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FRANCHISE NEWSLETTER

ACFN WELCOMES FOUR NEW FRANCHISE OWNERS!

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- ❖ ACFN ON THE MOVE.



HEATH, ARKANSAS
 DAVID, SANTA MARIA, CA
 JIM & DIANE, ORLANDO, FL
 LATANYA, INDIANAPOLIS, IN

ACFN'S NEWEST DIRECTORS OF OPERATIONS!

PIERO PIRJANIAN, SENIOR DIRECTOR OF OPERATIONS

I AM VERY PLEASED TO BE A PART OF THE ACFN TEAM, FIRST AS A FRANCHISE OWNER, AND NOW AS A STAFF MEMBER. COMING FROM EIGHTEEN YEARS OF EXPERIENCE AS AN ATM TECHNICIAN AND IN TECHNICAL SUPPORT, PLEASE FEEL FREE TO CONTACT ME WITH YOUR QUESTIONS AND CONCERNS. I AM VERY HAPPY TO HELP EVERYONE TO THE BEST OF MY ABILITIES.



LEE CASTRO, DIRECTOR OF OPERATIONS

HELLO ALL!!! I'VE COME ABOARD TO HELP MY FELLOW FRANCHISEES RUN THEIR BUSINESSES AS PROACTIVELY AS POSSIBLE. THIS MEANS HELPING YOU TROUBLESHOOT YOUR ATMS AND GETTING THEM ACTIVE AS SOON AS POSSIBLE.

I'M STILL IMPRESSED BY THE PROFESSIONALISM, INTEGRITY, AND TEAMWORK WITH THE CORPORATE OFFICE AS WHEN I CAME TO FRANCHISEE TRAINING 2 YEARS AGO.

AS THE NUMBER OF FRANCHISEES GROWS, THE CORPORATE OFFICE STAFF HAS ADJUSTED TO MEET YOUR NEEDS. I'M PART OF THE PROCESS NOW IN HELPING YOU AND THE CORPORATE OFFICE SOLVE TECHNICAL PROBLEMS. I JOIN PIERO PIRJANIAN IN THIS POSITION. WITH THE GROWING NUMBER OF ATMS, THIS HAS BECOME A 2-PERSON JOB.

PART OF OUR JOB IS TO RESET ERRORS SENT TO US BY YOUR ATMS. WE'LL TRY TO DO EVERYTHING WE CAN BEFORE CALLING YOU TO GO TO THE ATM TO INVESTIGATE, REPAIR, AND RESET. PIERO AND I WILL WORK SEPARATE DAYS AND THE BEST WAY TO GET A HOLD OF US IS TO CALL 888-794-2236, EXT 5127.

PLEASE ENSURE THAT TRITON CONNECT IS ENABLED ON ALL YOUR ATMS AND THAT THE TOLL FREE NUMBER IS TYPED IN. THIS IS HOW THE ATM SENDS ERRORS TO US. ALSO, PLEASE ENSURE YOU HAVE A DEDICATED TELEPHONE LINE. THEN WHEN WE GET AN ERROR, WE CAN RESET THROUGH THIS LINE FROM OUR OFFICE.

AS A FRANCHISEE MYSELF I HAVE FIRST-HAND EXPERIENCE IN ALL ASPECTS OF WHAT YOU ARE GOING THROUGH. AS A FRANCHISEE, I REALIZED THAT THE PEOPLE IN THE CORPORATE OFFICE COULD HELP ME MORE IF I COMMUNICATED AS CLEARLY AS POSSIBLE TO THEM. THIS WAS EVIDENT WHEN I NEEDED TECHNICAL HELP. I WONDERED WHY THEY NEEDED ME TO REVIEW STEPS IN THE PROGRAMMING MANUAL AGAIN WHEN I WAS SURE I TYPED EVERYTHING IN. MANY TIMES, I FOUND PLACES WHERE I MADE THE WRONG ENTRY! THOSE DARN PIN MASTER KEYS WERE ALWAYS TRICKY FOR ME.

THANKS FOR YOUR PATIENCE AS I TRANSITION INTO THIS NEW ROLE AND AS ALWAYS I AM OPEN TO CONSTRUCTIVE FEEDBACK!



**75 FRANCHISES!
AND GROWING...**

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TIPS FOR SUCCESS IN BUSINESS

BY ACFN OF BALTIMORE & WASHINGTON, D.C.

THE SUCCESS OF ANY BUSINESS VENTURE INVOLVES STRATEGIC GROWTH AND CAREFUL PLANNING IN AN EFFORT TO MAKE THE BUSINESS MORE PROFITABLE. FROM MY EXPERIENCE AS A FRANCHISE OWNER, I HAVE FOUND A FEW ITEMS THAT ARE OF CRITICAL SIGNIFICANCE FOR USE AS TOOLS FOR SUCCESS. A SUMMARY OF THESE EXPERIENCES IS DESCRIBED IN THE FOLLOW NARRATIVE.

AN INITIAL STEP IN USING BUSINESS TOOLS FOR SUCCESS INVOLVES BROWSING THROUGH THE TOOLBOX TO DETERMINE WHICH TOOL WILL BE MORE EFFECTIVE IN FRANCHISE GROWTH AND PROFITABILITY. IT IS PARAMOUNT TO CHOOSE THE CORRECT SET OF TOOLS TO NOT ONLY SUSTAIN PERPETUAL GROWTH, BUT ALSO TO ALLOW YOU TO BREATHE ALONG THE WAY, IF YOU GET MY DRIFT. DURING THOSE EARLY "START UP" DAYS OF THE FRANCHISE BUSINESS, I SPENT TOO MANY DAYS AND NIGHTS THINKING ABOUT MY BUSINESS PLAN TRYING TO UNDERSTAND WHY I WAS NOT SEEING MORE MONEY ON THE BOTTOM LINE. TO MAKE A LONG STORY SHORT, I DID SOME MUCH-NEEDED RESEARCH AND DISCOVERED THAT UNTIL YOU ACTUALLY PUT YOUR OPERATING INFORMATION ON PAPER AND ANALYZE IT, LINE BY LINE, YOU WILL NOT BE ABLE TO CONCLUSIVELY DECIPHER WHERE THE DEFICITS ARE IN YOUR BUSINESS PLAN. FOR INSTANCE, DURING THE EARLY YEARS OF THE BUSINESS, WHENEVER I WOULD MAKE A DECENT PROFIT OR HAVE A GOOD MONTH OF ACTIVITY THE PROCEEDS WOULD GO DIRECTLY TOWARD PURCHASING A NEW MACHINE. THE END RESULT WAS A FEELING OF BEING CHOKED FINANCIALLY BECAUSE ALL THE MONEY WAS MIGRATING TOWARD THE GROWTH OF THE BUSINESS. THEREFORE, I HAD NO CHOICE BUT TO TAKE A "TIME OUT" TO BREATHE AND DECIDE STRATEGICALLY WHAT WOULD BE NECESSARY TO BRING THINGS BACK INTO FOCUS. MORE SPECIFICALLY, I HAD TO REASSESS WHAT I WAS ULTIMATELY TRYING TO ACCOMPLISH AND HOW

EXACTLY TO GO ABOUT IT.

THE NEXT STEP OF MY GAME PLAN WAS TO BECOME "LEAN AND MEAN" BY (1) RAISING CAPITAL, (2) REDUCING THE DEBT OF THE BUSINESS, AND (3) INCORPORATING THE BUSINESS IN ORDER TO ACCOMPLISH THREE GOALS: ASSET PROTECTION, TAX REDUCTION AND TO CREATE A VEHICLE FOR ACHIEVING WEALTH.

RAISING CAPITAL

AS A KEY PART OF YOUR TOOL BOX FOR RAISING CAPITAL YOU WILL NEED TO DEVELOP A BUSINESS PLAN TO MAP OUT YOUR GOALS AND OBJECTIVES FOR BUSINESS GROWTH AND PROFITABILITY. IN ADDITION, YOU WILL NEED THE BUSINESS PLAN TO PRESENT TO BANKING REPRESENTATIVES TO PROVE THAT YOU HAVE A VIABLE PLAN ON PAPER THAT THEY CAN READ AND DETERMINE IF THEY WANT TO SUPPORT YOU FINANCIALLY IN THE EXECUTION OF THE PLAN.

ANOTHER KEY PART OF YOUR TOOLBOX FOR RAISING CAPITAL WILL BE TO ACQUIRE THE SERVICES OF EITHER A BOOKKEEPER OR A CERTIFIED PUBLIC ACCOUNTANT [CPA] TO ASSIST YOU IN PUTTING TOGETHER A "FINANCIAL PACKAGE" THAT BANKERS AND OTHER FINANCIERS, LIKE VENTURE CAPITALISTS, CAN SUPPORT AND APPRECIATE. AS QUIET AS THE FOLLOWING FACT IS KEPT, BOOKKEEPERS ARE QUITE ECONOMICAL IN THE GRAND SCHEME OF THINGS AVERAGING AROUND \$15 TO \$25 PER HOUR. THEY ALSO CAN PROVIDE YOU WITH A WEALTH OF KNOWLEDGE AND IDEAS. BELIEVE IT OR NOT, BANKERS AND FINANCIAL PROFESSIONALS HAVE A COMPLETELY DIFFERENT WAY OF COMMUNICATING WHEN IT COMES TO DETERMINING THE RISK AND ADVERSITY INVOLVED IN USING THE BANKING INSTITUTION'S MONEY. IF YOU, OR ANYONE ELSE, DO NOT UNDERSTAND HOW TO COMMUNICATE IN BANKING TERMS, YOU WILL NOT STAND A CHANCE OF GETTING THE FUNDS YOU NEED TO CONDUCT BUSINESS.

A THIRD TOOL FOR RAISING CAPITAL IS WHAT I CALL PLAYING THE CREDIT CARD GAME AS WELL AS INCREASING YOUR OVERALL CREDIT SCORE.

IN PLAYING THE CREDIT CARD GAME, WHAT I HAVE DONE PRIOR TO NEEDING THE MONEY IS TO SIMPLY CHECK ADVANCE THE LIMIT OF MY CREDIT CARD AND PAY OFF THE ENTIRE AMOUNT AT THE END OF THE MONTH. THIS NOT ONLY WILL RESULT IN AN INCREASE IN YOUR CREDIT LINE, BUT ALSO WILL IMPROVE YOUR CREDIT SCORE ALONG THE WAY. THE KEY IS TO DO IT BEFORE YOU ACTUALLY NEED THE MONEY.

REDUCING YOUR DEBT

IN AN EFFORT TO BECOME "LEAN AND MEAN" TO SUSTAIN PERPETUAL GROWTH, I DECIDED THAT IT WAS AN ADVANTAGE TO THE BUSINESS TO REDUCE THE FAMILY'S OVERALL DEBT. SPECIFICALLY, BY OPERATING AS A SOLE PROPRIETORSHIP IT BECAME A "DO OR DIE" SITUATION TO MAINTAIN THE VIABILITY OF THE BUSINESS. IN RETROSPECT, SOMETHING HAD TO GIVE BECAUSE WITH THE EXPENSES OF THE BUSINESS AND TAXES EATING MY FAMILY ALIVE AT APPROXIMATELY 40% ON THE DOLLAR, WE ENDED UP HAVING A GREAT DEAL OF DIFFICULTY MAKING ENDS MEET. THEREFORE, BY FUNCTIONING AS A SOLE PROPRIETORSHIP AND AS A FAMILY WE TOOK ADVANTAGE OF JOHN COMMUTA'S "TRANSFORMING DEBT INTO WEALTH SYSTEM" (WWW.TDIW.COM). THE SYSTEM HIGHLIGHTS OPERATING 100% ON CASH WHILE NEVER NEEDING CREDIT AGAIN, GETTING COMPLETELY OUT OF DEBT INCLUDING YOUR MORTGAGE AND AT THAT JUNCTURE QUICKLY BUILDING WEALTH WHILE ULTIMATELY BEING ABLE TO LIVE OFF THE INTEREST OF YOUR PORTFOLIO. WHAT I FOUND TO BE MOST ADVANTAGEOUS ABOUT THE SYSTEM WAS THE SOFTWARE THAT THEY PROVIDE WHICH ACTUALLY GIVES YOU IMMEDIATE APPLICABLE TOOLS TO ELIMINATE YOUR DEBT SYSTEMATICALLY. THE SOFTWARE PROVIDES YOU WITH GRAPHS, CHARTS AND A DEBT PAYOFF SCALE FOR EACH AND EVERY ONE OF YOUR DEBTS WITH A DEBT FREEDOM DATE AS WELL AS EXACTLY TO THE PENNY HOW MUCH MONEY YOU WILL NEED FOR RETIREMENT TO MAINTAIN YOUR CURRENT LIVING STANDARDS.

(CONTINUED ON NEXT PAGE)

NOTE: ALL INFORMATION CONTAINED IN THIS ARTICLE AND SPECIFICALLY COMPANY STRUCTURE AND TAX RELATED STATEMENTS ARE THE OPINION OF THE WRITER. RULES AND REGULATIONS DIFFER FROM STATE TO STATE SO PLEASE CHECK WITH YOUR ADVISORS PRIOR TO MAKING ANY CHANGES. ACFN DOES NOT ENDORSE OR RECOMMEND ANY SPECIFIC TYPE OF FINANCIAL STRUCTURE OR TAX STRATEGY.

WE'RE ON THE WEB!

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www.ACFNFRANCHISED.com

TOOLS FOR SUCCESS IN BUSINESS. CONTINUED

(FROM PREVIOUS PAGE) THEY ALSO FEATURE WHAT IS CALLED AN "ACCELERATED PAYOFF PLAN." THIS PLAN WORKS BY FOCUSING ON THE DEBTS WITH THE HIGHEST INTEREST RATES FIRST WHILE PAYING THE MINIMUM ON ALL OTHER CREDIT CARDS. UPON PAYING OFF THE DEBT WITH THE HIGHEST INTEREST RATE, YOU THEN USE THOSE SAME FUNDS TO ACCELERATE THE PAYMENT OF THE NEXT HIGHEST DEBT, WHICH REDUCES YOUR OVERALL DEBT THAT MUCH FASTER. THE BEAUTY OF THIS SYSTEM IS THAT YOU CAN TRACK YOUR DEBT BY USING THE SOFTWARE THE ENTIRE TIME ONE PAYMENT AT A TIME. PLEASE MAKE SURE THAT YOU CHECK IT OUT ONLINE PRIOR TO PURCHASING IT, BUT I RECOMMEND IT HIGHLY BECAUSE IT HAS HELPED ME OUT TREMENDOUSLY IN REDUCING MY OVERALL DEBT.

INCORPORATING BUSINESS

IN MY OPINION, THIS SEGMENT OF THE ARTICLE IS THE MOST VALUABLE. I AM MAKING THIS STATEMENT BECAUSE IT HAS THE POTENTIAL FOR TRANSFORMING YOUR BUSINESS FROM ONE THAT IS ONLY EARNING ENOUGH TO JUST MAKE ENDS MEET TO ONE THAT IS ACTUALLY TRACKING TOWARD ACHIEVING A GREAT DEAL OF WEALTH. BY THE WAY, THE DEFINITION OF WEALTH IS MEASURED BY HOW MANY MONTHS OR YEARS YOU CAN SURVIVE ON YOUR CURRENT PORTFOLIO WITHOUT INCURRING ANY INCOME.

WHEN I FIRST PURCHASED THE FRANCHISE, I WAS DEAD SET AGAINST THE NOTION OF INCORPORATING THE BUSINESS SIMPLY BECAUSE OPERATING AS A SOLE PROPRIETORSHIP WAS EASY. IT REQUIRED LITTLE OR NO PAPERWORK AND DURING TAX TIME, IT WAS SIMPLE AS WELL. THEREFORE, THE QUESTION IS, WHY INCORPORATE NOW. WELL, NOW THAT I AM TRACKING TOWARD OVER \$200,000 IN INCOME AND BEING TAXED AT ALMOST 40%, IT HAS BECOME QUITE EVIDENT THAT SOMETHING NEEDS TO BE DONE ABOUT THE AMOUNT OF FUNDS THAT THE BUSINESS HAS EARNED AND IS NOT ABLE TO KEEP. IN ADDITION, NOT ONLY HAS THE IRS AUDITED ME, BUT I ALSO FELT VULNERABLE TO ANY FLAGRANT LAWSUIT THAT MAY BE LOOMING OUT THERE IN THE FUTURE. IN BUSINESS, THERE COMES A TIME WHEN YOU HAVE TO MAKE A DECISION TO EITHER FACE THE SITUATION

EITHER FACE THE SITUATION OF HIGHER TAXES OR INCORPORATE TO RECEIVE THE BENEFIT ENJOYED BY CORPORATIONS. IN ADDITION, THERE COMES A TIME WHEN YOU CAN DECIDE TO TAKE YOUR CHANCES ON A LAWSUIT AND ROLL THE DICE. HOWEVER, ALTHOUGH WE DO HAVE INSURANCE THAT CAN ADDRESS LAWSUITS, ONE MUST REMEMBER THAT THE AVERAGE JURY HELD CASE ON LAWSUITS IS AT LEAST \$1,000,000 AND THAT IS JUST FOR THE JUDGMENT ITSELF. LET US NOT EVEN BEGIN TO DISCUSS THE ATTORNEY FEES FOR WHAT COULD BE A LONG DRAWN OUT PROCESS. WE HAVE TO FACE THE FACT THAT THE SOCIETY THAT WE LIVE IN IS MUCH MORE LITIGIOUS THAN IN THE PAST AND BUSINESSES ARE THE MAIN TARGETS OF THOSE LAWSUITS. I MAKE THIS COMMENT FOR YOUR USE AS JUST FOOD FOR THOUGHT.

AS FELLOW FRANCHISEES, PONDER THIS; IF YOU DO NOT INCORPORATE AND ARE FOUND GUILTY, THE COURTS CAN LIQUIDATE ALL OF YOUR PERSONAL ASSETS (HOME, AUTOMOBILES, VIRTUALLY EVERYTHING YOU OWN OF VALUE). HOWEVER, IF YOU DO INCORPORATE THE BUSINESS WILL STAND ON ITS OWN AND ONLY WHAT IT OWNS OUTRIGHT WILL BE VULNERABLE TO LITIGATION. THERE IS A WAY THAT YOU CAN SET UP YOUR CORPORATION WHEREAS EVERYTHING WILL BE PROTECTED, TAXES WILL BE REDUCED AND YOUR WEALTH CAN BE INCREASED EXPONENTIALLY. THIS CAN BE ACHIEVED BY SETTING UP FAMILY LIMITED PARTNERSHIPS, LIVING TRUSTS AND CHARITABLE REMAINDER TRUSTS.

YES, YOU WILL NEED TO SPEND SOME MONEY TO INCORPORATE YOUR BUSINESS. NEVERTHELESS, THE FEW HUNDRED DOLLARS THAT YOU WILL SPEND TO DO SO WILL PAY FOR IT SEVERAL TIMES. IN ADDITION, AS YOU GROW IN INCOME INCORPORATING YOUR BUSINESS ALSO WILL ALLOW YOU TO SLEEP PEACEFULLY AT NIGHT WITHOUT THE THREAT OF A LAWSUIT.

FRANCHISE MILESTONES

OVER THE COURSE OF THE PAST YEAR, THE MARYLAND, WASHINGTON, D.C. AND NORTHERN VIRGINIA FRANCHISE PROFITS HAVE GROWN ALMOST THREE FOLD; FROM 7 ATMS TO 19 ATMS. THIS GROWTH SPURT AND FAST TRACK TO SUCCESS IS DIRECTLY ATTRIBUTABLE TO THE DILIGENCE OF THE ACFN MARKETING TEAM HEADED BY ROBERT HARRIS. ALSO, AS A RESULT OF THE EFFORTS OF THE

MARKETING TEAM, WE HAVE RECENTLY CLOSED AND RECEIVED A SIGNED CONTRACT FROM THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM TO PLACE ATMS IN FIVE MORE OF THEIR CURRENT HOSPITAL LOCATIONS IN ADDITION TO THE ONE WE ALREADY HAVE IN PLACE. I TRULY BELIEVE THAT THE HIGH QUALITY OF SERVICE PROVIDED BY THE LEADERSHIP OF ACFN POSITIVELY INFLUENCED THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM'S [UMMS] DECISION TO AWARD US THE CONTRACT. IN FACT, THE AWARDED OF THE CONTRACT BY UMMS TO US INVOLVED THEIR CHOOSING TO RESOLVE AN EXISTING CONTRACT WITH BANKING AND CREDIT UNION INSTITUTIONS AND DECIDING TO USE OUR SERVICES INSTEAD. THIS ONE DEAL WILL YIELD A HEALTHY INCOME WITH THE POTENTIAL FOR EXPANSION IN CONCERT WITH THE MEDICAL SYSTEM AS IT EXPERIENCES FUTURE GROWTH.

ADDITIONALLY, THE MARKETING TEAM ALSO IS COORDINATING ANOTHER DEAL WITH ROBERT HARRIS'S LEADERSHIP AND AVI BLANKROTH'S OVERSIGHT. IT STANDS TO NET THE FRANCHISE 30 NEW LOCATIONS.

IN CONCLUSION, LET ME SAY THAT I DO REALIZE THAT THIS MAY SEEM LIKE A LOT OF INFORMATION TO DIGEST AT ONE TIME. HOWEVER, I FELT COMPELLED TO SHARE MY EXPERIENCES WITH YOU SO THAT YOU TOO MAY BENEFIT FROM THE TOOLS, ACFN RESOURCES AND OVERALL EXPERIENCES THAT I HAVE USED TO RUN A SUCCESSFUL FRANCHISE.

ONCE AGAIN, I CANNOT SAY ENOUGH ABOUT HOW GRATEFUL WE ARE AS A FAMILY TO HAVE PURCHASED AN ACFN FRANCHISE. IT HAS ALLOWED ME THE FREEDOM OF NO LONGER WORKING A 60-HOUR WORKWEEK AND IT HAS TURNED THE 60-HOUR WORKWEEK INTO A 20-HOUR ONE. THEREFORE, I HAVE AT LEAST 40 MORE HOURS PER WEEK TO INCREASE MY FAMILY'S QUALITY OF LIFE AS WELL AS MY ENJOYMENT OF MY FAMILY.

FINALLY, I CONVEY THE FOLLOWING OPPORTUNITY AND REVENUE PROJECTION AS SOMETHING FOR ALL OTHER FRANCHISEES TO CONSIDER: "AS A RESULT OF MY FULL-TIME COMMITMENT, MY FAMILY AND I ARE ENJOYING OVER A \$15,000.00 MONTHLY INCOME AND WE ARE LOOKING FORWARD TO IT DOUBLING ONCE THE MARYLAND MEDICAL SYSTEM UNITS HAVE BEEN PLACED."

THEREFORE, TO ALL OF MY FELLOW FRANCHISEES, MAY YOUR DAYS BE SHORT AND YOUR TRANSACTIONS LONG. I DO HOPE TO SEE YOU ALL AT THE CONFERENCE IN AUGUST.