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## Maui Wowi plots smoothie growth curve

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No man is an island, but Littleton-based Maui Wowi Fresh Hawaiian blends is trying to attract corporate castaways whose idea of paradise is working for themselves.

Maui Wowi franchisees serve fresh-fruit smoothies and frozen yogurt treats from portable cart kiosks, mostly set up at outdoor events, regional shopping centers and other areas with high foot traffic — such as airports, office buildings and hospitals.

Founded in 1982, the privately held company has 110 franchisees operating nearly 200 kiosks across the country. President and CEO Michael Haith said the company is aiming to have 1,000 franchisees operating anywhere from 2,000 to 2,500 carts by January 2005.

"If they want to have more fun making smoothies instead of working in a cubicle, that's success to us," said Haith. "We have a lot of franchise owners out there accomplishing their goals."

Former software engineer Jason Cardamone said he became interested in Maui Wowi last fall after he was laid off from Boulder-based SignalSoft.

### DETAILS

**Company:** Maui Wowi Fresh Hawaiian Blends

**The story:** The Littleton-based company is looking for more franchisees to sell its frozen fruit smoothies at portable kiosks.

**Franchisees:** 110  
**Kiosks:** About 200 units located across the country.

**Franchise fee:** Between \$60,000 and \$75,000.

**Employees:** 20  
**2001 revenue:** \$2 million

**2002 projected revenue:** \$12 million

**Web site:** mauiwowi.com

Cardamone said being his own boss will fittingly give him a "better chance to see the fruits of my results."

"The main reason [I did this] is because I have more direct control over my destiny," Cardamone said.

With a loan from his parents, Cardamone, 26, bought a franchise kiosk from Maui Wowi last month. Although he's only taken his cart out a few times, including a pre-game event held before a Colorado Rapids game at Invesco Field, Cardamone has already secured cart space at the June 15 Kool Concert at Fiddler's Green and two-day soccer tournaments in Lakewood and Northglenn.

Cardamone said he will soon buy an additional cart and sell smoothies at the Southwest Plaza shopping center in Littleton. He is projecting to post nearly \$100,000 in first-year sales.

Haith said the average franchisee can expect to earn anywhere from \$50,000 to \$300,000 in annual sales.

"People can come in for an investment of \$60,000 or \$75,000 and build the business as large as they would like," Haith said.

Andy Pidcock, an attorney specializing in retail franchising with the Snell & Wilmer law firm in Denver, said Maui Wowi's franchise fee is one of the cheapest out there.

With most franchise fees for fast-food restaurants costing nearly triple what Maui Wowi is charging, Pidcock said Maui Wowi should have no trouble attracting more franchisees.

"At the moment, it seems like there's a lot of people looking to get into franchises



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Michael Haith, president of Maui Wowi, makes smoothies at the Southwest Plaza mall franchise owned by Rich Sadowcki.

than ever," Pidcock said. "Lower-cost entry franchises are hot."

In an effort to boost revenues and gain more franchisees, Maui Wowi recently expanded its menu. The company added espresso drinks and a new frozen yogurt item called the Rip Stick that comes packaged in a tube.

But Maui Wowi's signature product is its line of fruit-flavored smoothies. Made with ice, a banana and a fruit blend of fruit juices and non-fat yogurt, Maui Wowi features flavors like strawberry, black raspberry, piña colada and peach.

Haith said the smoothies are designed to be made quickly for fast service.

"We like to keep it simple, but we'd also like the franchisees to make as much money as possible," Haith said.

He added that Maui Wowi does not own any carts itself. Instead, the company earns its profit from franchisee fees and by selling smoothie ingredients and other menu items to franchisees.

"We did about \$2 million last year and we'll do \$12 million this year," Haith said.

While the company is looking to increase its profile, Pidcock said it's important not to ruin its brand. Too many locations can water down the smoothie franchise, he said.

"On the plus side, I'm sure they've got great margins," Pidcock said. "Profitability is probably quite high. If you're smart and work hard, you could probably make some pretty darn good money."

Haith said the company will continue to seek new franchisees and provide advice and assistance to its current operators.

"We're there to support them. We train them," Haith said. "There is no question this is their business."



Michael Haith, president and CEO of Maui Wowi Fresh Hawaiian, surrounds himself with ingredients used in his company's smoothies.