



CHILDREN'S RESALE MODEL JUST MAKES SENSE:

KID TO KID THRIVES IN ANY ECONOMY



A great business opportunity combines ample supply, strong consumer demand and ideal economic conditions with time-tested systems and excellent execution.

In this economy, a franchise that resells outgrown children's clothing and toys, Kid to Kid, harnesses these key factors to create an opportunity that just makes sense.

According to Fashionbi's 2016 Kidswear Market Report, "the children's wear market is one of the most lucrative segments in the global apparel industry. Estimated to hit a value of 173.6 billion dollars by 2017, the kids wear market was not even affected by the meltdown on the global economy. The market for infants and toddlers wear is the perfect text book case for a market pattern as well. Affected by neither economic dynamics nor new fashion trends, this fast growing market is expected to have a stable Compound Annual Growth Rate (CAGR) of 4.2 percentage through to 2017."

The Cascade Alliance found that "the retail thrift industry was a rare bright

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spot during the Great Recession, actually adding stores and jobs. But now that the economy is growing and unemployment is down, will the outlook for thrift stores maintain its upward trend? There is more than just anecdotal evidence suggesting that the retail thrift industry will continue to grow in the United States in coming years. An expanding customer base, shifts in the culture and changes within the industry all paint a very positive picture for thrift store operators.”

The resale model is unique in that those who are the suppliers of great clothing items and outgrown toys and kids gear also feed the demand for more product. Many customers who come in to the store to sell their gently used items to Kid to Kid will actually buy other items with the cash or store credit they receive. This cycle continues for years as their children grow up.

Kid to Kid Franchisees love the friendships they develop with their customers and the satisfaction they get from being part of the community. Kori Forney of the Kid to Kid in Medford, Oregon said: “Our store has exploded, but I’ll be honest, I rarely look at the numbers. I look at the excitement of new moms when they find just what they need, the appreciation of parents that can come in to sell their items and support their families. I feel how our community is coming together to put family first and serve others. That’s how I know my store is doing well. That’s how I know I’m on the right track.”

The Kid to Kid story begins more than 24 years ago. An avid bargain hunter, founder Shauna Sloan loved the idea of selling the clothes her children had outgrown and purchasing other gently used clothes at discount prices. She researched the industry extensively and found that no one provided the advanced management systems and training necessary to

maximize profits. So she and her husband Brent decided to start their own upscale children’s resale store – applying business school principals and technology to a mom and pop industry. One of the first employees they hired was a computer programmer to develop a top-notch inventory management and pricing system - which became the basis for the system used throughout the Kid to Kid network today.

The stunning response of local customers prompted the Sloans to begin franchising the concept just one year later. Their attention to detail, tireless energy and entrepreneurial vision have resulted in the finest systems and practices in the industry. New Kid to Kid franchisees benefit from processes developed and perfected over the last 24 years.

The moment a new franchisee joins the Kid to Kid family they are swept up in a wave of support. Every detail of building a beautiful store is addressed – from site selection and build-out to racks and

hangers. Online training is followed by two weeks of classroom instruction and in store experience. The new franchisee then spends another week in a top store as an intern to hone their newfound skills. Support continues in the form of inventory buying and hands-on help at the grand opening. Field support reps provide ongoing operational support and visit stores regularly. Webinars, peer store visits and annual meetings provide continuous training and motivation.

Over the years, Kid to Kid and their sister company Uptown Cheapskate, an upscale resale franchise focusing on the young adult demographic, have been growing steadily with nearly 170 locations in four countries. However, it’s never been their goal to be the largest or fastest growing company in the industry – but to have successful stores and satisfied franchisees. This year they will issue a limited number of licenses in order to ensure the levels of support they are committed to delivering.

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