

WHO IS SCHOOL OF ROCK?

OUR EDUCATION FRANCHISE LETS YOU INDULGE YOUR PASSION FOR MUSIC WHILE IMPROVING KIDS' LIVES

For more than two decades, School of Rock has been teaching kids and adults how to channel their inner rock stars. You may already be familiar with the movie that bears our name. Even if you're not familiar with the history of School of Rock the franchise, or School of Rock the Broadway musical, chances are you've heard of School of Rock the 2003 movie. There is a shared name and a rock n' roll spirit with the movie, but the School of Rock franchise is also so much more.

As educators, we're trailblazers with our performance-based model of music instruction. Today we're a global brand with over 670 locations open or under development in 23 countries, including a recent expansion into the United Kingdom and Germany. We continue to develop and open new schools across the world. The leadership team is comprised of a group of experienced franchise executives who are either musicians themselves or deeply passionate about music and music education.

Traditional music education approaches rarely teach students how to perform with other musicians, focusing instead on teaching music only through one-on-one lessons. The **patented School of Rock Method™** is different. We combine one-on-one instruction with group rehearsals and live performances, starting students on their musical journey by teaching the songs that inspire them. This integrated SongFirst® approach teaches students techniques and theory while also helping them apply those skills when performing with other musicians. This method results in remarkable musical proficiency.

The patented School of Rock Method™ includes the Method Books, the Method App, manuals, and the Method Engine to integrate the content. The app was designed to be used by students and instructors. It houses all of the excersises from the books, tools to practice the music skills at home and also for the parents to monitor the kid's progress. This unique approach to instruction and our love of rock music help young, aspiring musicians find themselves, hone their talents and build the confidence they need in their lives.



THE SUPPORT DOESN'T END WHEN THE LEASE IS SIGNED ON THE NEW SCHOOL SITE.

We understand what it takes to succeed as a franchise, and have a proven track record going back to the mid-'90s. Over the years, we have developed the techniques, the business processes, and the franchisee-centric culture that provide you with a blueprint for your own success.

The Development team and commercial real estate partners can help franchisees select the best location for their school based on community demographics, local markets, and specific space requirements. But the support doesn't end when you find the ideal location!

We are proud to offer a wide network of franchisee support. Our team walks every new owner through managing a School of Rock and will guide through day-to-day business operations as needed. When a new franchise candidate signs up to become a franchisee, we provide them with a guaranteed weekly exchange and communication with our New School Openings Team. On a weekly basis, they are going to offer consulting on a number of things: marketing, staffing, construction, architectural drawings, curriculum, business systems, and music programming—everything.

"We specialize in helping franchisees figure out every single detail of the opening process. From finding the ideal location to renovations, music instrument needs, staffing, operating hours, pricing, local marketing, and IT", says Pamela Ross, Director, New School Openings.



QUEEN CREEK, AZ



SCHOOL OF ROCK WILL BE WITH YOU ALL THE WAY.

As your committed partner, it will be School of Rock's mission to bring you unbeatable support to enable you and your business to excel in your local territory. From day one, we will support you with:

- A proven and tested concept and system that has generated continuous positive results and unique consistent return-on-investment. The concept includes a fully developed set of policies and procedures honed over many years.
- **On-site training** in both the business and music education instruction.
- Protected Intellecual Property Rights
- A proprietary patented School of Rock Method, including Method Books, App, and Engine, offering a unique music education experience
- Full support in setting up your back office
- Facilitating supply of musical equipment and teaching material through **Gear Select**, a group of partnerships with the must innovative providers of musical equipment such as Gibson®, Fender®, Zildjian®, Vic Firth®, Roland®, Blue®, Remo®, and Hal Leonard®.
- A proprietary IT system to manage the school business
- Real estate search and lease negotiation assistance
- Assistance in getting your school built
- Grand Opening and continued marketing support
- Advice on pricing stategy
- Continuous system improvement and product development
- Unique opportunites for students, who can audition to be a part of the All Stars, representing the most dedicated students, and tour during the summer through legendary stages all over the United States.



A PLACE FOR EVERYONE

Plenty of kids grow up without a tribe to call their own. Fitting in can be hard. If they are not naturally extroverted and self-confident, if they don't easily engage with other kids or they're not natural athletes, or they just haven't honed in on their particular interests. Over and over again at School of Rock, parents and teachers and the kids themselves tell us how our education franchise has given these kids a place to belong and how they've blossomed at school.

For a kid who never fit into team sports or any of those other worlds, the implications are far-reaching. For a music-loving entrepreneur, the rewards go far beyond financial.

"What we're focused on is the mission of School of Rock, which is inspiring kids to rock on stage and in life," says Steve McFarland, a multi-unit owner and executive business coach in Indiana.

"One mom came up to me and said, 'I don't think my daughter could have made it through another year of high school without School of Rock.' She didn't have any friends, and she just wasn't plugged in. There were tears in this woman's eyes. Now her daughter is confident, and she has friends and she is plugged in. She's found her passion."

IF YOU LOVE MUSIC AND YOU'RE LOOKING FOR THE BEST KIDS FRANCHISE IN THE SEGMENT, SCHOOL OF ROCK MIGHT BE FOR YOU

Retired from the road? Ready to cut back on touring? Looking for a way to stay involved in music while providing for the family? Passionate about music and experienced in business, but looking for Career 2.0? Our franchisees come from all sorts of backgrounds, but the trait that connects them and makes School of Rock one of the best kids' franchises for the musically inclined is their love of music. Whether they play professionally, had a garage band in high school or just sing along to the radio on the way to work, music has always been a part of their lives.



The confidence, self-discipline and sense of belonging our students gain carry over into every other facet of their lives. They benefit from becoming part of something bigger than themselves — a benefit our School of Rock franchise owners experience as well, whether they're musicians or not.

"Anyone who has a passion for something will be great at what they're trying to do. I would suggest an owner just have a passion for music," says Ryan Schiff, District Manager of our schools in West Los Angeles, Venice Beach, Burbank, Pasadena, and South Bay (Redondo Beach) and frontman for the alt-rock group Lou Pine. "You don't necessarily have to be able to perform and play music, but having a real passion for rock and roll, and music, and kids, and being able to teach kids how to play music is the most important thing."

The market has been recognizing School of Rock and recommending us to prospects. In 2023 Global Franchise named us Category Winner and Global Champion. Entrepreneur named us Hall of Fame for the 10th consecutive year, Top Global Franchise, Best Of The Best, #1 In Category and Top Franchise For Veterans. Franchise Business Review named us Top Franchise, Most Innovative Franchise, Most Profitable Franchises, Recession-Proof Franchise and Franchise Rock Star. Franchise Times named us Top 400 Franchise. Franchising@Work gave us the Gold Award for Employee Satisfaction. And Listen360 gave us the Loyalty Champion Award.





AWARDS AND ACCOLADES

2025

Top Franchise Award: Franchise Business Review **#1 Children's Enrichment Franchise:** Entrepreneur

Best Children's Services & Education Franchise: Global Franchise Awards

Franchisee of the Year: International Franchise Association

2024

Top Franchise for Veterans: Entrepreneur

Top Global Franchise: Entrepreneur

Most Innovative Franchise: Franchise Business Review Silver Award - Employee Satisfaction: Franchising@Work Recession-Proof Franchise: Franchise Business Review

Culture 100 List: Franchise Business Review

Best of the Best: Entrepreneur Franchise Rockstar: Entrepreneur #1 in Category: Entrepreneur

Franchise 500 Ranked: Entrepreneur

Top 200 Franchise: Franchise Business Review

Highly Commended: Global Franchise

Franchisee of the Year: IFA

2023

Global Champion: Global Franchise **Category Winner:** Global Franchise

Hall of Fame - 10 Consecutive Years: Entrepreneur

Top Global Franchise: Entrepreneur Best Of The Best: Entrepreneur #1 In Category: Entrepreneur

Top Franchise For Veterans: Entrepreneur **Top Franchise:** Franchise Business Review

Most Innovative Franchise: Franchise Business Review Most Profitable Franchises: Franchise Business Review Recession-Proof Franchise: Franchise Business Review

Franchise Rock Star: Franchise Business Review

Top 400 Franchise: Franchise Times



AWARDS AND ACCOLADES

2023 (CONTINUED)

Gold Award - Employee Satisfaction: Franchising@Work

Loyalty Champion Award: Listen360

2022

Regional Champion - Americas: Global Franchise

Category Winner: Global Franchise
Top Global Franchise: Entrepreneur
Best Of The Best: Entrepreneur
#1 In Category: Entrepreneur

Fastest Growing Franchise: Entrepreneur **Top Franchise:** Franchise Business Review

Most Innovative Franchise: Franchise Business Review Top Franchise For Veterans: Franchise Business Review Gold Award - Employee Satisfaction: Franchising@Work

Franchise Of The Year Award: IFA Franchise Innovation Award Winner

2021-2019 HIGHLIGHTS

Category Winner: Global Franchise Best Of The Best: Entrepreneur #1 In Category: Entrepreneur

Top Franchise: Franchise Business Review

Top 200 Franchise: Franchise Times **America's Best Franchise:** Forbes

RANKED: Entrepreneur

Franchise Innovation Award Winner

2018 & OLDER

America's Best Franchise: Forbes (2018) #1 In Category: Entrepreneur (2018)

Franchise 500 Ranked: Entrepreneur (2017)

Top 20 Edu Franchise: Franchise Business Trends

Franchise 500 Ranked: Entrepreneur (2016) Franchise 500 Ranked: Entrepreneur (2015)



SCHOOL OF ROCK METHOD

- We start students on their musical journey by teaching the songs that inspire them. Through this **SongFirst®** approach, we use classic songs to teach technique and theory. This method helps students remain engaged with and excited about, their educational experience
- Our patented School of Rock Method™ offers a unique set of tools for an immersive approach, similar to learning a foreign language, where students start learning real rock songs right away
- The Method includes proprietary Method Books and a Method App, groundbreaking resources for instructors, students and parents

METHOD BOOKS

Our proprietary Method Books are the roadmap for our educational approach. The books outline musical concepts and techniques, and then connect them to classic songs for students to learn and play. Students will also find tips on rehearsing and performing with a band.



METHOD APP

Our revolutionary Method App™ is invaluable tool for home practice. It contains all of the exercises from the School of Rock Method Books™, along with transcriptions of over 1,000 songs. The Method App™ is used by our teachers to assign exercises and songs, and to provide feedback and comments. Students can manipulate playback, tempo, and backing track audio to help them learn.

The patented School of Rock Method™ is only available to students enrolled at School of Rock.





WE LOVE MUSICIANS

We create jobs for other working musicians, as each school typically employs about 20 part-time teachers who are likely professional musicians as well. While it's true there are different labor pools in Peoria than in, say, Chicago or New York, we find that there are always people out there, and being able to hire professional musicians helps boost overall franchisee satisfaction.

Musicians are the sort of people who would play just for the sheer joy of it, which is why so many pros still need day jobs. With musicians running our schools and teaching our students, School of Rock has earned its reputation as the premier music education school. Our students not only learn to play an instrument, they learn how to work within a group as they form bands with their peers, how to prepare for a live show, how to handle the unexpected during those performances, and what it's like to go on tour.

PROSPER, TX





FRANCHISEE REVIEWS

"There's absolutely nothing like it. It's a proven model: The opportunity and the structure of the business and the programs are a success. There's nothing out there in the majority of markets I know of that can compete on that level. You may have some mom-and-pop type of schools that do something similar, but we're a global brand."

- Bea Escobar - School of Rock Fayetteville, AR

"Most of the kids who come to School of Rock are just drifting through school, they're not plugged in anywhere. Their parents are frustrated. They've tried band, they've tried soccer — nothing sticks. They feel like failures. They send their kids to School of Rock and now they're plugged in, they've got a network of friends, they've got mentors in our teachers, they're performing on stage, they're confident. Their parents are over the moon."

- Steve McFarland - School of Rock Carmel and Fishers, IN

"My vision for School of Rock West Cobb is that it will be a place for everyone, of every age, of every background. Our goal is to become the leader in performance-based music education for the community, where all students are welcomed and encouraged to express themselves through the universal language of music, so they can rock both on stage and in life."

- Gabriel Rudge - School of Rock West Cobb, GA

"School of Rock is truly an amazing brand! I have never seen such a powerful product. Because of what we do for kids and the impact we make in our community, we attract some very talented and passionate people to join our team. Having great staff makes a huge difference when you own a business."

- Cecilia Yi - School of Rock Roseville, Folsom, Elk Grove, and Sacramento, CA



JOIN THE BAND!

A School of Rock franchise stands out among music school businesses by engaging kids in a unique way. We teach rock music that resonates with them and the fundamentals of playing with a group of musicians on stage. If you've been dreaming about how to start a music school, one of the first things you want to know is how much your initial investment will run. To be a qualified candidate, you and/or your group need at least \$150,000 in liquid assets and a net worth over \$350,000.

The initial investment for a single School of Rock location ranges from \$425,250 to \$704,800. If you qualify for a small business loan though our preferred lending partner, your cash contribution may only be 20% of the total initial investment.

The chart on the following page is from Item 7 of our latest Franchise Disclosure Document (FDD). It shows how the initial investment is spent. For a closer look at our financial picture, and to start a no-obligation conversation about the School of Rock franchise opportunity, call (877) 556-6184.





ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT¹⁸ (Franchise Agreement)

TYPE OF	AMOUNT		METHOD OF		TO WHOM	
EXPENDITURE	LOW	HIGH	PAYMENT	WHEN DUE	PAYMENT IS TO BE MADE	
Initial franchise fee ¹	\$59,900	\$59,900	Lump sum	At signing of Franchise Agreement	Franchisor	
Initial Rent Outlays ²	\$10,000	\$16,000	Lump sum	At signing of lease agreement	Landlord	
Site Selection and Leasehold Improvements ³	\$227,500	\$372,500	As arranged	Before opening; as incurred	Contractors / Suppliers	
Furnishings and Finishings ⁴	\$14,000	\$26,000	As arranged	Before opening	Suppliers	
Equipment ⁵	\$26,000	\$36,000	As arranged	Before opening	Suppliers	
Security and Cameras ⁶	\$11,000	\$25,000	As arranged	Before opening	Suppliers	
Signage ⁷	\$8,000	\$15,000	As arranged	Before opening	Suppliers	
Supplies ⁸	\$2,000	\$3,000	As arranged	Before opening	Suppliers	
Pre-Opening Training ⁹	\$2,300	\$3,700	As arranged	Before opening	Suppliers	
Advertising ¹⁰	\$10,000	\$12,000	As arranged	Before opening and within 30 days after opening	Suppliers	
Opening Inventory ¹¹	\$3,000	\$4,000	Lump sum; as arranged	Before opening; as incurred	Suppliers	
Computer/ Software ¹²	\$4,000	\$8,500	As arranged	Before opening; as incurred	Suppliers	
Permits & Licenses ¹³	\$3,200	\$7,200	As arranged	As incurred	Government Authorities	
Architectural Fees ¹⁴	\$11,400	\$15,500	As arranged	As incurred	Suppliers	
Prepaid Insurance Premiums ¹⁵	\$750	\$2,000	As arranged	As incurred	Insurance Broker	
Utility Costs & Deposits ¹⁶	\$700	\$1,500	As arranged	Before opening; as incurred	Suppliers	
Miscellaneous Opening Expenses ¹⁷	\$6,500	\$12,000	As arranged	As incurred	Consultants	
Additional Funds for 3 Months ¹⁸	\$25,000	\$85,000	As arranged	As incurred	Suppliers / Employees / Others	
TOTAL ¹⁹	\$425,250	\$704,800				

HOW MUCH CAN I MAKE?

OUR PROVEN SYSTEMS, TRAILBLAZING EDUCATIONAL APPROACH AND FRANCHISEE-FOCUSED CULTURE ALL PLAY A PART IN SCHOOL OF ROCK FRANCHISEE EARNINGS

A passion for music and music education is crucial in our business, but it's also important to understand the financial ins and outs of our business model, including average School of Rock franchise earnings.

We can't predict how much you'll earn as a franchisee, but we can show you just how much franchisees have earned in years past. Qualified franchise candidates will receive a copy of our Franchise Disclosure Document (FDD), which includes earnings reported by franchise owners, as well as more detailed information about startup costs and what you get for your initial investment.

At School of Rock, music education is our sole reason for being, and our business model is based on turning that passion into profit. We pour everything we do into helping children and teenagers find themselves through the music.





Table 1 Annual Total Sales in 2024 - All Designated Schools

Table 1 provides the annual Total Sales for all Designated Schools in 2024.

Type of Designated School	Average Annual Total Sales	# and % of Schools At or Above Average Total Sales	Median Annual Total Sales	Highest Annual Total Sales	Lowest Annual Total Sales
Company-Owned	\$925,351	20 / 43%	\$824,785	\$1,894,803	\$268,332
Franchised	\$672,488	97 / 43%	\$640,486	\$2,091,171	\$173,015

<u>Table 2</u> <u>Student Enrollment for All Designated Schools</u> as of December 31, 2024

Table 2 provides the average and median student enrollment for all Designated Schools as of December 31, 2024.

Type of School	Average Enrollment	Number and Percentage of Schools At or Above Average Enrollment	Median Enrollment	Highest Enrollment	Lowest Enrollment
Company-Owned	215	21 / 46%	197	402	91
Franchised	180	100 / 45%	173	448	69



<u>Table 3</u> <u>Average Total Sales and Net Operating Income as a Percentage of Average Total Sales</u> <u>of Company Designated Schools in 2024</u>

Table 3 provides a profit and loss statement for the period from January 1, 2024 to December 31, 2024 for the 46 Company-Owned Designated Schools.

	Average (Annual)	% of Total Sales	Number and Percentage of Schools At or Above Average	Median (Annual)
Total Sales (1)	\$925,351	100.0%	20 / 43.5%	\$824,785
Cost of Sales (2)	\$327,300	35.4%	20 / 43.5%	\$309,140
Gross Profit (3)	\$598,051	64.6%	20 / 43.5%	\$508,704
Operating Expenses (4)				
Management Labor (5)	\$105,662	11.4%	20 / 43.5%	\$99,569
Admin Labor (6)	\$40,524	4.4%	20 / 43.5%	\$37,745
Rent (7)	\$93,259	10.1%	21 / 45.7%	\$91,349
Marketing Expenses (8)	\$33,969	3.7%	21 / 45.7%	\$31,292
IT Fees (9)	\$4,141	0.4%	46 / 100.0%	\$4,141
Imputed Royalties (10)	\$74,028	8.0%	20 / 43.5%	\$65,983
Other Expenses (11)	\$39,375	4.3%	24 / 52.2%	\$40,259
Total Expenses (12)	\$390,958	42.2%	21 / 45.7%	\$366,856
Net Operating Income (13)	\$207,093	22.4%	19 / 41.3%	\$147,522



FRANCHISE AWARDING PROCESS

1

CASTING CALL: INITIAL CANDIDATE SCREENING

Once you've completed a form on our website, you'll soon receive a call from one of our Franchise Development Team members. To speed up the process call (877) 556-6184.

(A)

AUDITION: CANDIDATE INTERVIEW

You'll discuss your qualifications and School of Rock business model with a member of our Franchise Development team.

9

CALLBACK AUDITION: COMPANY DETAILS

A member of our Franchise Development team will share with you insights on how our system works.

4

REHEARSAL: FRANCHISE DISCLOSURE DOCUMENT REVIEW

Submit your application and qualifying financial documents, and we'll send our latest FDD. Shortly thereafter, we'll review the FDD with you and answer any questions you may have.

5

ON TOUR: PROGRAM REVIEW/DUE DILIGENCE

You will further explore details of opening a School of Rock, including:

- Reviewing your funding options and applying for financing
- Executive interviews
- Franchisee outreach and site visits
- Writing your business plan
- Exploring real estate options in your market

OPENING ACT: DISCOVERY DAY

A member of our Franchise Development team will share with you insights on how our system works.

%

AUTOGRAPH SESSION: FINAL APPROVAL/SIGNING OF FRANCHISE AGREEMENT

A member of our Franchise Development team will share with you insights on how our system works.



BUILDING YOUR ROCK & ROLL EMPIRE: BUILD, TRAIN, OPEN

Open your own School of Rock!





SCHOOLFRECK