



# BLOW & DRIVE FRANCHISE INFORMATION REPORT

"The Life You Save Could Be Your Own."

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#### Who is Blow & Drive Interlock?

Blow & Drive Interlock is a nationwide provider of Alcohol Ignition Interlocks and is now offering you a one-time opportunity to own prime exclusive territory in certain areas. Your Blow & Drive franchise will create a stream of recurring income **month in** and **month out** from the mandated rental and installation of our NHTSA approved interlock device. This is a rare opportunity to profit from stricter & expanding Federal & State mandatory interlock laws. Act now before it's too



late.

# 1.5 Million DUI Arrests Per Year in the United States





#### What is a Blow & Drive Franchise?

We have developed the Blow & Drive system for the establishment and operation of an easy to manage and operate Blow & Drive Franchise. The system includes absolutely everything that you need, even if you have no automotive experience! We will provide you with all of the software and training necessary to take you from today to your first installation in as little as ninety days. You will fully understand how to lease, install, service, and remove our BDI-747 Ignition Interlock Device with ease and confidence. Owning a Blow & Drive Franchise gives you the satisfaction of owning a business that can grow your income, enhance your lifestyle, requires no brand recognition or advertising and saves lives.

#### Limited Franchise Locations Available in the United States

Blow & Drive Interlock Corporation currently has only sixty Franchise Opportunities available in the United States. Why? Because Blow & Drive Interlock wants you to have a highly populated area with strict DUI legislation, so only 50 territories are available.

### What is an Ignition Interlock Device?

Put simply, an ignition interlock device is a breathalyzer that one must use in order to start their vehicle in order to ensure that they are not starting their vehicle while intoxicated. The BDI-747 is our brand-new state of the art Ignition Interlock Device, certified under the 2013 NHTSA guidelines. The BDI-747 has a touchscreen, is wireless, and has GPS and Camera capabilities as well as technology that does not require the user to test using complicated methods (such as humming or sucking back). As a Blow & Drive Interlock Franchisee, you can be certain that the BDI-747





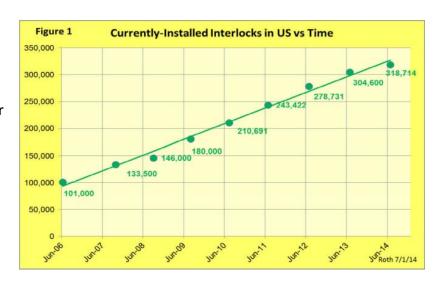
device you lease is a state-of-the-art ignition interlock device. The BDI-747 combines breath alcohol sensing and micro-computer technology in a device that is designed to stop drunk driving.

#### **How an Alcohol Ignition Interlock Works**

An ignition interlock is a device that prevents a driver from starting his or her motor vehicle if their Blood Alcohol content exceeds a pre-determined limit. Before the vehicle can be started, the driver must check their Blood Alcohol Content by blowing into the Ignition Interlock and intermittently every 15-30 minutes while operating the vehicle. If the interlock detects that the driver's blood alcohol content is over the pre-set limit, the engine will not start; an onboard data logger records the event along with other data that is reviewed periodically by court, DMV, or probation personnel.

#### **Who Uses Alcohol Ignition Interlocks**

Most ignition interlock clients are primarily DUI offenders who have been mandated by the court or their state's motor vehicle department to install, lease, and maintain an ignition interlock device from three months to as long as a lifetime depending on the state.







#### **History of the Ignition Interlock Industry**

"Sales of Ignition Interlock Devices [...] may jump to as much as \$1.1 billion a year according to data compiled by Bloomberg."

- Bloomberg News

The first IID was invented in the early 1970's. These devices were added to the DUI offender marketplace in the mid 1980's. The first state ignition interlock pilot program began in California in 1986. Interlock devices were first authorized for use in California by the Farr-Davis Safety Act of 1986, which established a pilot IID program in 4 counties in the state. Since then, all 50 states have introduced legislation that provides for the use of Interlock Devices to combat drunk driving.

When Mothers Against Drunk Driving (MADD) launched its Ignition Interlocks: Every State, For Every Convicted Drunk Driver Campaign in 2006, there were only 100,000 interlocks installed in the United States. As of July 2013, there were nearly 305,000 interlocks in use. From only one state requiring interlocks in 2006 today twenty-four states require or highly incentivize the use of ignition interlocks for every convicted offender and as a result they have reduced drunk driving deaths by 24% overall.

Currently, the Ignition Interlock Industry is experiencing extreme growth! With pending Federal legislation, called "Alisa's Law", which would require all first time DUI offenders in all 50 states to have an ignition interlock device installed in their vehicle for up to 2 years, increasing the already large customer base the industry has!





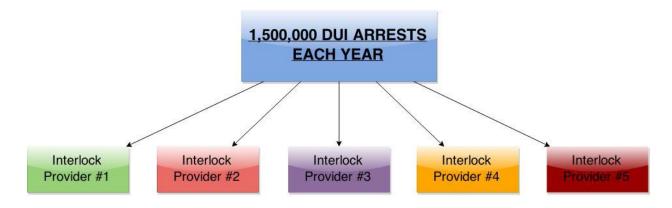


# The Business Opportunity is Huge: Limited Number of State-Approved IID Providers for Offenders to Choose From!

There are about **1.5 million drunk-driving arrests each year in the United States each year!** There are only a handful of nationwide state-approved ignition interlock device providers. As a Blow & Drive Interlock Franchisee, you would be leveraging a captive market. DUI offenders are provided with a small list of generic state-approved providers to



choose from. Typically, the ignition interlock provider list will include the name and phone number of approved providers, **only once**, per NHTSA-approved ignition interlock device model. Data displays the tremendous amount of growth the Ignition Interlock Industry has received in recent years, and with more state-legislation being proposed every year, including stricter **mandatory first-time offender laws**, the already-large industry can be expected to only grow!







### **Dollars Spent Per Interlock Providers By State Per Year**

State	Number of Approved Providers (must choose one)	Yearly Est. Interlock Revenue Per State @ Mo. Lease \$75	# of Interlocks On the Road Each Month	Equal Market Share Interlock Industry Per Provider Per Year	
ARIZONA	9	\$18,900,000	21,000	\$2,100,000	
ARKANSAS	3	\$2,700,000	3000	\$900,000	
CALIFORNIA	14	\$25,200,000	28,000	\$1,800,000	
COLORADO	4	\$18,000,000	20,000	\$4,500,000	
FLORIDA	3	\$8,100,000	9,000	\$2,700,000	
ILLINIOS	8	\$9,000,000	10,000	\$1,125,000	
IOWA	4	\$5,400,000	6,000	\$1,350,000	
KANSAS	7	\$8,100,000	9,000	\$1,157,148	
LOUISIANA	7	\$4,500,000	5,000	\$642,852	
MARYLAND	5	\$9,900,000	11,000	\$1,980,000	
MASSACHUSETTS	5	\$5,400,000	6,000	\$1,080,000	
MICHIGAN	6	\$7,200,000	8,000	\$1,200,000	
MINNESOTA	3	\$6,300,000	7,000	\$2,100,000	
MISSOURI	6	\$7,200,000	8,000	\$1,200,000	
NEBRASKA	5	\$3,600,000	4,000	\$720,000	
NEW JERSEY	7	\$4,500,000	5,000	\$642,852	
NEW MEXICO	7	\$11,700,000	13,000	\$1,671,432	
NEW YORK	6	\$6,300,000	7,000	\$1,050,000	
N. CAROLINA	3	\$9,000,000	10,000	\$3,000,000	
OKLAHOMA	5	\$6,300,000	7,000	\$1,260,000	
PENNSLYVANIA	7	\$6,300,000	7,000	\$900,000	
TEXAS	12	\$35,100,000	39,000	\$2,925,000	
VIRGINIA	4	\$9,000,000	10,000	\$2,250,000	
WASHINGTON	5	\$16,200,000	18,000	\$3,240,000	
WISCONSIN	4	\$10,800,000	12,000	\$2,700,000	

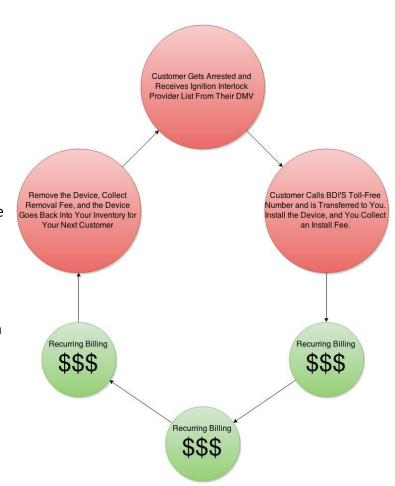






### Why The Ignition Interlock Industry is Well-Positioned to Earn You a Monthly Recurring Revenue Stream

DUI Offenders are mandated to install an ignition interlock devices for a period of time, usually determined by several key factors i.e. number of offenses, blood alcohol level, and various state laws. Typically a DUI offender in the United States is required to lease the ignition interlock device for approximately twelve months. In most cases, a DUI offender enters a recurring payment system using a credit or debit card which allows you to automatically debit your clients month in and month out.



"From its 100,000 devices on the road in 2006, the Industry has over 300,000 devices on the road in 2014."

- Figures from 'Roth Interlock'





# Five More States Enact All-Offender Interlock Laws in 2014 (Total is Now 24 States!)

Connecticut, Alabama, New Hampshire, Delaware, and Mississippi signed all-offender Interlock Bills into law in 2014, which brings the total to 24 states which require or highly incentivize the use of ignition interlocks for every offender. The States that have mandatory first conviction interlock laws with a **Blood Alcohol Content** (BAC) of .08 or greater: Alabama, Alaska, Arizona, Arkansas, \*California, Colorado, Connecticut, Delaware, Hawaii, Illinois, Kansas, Louisiana, Maine, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, New York, Oregon, Tennessee, Utah, Virginia, Washington, and West Virginia. There are 14 additional states that have mandatory first conviction interlock laws with a BAC of .15 or greater: Florida, Iowa, Maryland, Michigan, Minnesota, Nevada, New Jersey, North Carolina, Oklahoma, Rhode Island, South Carolina, Texas, Wisconsin, and Wyoming. Seven more states have mandatory ignition interlock laws upon the offender's second conviction: Georgia, Idaho, Indiana, Massachusetts, Montana, Ohio, and Pennsylvania.

\*California has an all-offender law in four counties covering more than 13 million people.

# Mothers Against Drunk Driving (MADD) Continues to Push for Tougher DUI Laws

MADD will continue to push for stricter DUI Laws, and they will Continue to Ask More States to pass All-Offender Ignition Interlock Legislation in an effort to keep the roads safe for sober motorists.









# Arrested for Marijuana Use? Time for an Interlock Device?

Driving under the influence of marijuana is a crime just like driving under the influence of alcohol, and is subject to the same penalties. With the increased legalization & availability, Arrests for Marijuana Impairment are on the upswing. The penalty for driving high in many states includes the mandatory installation of an IID in the offender's vehicle(s). With expanding stricter State and Federal DUI/DWI legislation you can expect to thrive in this industry. In response to recent



legalization of both medical use and recreational marijuana police departments everywhere have increased their enforcement campaigns to enforce the law. Driving under the influence of **any** drugs is illegal and is **just** as deadly and dangerous as driving drunk. Driving impaired by drugs, even legal drugs such as prescriptions and marijuana, are subject to the same penalties as driving drunk.







# What Makes a Blow & Drive Ignition Interlock Franchise Different from the Typical Franchise Opportunity?

There is a high barrier of entry to participate in the Ignition Interlock Industry, as the Ignition Interlock Devices need to meet or exceed the 2013 **National Highway Transportation Safety Administration** (NHTSA) Guidelines. This is not just making another sandwich; states will only allow one provider per Lab-Certified Model.

V.S.

#### **Typical Franchise Model**



- Low Barrier to Entry
- High Employee Payroll Costs
- High Employee Turnover
- Tons of Competition
- Very Long Hours
- Non-Exclusive Territories and Products

#### **BDI Franchise Model**



- High Barrier to Entry
- Integrates Easily Into
   Auto Related Businesses
- Recurring Billing Month In/Month Out
- Less than 40 Hours a
   Week
- Exclusive Territories,
   Unique Product
- Very Little Competition
- Recession-Proof





# How Does Blow & Drive Interlock Support Its Franchisees?

Little or No Industry Knowledge? No Problem! Blow & Drive Interlock Offers its Franchisees Unparalleled Detail and Attention

Blow & Drive Franchisees enjoy a special advantage in the market, as independent business

owners they are their own bosses and control the management of their business. New Blow & Drive Franchise owners receive weeks of training to help them understand the ignition interlock program inside and out. Our training covers the nitty-gritty of your state's ignition



interlock program, book-keeping, installations, removals, calibrations, and computer software training. Franchisees also have a huge network of ignition interlock and automotive experts at their disposal who will respond to all requests within 24 hours, and respond to any emergencies within 1 hour. Blow & Drive Franchisees work with the Franchisor to protect and guide the brand, and their input is always welcome. Blow & Drive Interlock employs a team of experts who will get you ready to install our interlock system on all types of vehicles within 90 days of becoming a Franchisee!





#### Key Benefits of Being a Blow & Drive Interlock (BDI) Franchisee

- Unlimited earning potential
- Few competitors
- High Regulatory barrier to entry
- Low investment
- Low inventory requirements
- Recurring Billing, Month In/Month Out
- Low costs of operations
- Simple business to operate
- Quick ramp-up and high margins
- · Provides tremendous lifestyle options
- No automotive experience necessary
- · Proven business system
- Captive and Court-Mandated Client Base
- Dedicated management and support staff
- Average opening 8 weeks from signing agreement
- Recession-Proof
- Inflation Proof









#### **Integrates Easily Into Your Existing Auto Business**

If you own an automotive industry related business, starting a BDI Franchise by leveraging your existing infrastructure (personnel, warehouse, and vehicles) you will have an incredible opportunity to make money with little or no additional overhead. In addition, an interlock client treated with respect and courtesy can be a customer for life.

Auto-shops such as yours have been able to:

- Integrate and "add-on" business with attractive margins/recurring billing.
- Make new customer relationships for their auto business by meeting local drivers.
- Add new revenues selling your auto services/products to new interlock customers.
- Team up with a strategic partner utilizing a proven business model
- We will work closely with you to plan and implement the integration of your BDI Franchise. We provide the training and support to aid in your rapid growth.

"If you're not involved with the interlock industry, you are overlooking a steady recurring revenue stream with potential to earn customers for life."

# Interlock Installer Earnings vs. Interlock Franchise Earnings (Based on a One Year Lease Using Standard Interlock Fees)

Installer Earns		Franchisee Earns
\$50-\$125	Installation Fees	\$125-\$250
\$0	Monthly Lease Payment (Minimum of 6 Months)	\$65-\$95
\$50	Removal Fee	\$100
\$0	Alcohol Violation (Typically One Per Six Months)	\$100
\$60	Calibration (Once Per 60 Days)	\$60
\$0	Loss Protection Plan (Insurance)	\$120
\$160-\$235	Total Earned for One Device Over Six Months	\$1285-\$1770





### **Initial Training Program**

SUBJECT	HOURS OF CLASSROOM OR ON-LINE TRAINING	HOURS OF ON-THE- JOB TRAINING	LOCATION
Interlock Functionality-What is an Interlock Device	1	N/A	Los Angeles, CA
Overview of Key Features in Interlock Programs	3	N/A	Los Angeles, CA
Use of Interlock Device/Industry Information	4	N/A	Los Angeles, CA
Operations Manual Overview	8	N/A	Los Angeles, CA
Compliance with State Interlock Laws/Department of Motor Vehicle Guidelines/DUI Laws	8	N/A	Los Angeles, CA
Compliance with Our Standards and Policies/Operating Guidelines	8	N/A	Los Angeles, CA
Use of BDI-747 Software/Device Programming/Calibrations	40	N/A	Los Angeles, CA
Installation/Removal/Repairs of BDI- 747 Interlock System	40	N/A	Los Angeles, CA
Sales/Media/Phone/Customer Service	8	N/A	Los Angeles, CA
Total	120	0	











## **How You Make Money**

Item	Item Picture
MAIN WIRING	A)Ve
HARNESS	
COILED	
CABLE	01
BDI-747	
MOUTHPIECE	The second
BDI-747 WIRELESS HANDSET	Test Passad Please Drive Salely
BDI-747 DATA LOGGER	

COMPLETE BDI-747 INTERLOCK SYSTEM:

## WHAT YOU CHARGE THE DUI/DWI OFFENDER:

\$125.00 Installation Fee\*

\$84.95 Monthly Recurring Rental Fee \*\*

\$100.00 Removal Fee

\$50.00 Alcohol Violation Fee

\$50.00 Calibration Appointment Extension

\$50.00 Retest Violation Code

\$50.00 Additional cost for Mobile Calibration

\$50.00 Additional cost for Mobile Removal

\$50.00/Hr. Mobile Service Call\*

\$35.00 Missed Appointment

\$10.00/Mo Loss Protection Plan

\$10.00 Calibration (every 30-60 days)

\$15.00 Early Service

\$175.00 Vehicle Switch

\$1495.00 Lost/Destroyed handset

\$20.00 Late Payment

\$35.00 Bounced Check

\*Additional \$150.00 install fee for push button, hybrid vehicles, or vehicles that require additional time

\*\*Offender pays Month-In Month-Out





# How Blow & Drive Interlock Markets its Products to DUI Offenders for You

There is no need to solicit customers through any advertising or marketing. Your customers are DMV or Court-Mandated to install an ignition interlock device. State DMV or Court System will provide all DUI Offenders, required to install an IID, with a short list of Certified Ignition Interlock Providers in their area by mail. Our live operators will take the initial call and transfer all potential clients in your territory directly to you.

#### How You Can Market Blow & Drive Products in Your Territory

Visit your local DUI education schools, Blow & Drive Interlock will provide you with a list of the

DUI education schools in your territory.

Blow & Drive Interlock can provide you with Flyers and Coupons that you can use to advertise at your local DUI Education School. Some schools will even allow you to do a small presentation of how our Interlock works to their students.







# **Territory Protection**

Blow & Drive Interlock Franchises usually encompass at least 500,000 people in each Franchisee's territory. Your territory will be defined prior to you signing a Franchise agreement and will include a specific geographic area identified by ZIP Codes or other geographic boundaries.







# What to Expect Next if You're Interested in Buying a Blow & Drive Franchise

Thanks for taking the time to learn about Blow & Drive Interlock!

We look forward to adding great and ambitious businesspeople to our team. If you would like to learn more, we encourage you to complete our <u>Request for Consideration Form</u>. We look forward to getting to know each other, as that's the first step in our Franchise award process which is designed to help us determine if we're a great match!

#### Here's a brief outline of the process:

In order to continue the qualification process, please complete our Request for Consideration

(RFC) form which will help us better understand your background and your plans for becoming a Blow & Drive franchise owner. Of course, it does not obligate you in any way. This simply continues the information process.

After completing the (RFC) we'll provide you with Blow & Drive Interlock's Franchise Disclosure Documents and begin an evaluation of your market in order to determine the boundaries of your exclusive



territory! We'll also go over start-up costs with you!

If you've never seen a Franchise Disclosure Document (FDD) before, you may be surprised by all the detail and intricacy that goes into the document. Franchise companies are required by the Federal Trade Commission to provide FDDs to ensure that Franchisees get a full picture of the opportunities, costs, and royalties involved with the business. Assuming everyone agrees that





we're a great fit for each other, we'll award you a Franchise and begin the training process and start getting you ready for business!

#### **Franchise Offering Disclaimer:**

This information is not intended as an offer to sell, or the solicitation of an offer to buy, a franchise. It is for informational purposes only. Currently, the following states regulate the offer and sale of franchises: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Oregon, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin. If you are a resident of or want to locate a franchise in one of these states, we will not offer you a franchise unless and until we have complied with applicable pre-sale registration and disclosure requirements in your state.







State	DUI Arrests 2013	Population	State	DUI Arrests 2013	Population
Alabama	14,991	4,802,740	Montana	4,240	998,199
Alaska	5,538	722,718	Nebraska	13,692	1,842,641
Arizona	39,746	6,482,505	Nevada	14,445	2,723,322
Arkansas	11,707	2,937,979	New Hampshire	4,571	1,318,194
California	214,828	37,691,912	New Jersey	24,313	8,821,155
Colorado	28,198	5,116,769	New Mexico	9,741	2,082,224
Connecticut	8,235	3,580,709	New York	25,169	19,465,197
Delaware	215	907,135	North Carolina	49,599	9,656,401
Florida	61,852	19,057,542	North Dakota	4,003	683,932
Georgia	25,421	9,815,210	Ohio	19,088	11,544,951
Hawaii	5,812	1,374,810	Oklahoma	18,980	3,791,508
Idaho	11,850	1,584,985	Oregon	17,015	3,871,859
Illinois	4,909	12,869,257	Pennsylvania	53,319	12,742,886
Indiana	23,475	6,516,922	Rhode Island	2,778	1,051,302
Iowa	14,147	3,062,309	South Carolina	14,742	4,679,230
Kansas	13,080	2,871,238	South Dakota	6,190	824,082
Kentucky	2,363	4,369,356	Tennessee	26,322	6,403,353
Louisiana	7,977	4,574,836	Texas	90,066	25,674,681
Maine	7,270	1,328,188	Utah	6,894	2,817,222
Maryland	23,714	5,828,289	Vermont	2,647	626,431
Massachusetts	12,941	6,587,536	Virginia	27,732	8,096,604
Michigan	35,534	9,876,187	Washington	34,952	6,830,038
Minnesota	29,832	5,344,861	West Virginia	4,429	1,855,364
Mississippi	11,629	2,978,512	Wisconsin	40,549	5,711,767
Missouri	34,004	6,010,688	Wyoming	7,159	568,158