



A HOME GROWN MODEL'S GLOBAL SUCCESS

Aided by its 'Franchise-first' business philosophy, CADD Centre, India, has evolved over the last 14 years a unique process-driven franchise model in CAD software training. A winner of Franchise Award by Franchise India, for the fifth consecutive year, the CADD Centre franchising is an irresistible business opportunity for 'edupreneurs' in over twelve countries in CAD, CAE, CAM and Project Management training spectrum. Read on, to know what makes CADD Centre achieve about 95% success rate in franchising.

DESIGNING ENTREPRENEURSHIP

High Profit, Compliance, Growth - CADD Centre creates India's most profitable franchising success story in specialized software training.

CADD Centre is a 22-year old company. In 1989, it started as a single product CAD training institute in Chennai, India, with about 40 students. From this modest beginning, and especially upon embarking franchising model in 1995 by opening its first franchisee centre at Coimbatore, Tamil Nadu, CADD Centre has grown multifold to become Asia Pacific's largest network of franchised CAD training centres.

Within a short span of 14 years, it has trained 5,00,000-odd students in over 50 CAD, CAE, CAM, Project Management and 3D visualization products in 12 countries and in the process, taking along its 280-odd franchisees onto a growth path. Its first franchise, CADD Centre, Coimbatore, a 1200-sq.ft., training centre then, has become Rs 200-lakh turnover unit with three training centres, spreading 10,000 sq.ft.

CADD Centre is considered by global software majors to be the most powerful launch medium in India for any CAD / PPM products. It demands a premium from the principals as well as the customers. In the last ten years, the

success rate of CADD Centre franchise remains 95% CADD Centre achieves 40% growth year on year, adding an average of 30 franchisees, annually.

Business Philosophy: CADD Centre regards a franchise centre as "a CADD Centre that CADD Centre does not own". This means, it never gets into auditing the internal accounts of its franchisees. CADD Centre, however, takes full responsibility when it comes to evolving marketing strategy specific to the region, training and technical support. "We make every investment keeping in mind the interests of our franchisees," says Mr S Karaiadi Selvan, Director. "All our franchisees who have been with us for more than three years are profitable."

Ever since embracing the franchising model, CADD Centre has been expanding its network almost only through franchisees. "We believe that a local person is always the best to deliver the services exactly the way an end customer would want. That is one of the reasons why we have taken the franchise route for our expansion," Mr Selvan says.

Key Facts

CADD Centre has an enviable track record in franchising

-  **40% YoY Growth**
-  **280 Franchisees**
-  **20 Principals**
-  **12 Countries**

CADD Centre creates Regional Support Centres (there are currently six such centres in India) to provide support to franchisees, and importantly to test new courses in the market before they are launched by franchisees. Almost 60% of its business comes through referral from existing customers, which indicates high levels of customer satisfaction.

Sharing of resources, expenses & returns: CADD Centre attributes its phenomenal franchising success in a very specialized business to its philosophy of enriching the spirit of “cooperative entrepreneurship” among its franchises by sharing its brand power, resources, and revenue with them.

Software compliance: The franchise centres use only legal copies to train students. By signing up with international software developers, CADD Centre offers authorized courses for engineers and supplies most software products at less than 30% of market price. Currently CADD Centre is the training partner for about 20 global CAD developers including Autodesk, Parametric Technology Corporation, Bentley, DASSAULT and SolidWorks.

Promotions: CADD Centre supports its franchisees with both local and national advertising and promotions to help them drive sales. It shares expenses with franchisees of remote locations in demonstrations and road shows. CADD Centre prepares art works for franchisees free of cost. The Institute plans structured Public Relation activities for every region to make sure that the benefits of its courses are communicated effectively to students, parents and corporates.

Referral marketing: Training business is a referral business. CADD Centre builds on referral marketing and invests on that on a regular basis. It supports its franchisees in marketing plan. CADD Centre uses technology, CRM to build on loyalty business and share the findings with franchisees.

The Centre identifies customers who introduce new students and recognizes them with unique earning opportunity

known as “Earn while you learn”. Alumni are invited for get-togethers to share and upgrade their knowledge on the latest products.

Scholarship programs: CADD Centre conducts “CADDQuest”, a scholarship program, and free “Technology Appreciation seminars”. CADDQuest awards upto 50% scholarship for meritorious students perusing their career in engineering, architectural and



Franchise India's Best Franchise Award Function at New Delhi. CADD Centre is the recipient of Best Franchise Awards for five consecutive years

interior designing. CADD Centre Seminars bring together industry and institution at regional level. They are conducted every six months at various locations.

New Revenue Channels: CADD Centre gets an annual fee. However, it creates many revenue channels for its franchisees. The franchisees can become CADD Centre's reseller and sub-distributors in the region of location for CAD products from companies. It executes several multi-location corporate training programs for large corporates in partnership with franchisee centres located in those regions

Best processes & practices: CADD Centre fosters rapid dissemination of best practices; enforces productive standardization. The day to day operations of franchise centres are defined. The franchisee employees are trained - and retrained - to carry out the operations as per the process chart. This ensures there is a uniform delivery of knowledge and skill to every individual registering for the program.

CADD Centre creates several formal platforms such as monthly meetings,

cluster meetings, regional meetings and annual meetings for all franchisees, helping them exchange ideas and success stories. The centres are recognized and awarded for outstanding collection, technical excellence, placement services and overall performance.

Franchisee Employee training: Subsequent to the signing up as franchisee and prior to commencement of the Centre, the franchisee attends an induction program for four days at CADD Centre's corporate office at Chennai. Trainings are offered on specific CAD products; teaching excellence; corporate culture.

CADD Centre conducts 'Train the trainer' program regularly. It tracks the performance of all faculty members of franchisees and puts them on into required training programs. It trains Customer Care executives on sales and customer relations, and Quality Assurance

executives on measuring customer satisfaction. The franchisee employees are encouraged to use the CAD / CAM / PPM project portal (www.caddcentre.org) that supports on-line training for instructors.

Marketing support: In addition to the initial training CADD Centre also provides ongoing support for its franchisees. This typically includes ongoing training, system upgrades, product enhancements, administrative and marketing support.

Marketing plans are discussed and brain stormed with every franchisee based on the requirements of local industries and opportunities.

Regional support centres study the patterns of course demands, design and test-run new marketing plans. Franchisees are helped to come up with a Market Opportunity Matrix for evolving growth targets.

“Hand holding” approach, hallmark of CADD Centre tieup

CADD Centre franchisee is one of the most profitable education franchisee systems in India. “Even though our franchisee agreement does not guarantee the success of the franchisee, CADD Centre walks that extra mile to make sure every franchisee is successful even with minimum market opportunity. And we do not make money out of every opportunity. Our franchisees are our partners in progress and we do it together,” Mr Selvan says.

THE CADD Centre ADVANTAGE

While the franchisee brings physical infrastructure own or a rented building of anywhere from 800 sq. ft., to 1500 sq. ft., IT hardware, human resource, management and working capital, CADD Centre ensures the setting up of software, faculty training, delivery of course material, designing of promotional material, brand and marketing development strategies. It just takes two working days to complete the formalities of a CADD Centre franchise in a location.

Handholding Approach:

Handholding best describes CADD Centres' relationship with its franchisees. A Franchise prospect is given adequate details about the market, the products and the prospects of these products in that particular market. “We work very closely with the franchisees in helping them choose their products and investment planning. CADD Centre teaches the franchisees how to work the costing and handle the

returns,” Mr Selvan says. CADD Centre does not believe in one-model-fits-all. It engages every franchise with a business plan suitable for the region.

“We do not compete with the other CAD training institutions; we differentiate,” he adds.



Mr Karaiadiselman, Director, CADD Centre

Steady growth: CADD Centre has always aimed for steady progress. “We look at signing a few Centres, working with them for some time till they stabilize and then go for the next batch of new Centres. This has helped us evaluate and get good franchisees and also ensure that they do well,” Mr Selvan says.

For CADD Centre promoters, CAD / CAE and project management is a passion and not just a business. The passion has brought them so far. CADD Centre continuously looks for talents that will take the company to the next orbit.