

Massage Envy owners add chiropractic franchises

BY E.B. SOLOMONT
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The St. Louis owners of three Massage Envy locations have set their sights on a new franchise business, The Joint... the chiropractic place.

Mike Klearman and Bruce Conner paid \$145,000 in September to become regional developers of The Joint, and the two hope to open 20 locations within two years with other franchise owners. The fee for each franchise is \$29,000. Build-out and start-up costs range from \$105,000 to \$145,000 and projected revenue for each location is \$400,000 by the second year in business.

Arizona-based The Joint, led by John Leonesio, the former CEO of Massage Envy, currently has 138 franchises nationwide and agreements with regional developers in 15 states. The company was founded in 1999 in Tucson by Dr. Fred Gerretzen. It was acquired in 2010 by Austin, Texas-based Business Ventures Corp., which hired Leonesio as CEO to lead an expansion to 1,500 locations within a decade.

Klearman and Conner have owned Massage Envy franchisees since 2005 and 2006, respectively, and stayed in touch with Leonesio after he left Massage Envy. Klearman owns and operates Massage Envy locations in Chesterfield and Wildwood and Conner owns one in Sunset Hills. Klearman said his franchisees generate around \$1 million a year each and he has no plan to sell them. "The Joint and chiropractic industry runs parallel with Massage Envy," he said. "We feel we can duplicate the same success we've had with Massage Envy." Leonard Vines, a franchise attorney at Greensfelder, Hemker & Gale, PC, said with signs the economy may be starting to recover, franchise businesses are poised to do well. "Although financing remains a challenge, certain types of franchises, such as those in health care, those that provide products and services to 'baby



BRIAN CASSIDY

Massage Envy franchise owners Bruce Conner (left) and Mike Klearman (right) plan to open a franchised chiropractic business.

boomers,' those that take advantage of new technologies and new concepts in quick service restaurants, continue to spark interest," he said. Vacant storefronts and reduced rents can open doors for franchisees looking to open shop in premier locations.

Klearman and Conner, who self-funded their investment in The Joint, are finalizing details for their first location, which they hope will be in Clayton. A typical Joint location is 800 square feet to 1,200 square feet and has an open floor plan. Operating costs run between \$12,000 and \$15,000 a month and include the cost of employing a full-time and a part-time chiropractor in each location. The Joint, who accepts no reservations and does not bill through insurance, charges \$19 for an initial visit and consultation. Members pay \$49 for four adjustments.

TLC bringing 25 call center jobs

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Eye care company TLC Vision Corp., also known as TLC Laser Eye Care Centers, is moving its corporate call center to Chesterfield, creating 25 new jobs in the area.

The Chesterfield-based company's corporate call center is currently based in Toronto, Canada. TLC is nearing completion of a build-out that will accommodate the call center within its 20,563-square-foot headquarters, located on Swingley Ridge Road across from the Chesterfield Mall.

The call center will take up 1,500 square feet in the Chesterfield building. Commercial Installation and Construction Co. and FMSG, a division of Color Art Integrated Interiors, are doing the renovation. The project cost is about \$100,000.

TLC Vision, headed by President and COO Ellen Jo Plass, has 800 employees

worldwide, including 50 in St. Louis. The company has more than 70 laser eye surgery centers in the United States and Canada. TLC Vision filed for Chapter 11 bankruptcy in December 2009 and emerged in May 2010 after being acquired by Charlesbank Capital Partners LLC and H.I.G. Capital LLC. The company's competitors include LCA-Vision Inc. and locally, Clarkson Eyecare and Crown Vision Center.

Nationwide, the popularity of laser eye surgery peaked in 2001, when 1.4 million procedures were done, according to Market Scope LLC, a St. Louis-based eye surgery market research firm. Last year, 780,000 surgeries were done, roughly 30 percent in corporate laser centers like TLC Vision and LCA-Vision. "LASIK's an out-of-pocket expenditure," said David Harmon, a principal at Market Scope, referring to the decline. The average cost of laser eye surgery is \$2,000 an eye, he said.

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