



BCP2 ALPHA, LLC

A. COMPANY OVERVIEW (ALPHAGRAPHICS)

- \$12.2 MM franchisor of B2B quick printing locations specializing in the planning, production and management of document and marketing solutions for businesses of all sizes
 - Company also collects and administers marketing fund
- 43+ year brand; Top 200 Franchisor [REDACTED]
- January 2012: Purchased Alphagraphics (“AGI”) [REDACTED]
- [REDACTED]
- [REDACTED]
- February 2012: AGI sold its ownership in Brazil to the local management team
- April 2012: AGI entered into a management services agreement with its largest UK Franchisee
- AGI has 278 business Centers worldwide and system-wide sales of \$291 MM
 - 245 Domestic and 33 International Centers
 - 208 US Franchisee Partners and 4 International Licensees as of September 30, 2014
 - For the two months ended August 31, 2014, US system-wide comparable store sales up; TTM August 2014 up

A. COMPANY OVERVIEW (ALPHAGRAPHS)

- **On October 1, 2014, a majority shareholder of AGI completed a merger with an affiliate of Western Capital Resources, Inc. (a BCP II Portfolio Company) whereby 99% of AGI is now owned by a wholly-owned subsidiary of WCR**
 - Received 3.0 MM shares of WCR, 2.7 MM of which BCP II indirectly owns through an affiliate

B. 2014 UPDATE (ALPHAGRAPHICS)

- Documenting and improving franchisee value proposition continues to be #1 priority with the focus on existing franchisees
- Center sales growth results
 - TTM US August 2014 system-wide sales are up and same-center sales are up
- Center sales growth programs
 - Aggressive lead generation programs including SEO, SEM and direct marketing
 - AG Signs business development Program implemented with training and turn-key marketing programs
 - Focused sales support efforts and training to convert leads
- Programs to increase net owners compensation
 - National Purchasing Program
 - Formed focus group program to provide intensive support for certain centers to improve bottom line
- Support structure focused on centers
 - Established call center / help desk and new “Knowledge Base” platform for easy on-line help
 - Established new platform for access to training materials and improved all on-line training programs; increased training at annual conference
 - Added training opportunities and increased mandatory training programs for new franchisees
- Rolling out new center-level MIS system to improve center workflow and information
- Franchise development focus for FY14, in addition to opening new centers, was to assist current franchisees with their efforts to sell their centers and/or acquire additional territory

C. RESULTS (ALPHAGRAPHICS)

