



Come Grow
With Us!

Stephen Oliver's
MILE HIGH KARATE®

Come grow with us!

Mile High Karate® has the opportunity for you and your family to grow in your career and in your life.

We are now launching franchise opportunities for locations throughout North America — and soon, throughout the world.

Dear Friend,

Maybe you've noticed our rapid growth?

Well, it seems like after 23-plus years — we're an overnight success!

I want to let you in on a little "insider knowledge" about Mile High Karate®'s sudden explosion and let you know about several possible ways that you and your family can participate in our growth.

First, Mile High Karate® is growing rapidly! Since I decided to embark on a growth plan, for the first time in 20 years allowing owner-operated franchised Mile High Karate® schools — backed up by extensive support and training by myself and my senior staff, we have grown dramatically.

If school operations and ownership may be an option for your family, then read on about that opportunity.

Let me explain further about these schools and how they've evolved.

The typical profile of a new school owner involves an individual or a family — often with their kids as Mile High Karate® students — who are tired or bored with their career and decide that being an educator with Mile High Karate® sure beats whatever they have been doing (working in restaurant management, for the IRS, for an accounting firm, as a purchasing agent, in management for a paint company, trouble shooting for a international telecommunications firm, waitressing, working for a bank — just to give a few actual examples).

After asking a few questions and really watching our schools in action, they decide that, with proper training, running a Mile High Karate® school sure is more interesting, and, possibly more financially rewarding than other career opportunities.

Armed with that interest they learn about the requirements, then "take the plunge," starting with our intensive "bootcamp training" in both martial arts and martial arts school operations and administration.

Following their graduation from our training program, our regional developers or real estate department helps them find and lease space for our newest school. Then, often with 2nd, 3rd, or 4th Degree Black Belt teaching staff from other Mile High Karate® schools, they embark on an exciting adventure combining entrepreneurship with a rewarding teaching career.



Stephen Oliver, MBA
8th Degree Black Belt
Founder and President
Mile High Karate Schools
Denver, Colorado



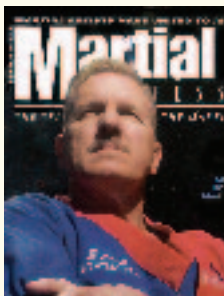
Stephen Oliver is the Martial Arts industry's leading expert on marketing and business.

Does that sound interesting to you?

Let me explain further about these schools and how they've evolved. Frankly, I don't know if this is something for your family or not. What I do know is that we are gearing up right now for many new locations. We also have some of the top martial arts schools in North America begging to join the family as well!

What does all of this mean for you?

For one thing, I am organizing an intensive training program for new school operators starting very soon. Individuals or families interested in exploring this as a career move should check it out now so they may be put on the very exclusive list to join our school operator training program.



Grand Master Jeff Smith, 9th Degree Black Belt. Former World Champion and Mile High Karate Chief Operations Officer and Director of Instruction.

Next, if you think this might be for you, start your exploration now. There are a limited number of locations that we will allow in each area — and frankly, I'd hate to fill the area you are interested in before you had an opportunity to join us.

Many of the existing school owners worried about several potential obstacles before joining our team. Do you share their concerns?

First, they really didn't know much about the marketing, sales, administration or even teaching organization of a martial arts school.

Mile High Karate® is one of the top schools in North America because we have mastered each of those functions. Our training program and support materials cover every aspect of school operations very effectively and thoroughly.

Second, the prospective school owners are not even martial arts students.

Again, with our martial arts "bootcamp," we solve that knowledge gap. Additionally, in many cases we have high-ranked Black Belts as potential staff for new school.

You are not required to be a Black Belt or even to have previous martial arts training to become an owner-operator.

We will assist with training you for every aspect of school operation, and either train you to be a certified Mile High Karate® teacher or help you find Black Belt staff to work with your school operation.

Third, they worry about replacing their existing income, and if the opportunity to do so adequately exists in running a school.



Daphne and Larry Bowser, Mile High Karate Franchisees.

When we decided to open a Mile High Karate® Franchise, it was a family decision. It was the best decision we could have made! We have two teenage daughters and have not only watched them grow both mentally and physically, but have been able to help others girls and boys grow as individuals. It has been the most rewarding career move we have ever made. In our efforts to grow our school, we have met some amazing people that have helped us along the way, we get great support from everyone in the Mile High Karate® organization. We get to reach into community and have become a source that not only helps kids develop, but entire families, that's very rewarding. That's what Mile High Karate® is all about — not just making a living but receiving mental rewards to boot!

Daphne, Larry, Leanne and Cori Bowser
Mile High Karate® Franchisees

Although each person's financial results are greatly dependent upon a variety of factors, I can assure you that the potential exists to match just about any other opportunity.

Fourth, they worry about start-up capital and the cost of opening a new business.

Certainly that is an issue, although there are many ways to accomplish adequate funding. Also, relative to opening any new business, a martial arts school — including all of our training and development — is considerably less expensive than just about any other substantial business.

We can certainly walk you through every cost and give you some thoughts on how to finance your start-up if necessary. The typical start-up investment ranges from \$82,400 to \$175,100, depending upon a variety of factors. Most of our existing operators financed this investment through second mortgages, friends and family investments, savings and bank loans or lines of credit.

I hope that you will consider exploring this opportunity more thoroughly if you are ready to plunge into an exciting new career that combines community impact and an incredible amount of fun.

Thank you,

Stephen Oliver

Grand Master Stephen Oliver
8th Degree Black Belt
President, Founder
Mile High Karate®, LLC

P.S. How do you find out more about becoming a Franchisee, Regional Developer or Staff Member with Mile High Karate®? Go to www.MileHighFranchise.com and fill out the registration form, or call 1-800-559-9431. If you received an application with this package, complete it and fax to 1-800-795-0583.



Left to right: Grand Master Jeff Smith, Master Bernard Kerik, Grand Master Stephen Oliver (and Jaeda Oliver).



Looking back on the time I've spent with Mile High Karate®, I've experienced great success and triumphs with my students, with the

community and with my career.

I joined the Mile High Karate® organization as their first Franchisee in August of 1998, and have never regretted the decision.

The transformation and growth that I have experienced is a great self-fulfilling aspiration. In addition to the self-fulfilling aspect, the real pleasure has come with the goals, ambitions and growth that have been achieved by so many of our great students. It really is a career that helps grow confidence and character while having a great business!

With Mile High Karate®, what sets us apart from all others is that we really build better human beings, rather than just martial artists. It's been great improving my lifestyle, income expectations and career opportunities beyond anything I would have imagined while having a tremendous contribution to the lives of our customers (students).

Robert Lewis, MBA
Mile High Karate® Franchisee



Former New York City Police Commissioner and Former Interior Minister for Iraq, Master Bernard Kerik, Regional Developer for New York City.



Mile High Karate® is expanding throughout the United States and Canada.

Regional Development Opportunities

Master Franchise Opportunities

Another opportunity with Mile High Karate — Regional Development. Mile High Karate is expanding rapidly throughout the U.S. and Canada, with territories available in many areas, as well as international Regional Development opportunities.

If you are well-capitalized and have excellent executive skills you may be interested in a Mile High Karate® “Master Franchise” or “Regional Development” role.

Your task would be to take a new or developing area and find, train and support Mile High Karate® Franchise school owners in that area. Regional Developers are responsible for marketing for franchises in their area, hosting student events, and providing staff and franchisee training and on-going support.

Why Franchise

According to the International Franchise Association, (of which we are a member in good standing), there are well over half a million individual franchise businesses in America today. Franchising now generates more than \$1 trillion in sales — one out of every three dollars spent on goods and services in the U.S. Every business day, a new franchise business opens every 8 minutes. The U.S. Department of Commerce has said that buying a franchise is an individual’s “most viable avenue to owning a business.”

Many small businesses that begin each year don’t have the benefit of the knowledge and experience a franchise offers. Franchisees may be able to reduce their risk by using a standardized system of operation that’s already been established

As a franchise owner, you may be in business for yourself, but you’re never by yourself. The Mile High Karate® support staff and team of school owners will be there to assist you.

Why Karate?

Karate, or *kara te*, meaning “empty hand,” is a centuries-old means of self-defense that uses all parts of the body to their maximum advantage. But more than simply being dynamic body movements, karate is the ability to coordinate mind over body, allowing the unleashing of tremendous mental and physical power at will, no matter what your size or strength.

Karate was first taught in the United States in 1955. Since then, hundreds of thousands of people have been introduced to its many benefits — but that barely scratches the surface of the opportunity Mile High Karate® presents in America today.

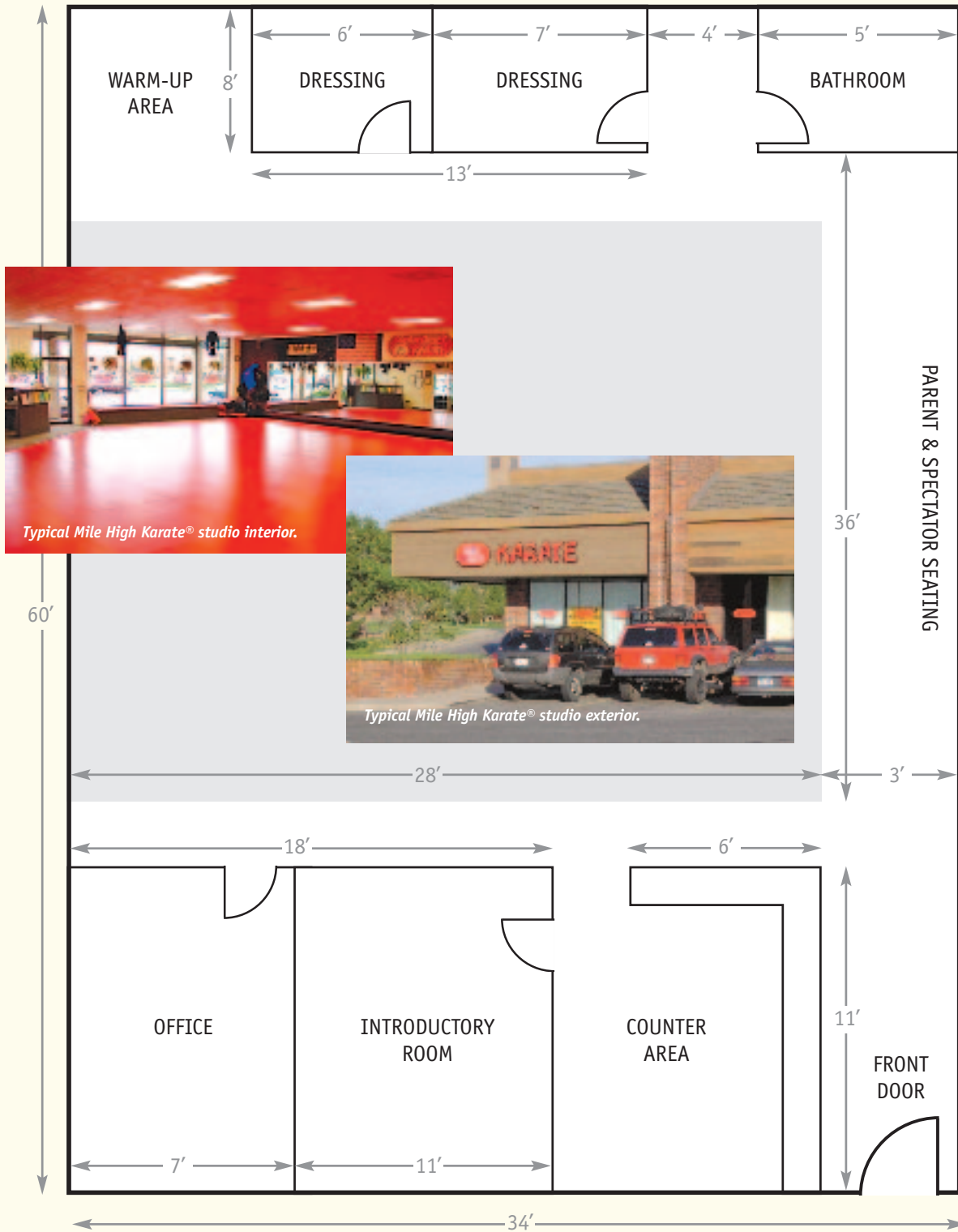
As a Mile High Karate® franchisee, you’ll be part of the \$10.6 billion health and fitness facility industry, a category that has grown to 30 million individual participants in the U.S. alone. The U.S. Martial Arts Association estimates that just 6 million people have experienced the martial arts in one form or another — barely 2 percent of the population. That means enormous opportunity for growth, especially given the increased interest in finding new and better ways for Americans to attain better health.

Benefits of a Mile High Karate® Franchise

1. Extensive “bootcamp” new school owner training and complete operations manuals, as well as video and audio training programs unmatched in the industry and not available for any price anywhere else.
2. Incredible levels of on-going support:
 - a. Weekly school operators and instructors meeting and training sessions in many regions;
 - b. Weekly Black Belt and instructors training classes in many regions;
 - c. Monthly Mile High Karate® Instructor teleseminars with Grand Master Smith and the Senior Master Instructors of Mile High Karate®;
 - d. Major “Bootcamp” Training programs for all school operators on marketing and sales operations two times per year;
 - e. Networking opportunities with the top school owners in MHK and access through our in-house seminars and teleconferences to the top school operators in the world.
3. Marketing and advertising support:
 - a. You will be included in our regional, national and international advertising campaigns;
 - b. You will be included in our on-going public relations efforts, which have included articles in *Black Belt Magazine*, *Tae Kwon Do Times*, *Martial Arts Professional*, major daily newspapers, and television and radio coverage, including the Montel Williams Show and many local network affiliates;
 - c. You will receive extensive support on all aspects of your marketing programs including: ad slicks, advice on placement and planning, and complete training on all aspects of effective direct marketing for martial arts schools;
 - d. Access to our extensive “community outreach” programs including elementary and middle school programs.
 - e. Access to extensive sales support materials, including “New Student Orientation” package and “Mile High Karate® Renewal” infomercial;
 - f. Extensive marketing support tools, including:
 - (1) 24/7 “live answer” call center for answering student prospect calls, answering questions and scheduling appointments;
 - (2) 1-800-229-2686 toll-free number that routes to your location for prospects who are closest to you;
 - (3) Complete prospect web site and registration (www.FreeKarate.com™ and www.SuccessfulKids.com™);
 - (4) Sophisticated contact management system that automatically follows up on the sales process with phone calls, faxes, e-mails and cues up direct mail follow-up;
 - (5) Robust Internet presence includes extensive Search Engine optimization to bring prospects from the web to your school;
 - (6) The credibility of your connection to former New York City Police Commissioner Bernard Kerik, former World Champion Jeff Smith, and internationally-known Martial Arts business expert Stephen Oliver.
4. Affiliation with one of the world’s most respected martial arts schools:
 - a. International rank recognition;
 - b. Annual Black Belt retreat weekends for your students;
 - c. Regional intramural tournaments for your students in many regions;
 - d. Access to the top martial artists in the world;
5. New location support:
 - a. Complete demographic research and market evaluation;
 - b. Lease negotiations;
 - c. Complete grand-opening marketing and ad placement;
 - d. Complete grand-opening manual and growth plan.
6. Robust business support systems, including:
 - a. Complete student billing and payment follow-up done for you;
 - b. Automated tracking and follow-up systems for students;
 - c. Automatically-created and mailed birthday cards, “We Missed You in Class” cards, and “Pass-A-Friend” guest passes;
 - d. Automatically-created student I.D. cards;
 - e. Complete accounting services — P&L, Balance Sheet, Checking Reconciliation, Payroll and Taxes done for you.
7. Participation for your school in the Mile High Karate® “Building Successful Kids™” program.
8. International trademark recognition.

Typical Mile High Karate® Floor Plan

AVERAGE FACILITY SIZE: 2,000–2,500 square feet.



This advertisement is for general information only and is not intended to be an offer of a franchise. An offering can be made only after the delivery of an effective franchise prospectus in compliance with applicable federal and state law. NEW YORK: An offering must be filed first with the Department of Law of the State of New York. Such filing does not constitute approval by the Department of Law. © 2006 Mile High Karate®. All Rights Reserved.



“Karate has helped me out in school and to focus better, and get my confidence up to make new friends.”

— Laquita Lewis



“He’s now making almost straight A’s...the turn-around has just been incredible!”

— Jim Kerlin
Father of Isaac and Ian

Mile High Karate® has been the best business and personal growth decision we have ever made. We have been able to have a positive impact on our community while growing our business with the tools and training provided by our franchisor.

The operation of our business is fun and exciting. We get to work with some incredibly high quality people and have a management team that’s unbelievable.

We began with no martial arts experience and in three short years have grown our school to be one of the most successful Mile High Karate® schools in Colorado.

Stephen & Amanda Christensen
Westminster, CO



“It has done absolute wonders for my son. He’s got a lot better attention span than he did before.”

— Amber Plies



Since 1983
www.MileHighKarate.com

1-800-559-9431
Outside North America: 1-303-740-9467

Fax: 1-800-795-0583 U.S. & Canada
Fax: 44-800-471-5096 London, U.K.
Fax: 61-294-750-098 Sydney, Australia

www.milehighfranchise.com

Mile High Karate®, LLC
P.O. Box 260267
Lakewood, CO 80226 U.S.A.
StephenOliver@MileHighKarate.com