

**From:** [Tim Ellisor](#)  
**To:** [NASAA Comments](#)  
**Cc:** [Theresa Leets](#); [bill.beatty@dfi.wa.gov](mailto:bill.beatty@dfi.wa.gov); [Erin Houston](#)  
**Subject:** [EXTERNAL]Comments on PROPOSED NASAA MODEL FRANCHISE BROKER REGISTRATION ACT  
**Date:** Thursday, June 13, 2024 9:49:05 AM  
**Attachments:** [Premier Martial Arts Unit Economics Workbook 2021.xlsx](#)

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To Whom It May Concern:

I am writing to provide input on the proposed Act referenced above. My spouse and I are Premier Martial Arts franchisees. Premier Martial Arts is one of the brands owned by Unleashed Brands of Bedford, TX. Giuseppe Grammatico was the Franchise Consultant who introduced us to the Franchise Broker, Brent Seebohm, of Franchise Fastlane. On his LinkedIn page, Giuseppe Grammatico describes himself as a “Franchise Expert”, “Franchise Guide”, and “Franchise Consultant for Corporate Executives”. Giuseppe Grammatico and Brent Seebohm both collected substantial fees from the Franchisor when we purchased eight Seattle, WA area territories in October 2021 for \$256,500.

We opened and operated a single location for approximately one year before closing the business. We ultimately lost our entire investment of \$980,000, which included initial Franchise Fees, development costs associated with one location in Marysville, WA, partial development costs for a second location in Lynnwood, WA, which was never opened, and operating losses for the year our single location was open. We followed all processes, procedures and recommendations from Premier Martial Arts as provided in manuals, online and in-person training.

Prior to purchasing the eight territories, Brent Seebohm of Franchise Fastlane sent us the attached Unit Economics Workbook that included representations inconsistent with the FDD. This workbook partially informed our decision to invest in Premier Martial Arts.

We fully support the proposed Act as a means to increase accountability amongst Franchise Brokers, but offer one comment. When I read the Prefatory Notes on page 5 it seems clear that the Act would cover Franchise Consultants like Giuseppe Grammatico, but when I read the proposed Act it’s not so clear. I’m referring specifically to Section 2, Item (3) which defines “Franchise broker”. Is it intended that Franchise Consultants be covered under the Act? I hope so as in our case Giuseppe Grammatico played just as meaningful a role as Brent Seebohm in “selling” us the franchise and he profited from our investment.

Thank you! I’m available to answer any questions.

Tim Ellisor

# COMMITMENT TO ITEM 19 EXCELLENCE

## AVERAGE FIGURES

RANGE	HIGH 2019	HIGH 2020	MID 2019	MID 2020	LOW 2019	LOW 2020
<b>Annual Gross Revenue</b>	<b>\$599,954</b>	<b>\$493,550</b>	<b>\$387,428</b>	<b>\$303,411</b>	<b>\$257,744</b>	<b>\$211,878</b>
<b>Select Expenses</b>						
Cost of Goods Sold - Product	\$33,396	\$41,296	\$34,646	\$25,911	\$9,775	\$13,015
Bank Fees + Merchant Charges	\$12,142	\$14,685	\$9,248	\$12,016	\$9,749	\$7,643
Total Marketing/Advertising	\$21,272	\$26,380	\$23,759	\$22,638	\$14,634	\$14,117
Rent	\$58,186	\$43,639	\$52,817	\$45,122	\$31,323	\$31,150
Insurance	\$1,800	\$8,030	\$1,800	\$2,691	\$1,800	\$1,836
Total Supplies	\$5,161	\$28,894	\$4,978	\$9,577	\$7,899	\$7,539
Total Payroll	\$95,151	\$75,294	\$58,706	\$63,111	\$46,586	\$21,654
Telephone, Internet & Cable	\$2,211	\$6,039	\$3,872	\$2,779	\$1,853	\$3,382
Utilities	\$12,196	\$6,335	\$6,625	\$3,912	\$7,280	\$4,387
<b>Total Disclosed Expenses</b>	<b>\$241,515</b>	<b>\$250,591</b>	<b>\$196,453</b>	<b>\$187,756</b>	<b>\$130,899</b>	<b>\$104,724</b>
Royalties (7%)	\$41,997	\$34,549	\$27,120	\$21,239	\$18,042	\$14,831
System Development Fees (1%)	\$6,000	\$4,936	\$3,874	\$3,034	\$2,577	\$2,119
<b>Net Income for FDD</b>	<b>\$310,442</b>	<b>\$203,475</b>	<b>\$159,981</b>	<b>\$91,382</b>	<b>\$106,225</b>	<b>\$90,204</b>
<b>Selected Net Profit Percentage</b>	<b>51.74%</b>	<b>41.23%</b>	<b>41.29%</b>	<b>30.12%</b>	<b>41.21%</b>	<b>42.57%</b>



## Budgeting Tool

RANGE	BUDGET
<b>Annual Gross Revenue</b>	<b>\$600,000</b>
<b>Select Expenses</b>	
Cost of Goods Sold - Product	\$35,000
Bank Fees + Merchant Charges	\$12,500
Total Marketing/Advertising	\$22,000
Rent	\$50,000
Insurance	\$1,800
Total Supplies	\$6,000
Total Payroll	\$85,000
Telephone, Internet & Cable	\$2,500
Utilities	\$15,000
Royalties (7%)	\$42,000
System Development Fees (1%)	\$6,000
<b>Selected Net Profit</b>	<b>\$322,200</b>
Annual Loan Payment (from Investment tab)	\$24,305
Few Local Expenses allotment	
<b>Actual Net Profit Estimate</b>	<b>\$297,895</b>
<b>Actual Net Profit Percentage</b>	<b>50%</b>

IMPORTANTLY, THE SUCCESS OF YOUR FRANCHISE WILL DEPEND LARGELY UPON YOUR INDIVIDUAL ABILITIES AND YOUR MARKET, AND THE FINANCIAL RESULTS OF YOUR FRANCHISE ARE LIKELY TO DIFFER, PERHAPS MATERIALLY, FROM THE RESULTS SUMMARIZED IN THIS ITEM.

**\*Please see our Franchise Disclosure Document for more details.**

A new franchisee's individual financial results may differ from the results stated in this financial performance representation.

Some outlets have earned this much. Your individual results may differ. There is no assurance you will earn as much.

Gross Revenue is the same as Annual Gross Sales as defined under the Franchise Agreement.

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

**\*Please see our Franchise Disclosure Document for more details.**

Franchise FastLane, Inc. is a franchise seller/broker representing Premier Franchising Group, LLC. This information is not an offer to sell, or the solicitation of an offer to buy, a franchise. Premier Martial Arts franchises are offered solely by means of the franchise disclosure document issued by Premier Franchising Group, LLC, 9202 S. Northshore Drive Knoxville, Tennessee 37922 (865) 591-6318. Certain states and foreign countries have laws governing the offer and sale of franchises. If you are a resident of one of these states or foreign countries Premier Franchising Group, LLC will not offer you a franchise unless and until it has complied with all applicable legal requirements in your jurisdiction. Please consult with your franchise seller/broker for an updated list of jurisdictions where franchises can be sold.