgent care franchises, med spa franchises, chiropractic franchises etc

It's a competitive industry – That's true because it's a large industry and the demand for PT is growing rapidly. This presents a great opportunity for those that know how to run clinics profitably. FYZICAL was awarded the 2023 ZOR award for Best Franchises to Buy - FYZICAL came out on top in Franchise Times research, receiving the top score using the return on investment metric.

Dealing with insurance is a hassle – We use a vendor expert that handles all insurance billing and collections for us.

How do we get patients – You will develop a well rounded marketing campaign with our marketing team including digital and print advertising and we will train you and your staff how to network effectively with doctors offices, elder care facilities, medicare referral sources as well as with local resources like the YMCA, gyms, schools, athletic leagues etc. Our balance therapy program is a huge differentiator especially with physicians since most of them have no idea how to treat balance related issues, nor do they know where to send patients that do experience these issues.

## **Failures**

Not Available

## **Hooks and Hangers**

**One huge competitive advantage that we have over other PT providers is our proprietary balance therapy program. Over 35% of the U.S. population over the age of 40 experience vestibular disorders. Typically caused by medication, infections, inner ear problems, calcium deposits or brain trauma, these disorders lead to balance issues which can be treated with therapy. Very few PT practitioners treat this type of issue, so many people go untreated leading to falls and injury.**

**A second big advantage that we have, is that most independent PT clinic owners are so busy treating patients that they have no time to focus on the growth of their business. PTs are great at treating patients but not good at running businesses. They receive zero business training in school and often succeed in spite of themselves. By partnering with "Executive Owners" who can focus on running the business**

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The average cost to open a FYZICAL location is \$400k and this includes 9 months of working capital. We utilize low-cost real estate since we do not need to be in Class A real estate. Our build out cost is very reasonable since the space is a wide open box.

As a franchisee, you are hiring degreed professionals, not hourly employees. To build a business that does \$1M in revenue, you need 7-8 employees.

Ability to add cash-based services like hearing aid and orthotic sales which are very profitable.

Our corporate locations average \$902,442.00 per center, and this is reflected in our Item 19.

## **Discovery Day Process**

Step 1: Introductory call

Step 2: Unit Economics - Validation process begins and FDD sent

Step 3: Support Review call

Step 4: FDD Review

Step 5: Game Changer Calls with Leadership Team. Zoom calls with leadership team with no more than 2 other candidates. This allows the candidate and leadership team to have more quality time together and address more specific questions.

Step 6: Closing Call

## **Consultant Payment Terms**

10 days after receipt of invoice

## **VetFran/Minority Discounts**

We offer a 10% VetFran discount.

## **E2 Visa/EB-5 Program Status**

No

## **State Deferments**

CA - Escrow

IL - Escrow

MD - Escrow

SD - Escrow

VA - Deferral

WA - Escrow

## **Candidate Sales Process**

1. **Intro call**
2. **Unit economics call (validation begins and FDD is sent)**
3. **Support review and territory call**
4. **FDD review**
5. **Game changer calls with FYZICAL Leadership Team (validation ends)**
6. **Closing call**

## **Owner Roles**

### **What will be the role of the owner?**

Hiring and training of staff, tracking key metrics, ensuring marketing plan is being implemented, financial tracking, networking.

### **What will be the role of the multi-unit operators?**

Same as above

### **What will be the role of the single unit operators?**

Same as above