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LOCAL INVESTORS START KENNEDY'S AMERICAN BARBER CLUB CHAIN

BY ANJALI FLUKER

An investor group that includes Mercantile Commercial Capital LLC CEO and President Chris Hurn is launching a new men's barbershop club.

Kennedy's International Franchising LLC, the franchising entity for the new Kennedy's American Barber Club, will file its paperwork with the state by the end of this month.

The franchising entity -- which originally planned to buy Carrs Barber Shoppe's seven Orlando locations, as well as two in South Florida and two in the Midwest -- now has invited existing Carrs franchisees to join the new chain.

And most of them likely will accept that offer, as Carrs will cease operations once Kennedy's is up and running, said Stuart Fitton, president of the Carrs chain.

Carrs, and old English-style, men-only barber club founded in 2003 by British entrepreneur Ed Magnay, was bought in 2006 by businessman George Kalivretenos, former owner of the Lexington condo hotel in downtown Orlando. In February, Kalivretenos was removed as owner of the Carrs chain after the Lexington's bankruptcy court filings said he transferred funds from deposits for condo-hotel units for personal use.

Magnay and Carrs business partner Geoff Robinson regained control of the business after Kalivretenos was ousted, but because both live in England, they appointed Fitton as president.

Once Kennedy's paperwork is finalized,

Carrs' existing franchise locations no longer have the right to use Carrs name nor its operation methods, due to a noncompete agreement between the chains said J.W. Dicks, one of the Kennedy's partners and a partner of Dicks & Nanton PA law firm in Altamonte Springs.

However, franchisees could stay in business as independent operators.

The new investor group started looking in November at buying Carrs, said Dicks, but problems "cropped up," including bearing of \$600,000 in debt incurred when Kalivretenos owned the chain.

As a result, the Kennedy's team -- including Hurn, Dicks, Mercantile Commercial Capital Vice President Tony Zara, and Dicks & Nanton partner Nick Nanton -- decided to start a new chain with the same concept. "We're not radically changing the concept," said Hurn. "It's difficult for a professional guy to find the straight-razor shave. It's a dying art form in America."

Carrs franchisees that convert into Kennedy's locations will have to change only their signage. And barber club members could see additions, such as facials, free drinks and other services.

In fact, the investors expect to grow the Kennedy's chain to about 100 locations nationwide within the next two years, with up to six employees at each site.

The Orlando market is a solid one for new franchisees, but franchise consultant Mike Murray said this may not be the best time

to start a men-only salon due to the weak economy.

"This is a great place to have a small business, and franchises are hot right now," said Mike Murray, owner of the FranNet franchise consulting location in Altamonte Springs. But the barber shop club "is a real luxury item."

Not to worry, said new franchisee Adam Wonus. He and business partner Shelly Rodgers took over a Winter Park Carrs in July and said the Park Avenue shop's membership nearly doubled, from 52 members to 100.

Now, Wonus said they plan to convert to a Kennedy's. "I get a lot of guys who just come to hang out on Saturdays. It's a great place for guys who are upper-level execs to come meet others."



J.W. Dicks of Dicks & Nanton PA gets a trim from stylist Sully Santana of Carrs Barber Shoppe.