

# Archie Perkins Mobile Horology Classroom

*Bringing education to the horological community*  
October 2017



American Watchmakers-Clockmakers Institute  
701 Enterprise Dr  
Harrison, OH 45030 US  
513-367-9800  
jordan@awci.com  
<http://www.awci.com>

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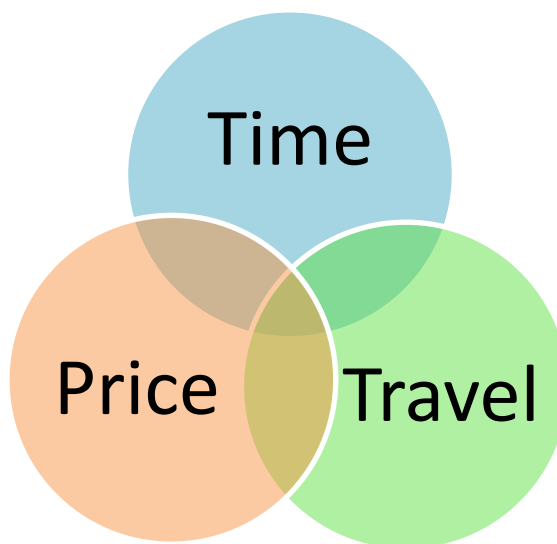
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# Executive Summary

## Summary

The Archie Perkins Mobile classroom will be a state-of-the-art classroom on wheels and a mobile billboard promoting the horological professions. With modern equipment and ergonomic benches the classroom will be a comfortable place to learn about watches or clocks. As it travels around the classroom it will bring attention to our mission and introduce new people to horology.

By building our new classroom on a mobile platform we can overcome one of the greatest obstacles for watch and clock professionals: the struggle and expense of leaving the workshop to obtain training. The classroom allows horological professionals to obtain education without traveling. That means losing less time away from the workshop and an overall lower cost for training. The classroom provides a better learning environment than can be created in a hotel meeting room and can be used for dozens of different applications allowing AWCI to reach more people interested in horology including sales staff, collectors, hobbyists, professionals, and more. Because the classroom can be located virtually anywhere, AWCI can offer shorter classes that would be impossible if it required long-distance travel by the students.



The purpose of this business plan is to raise \$350,000 for the design and construction of a 38' mobile classroom capable of accommodating 8 students and an instructor. The investment will help AWCI expand its member base and fulfill our mission by helping us *educate the ENTIRE horological community*.

## Ownership

The AWCI Mobile classroom will be owned by the American Watchmakers-Clockmakers Institute.

## Products and Services

The mobile classroom serves two main purposes: 1. to expand our education offerings and 2. To promote horological professions.

**Classes:**

- For Watchmakers:
  - Certification Prep
  - Case & Bracelet Refinishing Classes
  - Brand Specific Training
  - Watch Technician Classes
    - Battery Replacement
    - Band Sizing
    - Crystal Replacement
- For Clockmakers:
  - Certification Prep
  - Introduction Classes
  - Case Repair Classes
- For Retail Jewelers
  - Watch Sales Training
  - Watchmaking Appreciation for Sales Professionals
- For Collectors
  - Build A Watch
  - Introduction to Watchmaking
  - Introduction to Clockmaking

**Promote the Profession:**

- High Schools
  - Career Day Events – Introduce Young People to Horology
- Trade Shows
  - JCK
  - InStore
  - Las Vegas Antique Jewelry and Watch Show
  - WatchTime
- Maker Faires
- AWCI Convention
- NAWCC Marts & Conventions

AWCI will partner with the following groups to offer classes:

- Affiliate Chapters
- NAWCC
- Manufacturers
- Retail Jewelers
- National and Regional Jewelers Associations

## Customers

Classes offered in the AWCI Mobile classroom will be paid for and sold to individual watchmakers and clockmakers, collectors, affiliate chapters, jewelry stores, and service centers.

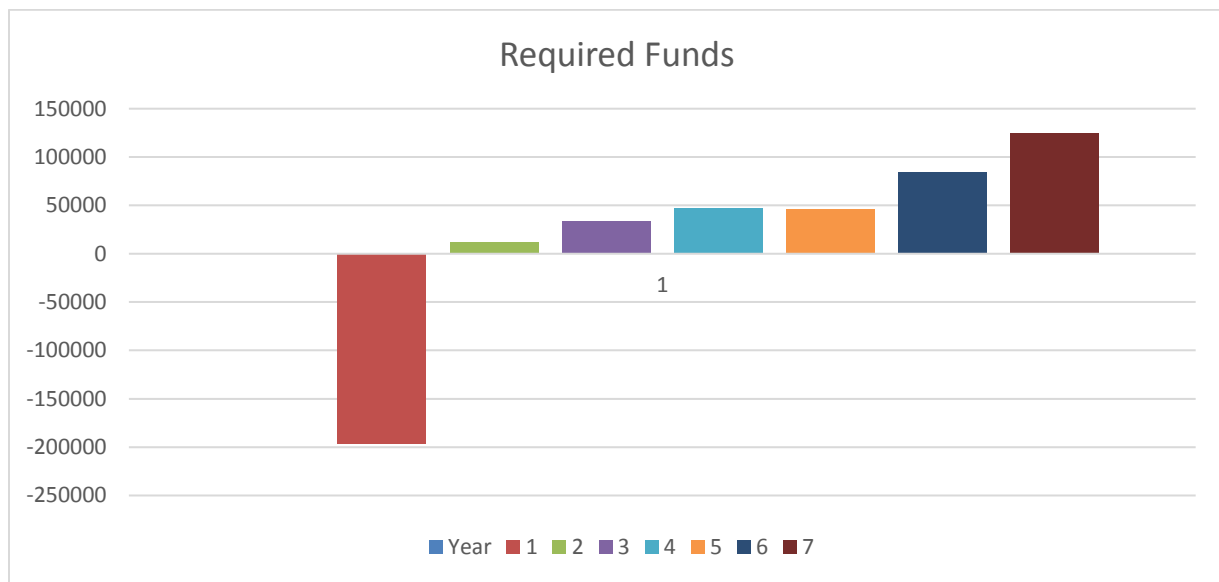
## Financial Forecast

With utilization at about 20 weeks per year the AWCI Mobile classroom is expected to generate \$155,000 in annual revenue. With full participation from retailers, affiliate chapters, and collectors revenue is expected to be more than \$250,000 per year by the end of year 5 with a gross margin of 16%.

### Financial Forecast

Column1	Year 1	Year 2	Year 5
Gross Vehicle Expenses	\$ 20,373.50	\$ 20,694.23	\$ 21,087.81
Gross Instruction Expenses	\$ 93,000.00	\$ 111,600.00	\$ 186,000.00
Income	\$ 155,950.00	\$ 183,330.00	\$ 292,050.00
Net Income	\$ 42,576.50	\$ 51,035.77	\$ 84,962.19

## Required Funds



## Sponsors & Funding

- Elma
  - 30,000 of cleaning equipment
- Bergeon
  - Bench Tools
- Illinois Watch Company
  - \$5,000 cash sponsorship
- Vortic
  - Pledge to rent the vehicle for events
  - Accessories as support items for kickstarter campaign
  - Help sell the idea to other American brands

## Longevity

It is expected that the mobile classroom will continue operation for at least 10 years. As condition is assessed after year 5 a plan will be established to retain earning to be used for upgrading and/or replacing the mobile classroom to meet the needs and maintain high educational standards.

The vehicle manufacturer, Farber indicates that similar organizations have utilized their vehicles for an average of 15 years depending upon usage, climate, and other factors.

## Educational Offerings

### Programs and classes

#### Watch Repair Classes

		Course Title	Hours	CEU	Available as Short Class	Available as Traveling Bench Course
WATCH	100	Introduction to Watchmaking	38			✓
WATCH	101	Basic Watchmaking	38			
WATCH	102	Watchmaking Theory	20		Specific Topics	✓
WATCH	103	Watchmaking Theory for Non-native English Speakers	30		Specific Topics	✓
WATCH	110	Watch Battery Replacement	8		✓	✓
WATCH	120	Watch Bracelet Sizing	8		✓	✓

WATCH	130	Water Resistance Testing of Watches	14		✓	✓
WATCH	175	Case & Bracelet Refinishing	38			✓
WATCH	180	Workshop Practices: Take-in procedures, Estimating, Quality Control & Workshop Organization	16		✓	✓
WATCH	181	Estimating Watch Repairs	4		✓	✓
WATCH	182	Take-In Procedures	4		✓	✓
WATCH	183	Quality Control your Watch Repairs	4		✓	✓
WATCH	184	Removing Scratches from High-grade Dials	8	1	✓	✓
WATCH	185	Refinishing and Re-Luminescing Hands	4	.5	✓	✓
WATCH	186	Lowering Your Delta	8-24		✓	✓
WATCH	187	Watch Crystals Explained	4-38		✓	✓
WATCH	188	Not your grandfather's screwdrivers	4-8		✓	✓
WATCH	189	The Staking Tool	16-38		✓	✓
WATCH	190	21 <sup>st</sup> Century Watchmaking Standards	38			✓
WATCH	191	A Complete Servicing and Staffing of an ETA 6497/98				✓
WATCH	200	Modern Automatic Wristwatches	38			✓
WATCH	210	Quartz & Quartz Chronograph Diagnostic & Repair	38			✓
WATCH	211	The Ronda 8040.B Quartz chronograph				✓
WATCH	215	Quartz Testing & Diagnostics	8	1	✓	✓
WATCH	220	Modern Mechanical Chronographs: ETA 7750	38			✓
WATCH	230	Balance Staffing & Timing	38			✓
WATCH	231	Strictly Dynamic Poising				✓
WATCH	240	The Swiss Lever Escapement	38			✓
WATCH	241	Repairing Escapement Issues				✓
WATCH	250	Essential Micromechanics: The Watchmaker's Lathe	38			
WATCH	251	Making a Hairspring Removal Tool				
WATCH	252	Threading	16	2	✓	✓
WATCH	290	CW21 Preparation and Refresher (Self-Paced)	38			
WATCH	300	Advanced 21: Rolex 3035	38	5		✓
WATCH	301	Advanced 21: Rolex 2135	38	5		
WATCH	302	Advanced 21: Rolex 1575	38	5		
WATCH	303	Vintage Wristwatches	38	5		✓
WATCH	320	Modular Chronograph Mechanisms	38	5		✓



WATCH	325	Traditional Chronograph Mechanisms: Lemania 1873/ Omega 861	38	5		✓
WATCH	330	Precision Timing	38	5		✓
WATCH	350	Intermediate Micromechanics: The Watchmaker's Lathe II	38	5		
WATCH	375	Separation of Function Bezel for Rolex Watches	14	2		✓
WATCH	410	Advanced 21: Rolex 5035	38	5		
WATCH	420	Vintage Chronographs	38	5		✓
WATCH	430	Hairspring Vibrating	30	4		
WATCH	431	Hairspring-O-Rama				✓

- Clock Repair Classes

CLOCK	150	Servicing the Aging Modern Floor clock in the home	4-24		✓	✓
CLOCK	190	Advanced Clock Repair	8-16		✓	✓
CLOCK	241	The Platform Escapement	4-8		✓	✓
CLOCK	240	Escapement Adjusting for Clockmakers	4-24		✓	✓

- Retail Sales Training

RETAIL	101	Selling the repair	4		✓	✓
RETAIL	102	Workshop Security				
RETAIL	120	Essential Knowledge: Watches & their functions	4		✓	✓
RETAIL	150	Take-In Procedures	4		✓	✓
RETAIL	175	Quality Control	4		✓	✓
RETAIL	200	Watchmaking Appreciation	4		✓	✓
RETAIL	225	Complications	4		✓	✓

- Collectors Events and Classes

		Build A Watch	4		✓	✓
HOROLOGY	101	Watchmaking Appreciation	4		✓	✓
HOROLOGY	102	Complications	4		✓	✓
HOROLOGY	110	Theory	4		✓	✓
		Watch Decoration – Down the Rabbit Hole	8		✓	✓

## Competitors

AWCI is the only independent organization in the United States focused on delivering education to professional watchmakers. Some brands offer brand specific training to affiliated watchmakers and sales personnel. Regional classes are currently being offered by our affiliate chapters in cooperation with AWCI. One of our affiliate chapters, the Horological Society of New York (HSNY) currently offers lectures and classes for collectors and watch enthusiasts. The Fondation de la Haute Horlogerie (FHH) is trying to break into the U.S. market with retail training. The North American Watch and Clock Collectors (NAWCC) offer watch and clock training for hobbyists and enthusiasts.

We believe there is no need to compete with any of these organizations. We plan on cooperating with them because our missions are very similar. The mobile classroom will be available for rent by any of these organizations and since it provides a superior learning environment to that of a boardroom or hotel conference room we believe they will want to use it.

## Future Educational Product

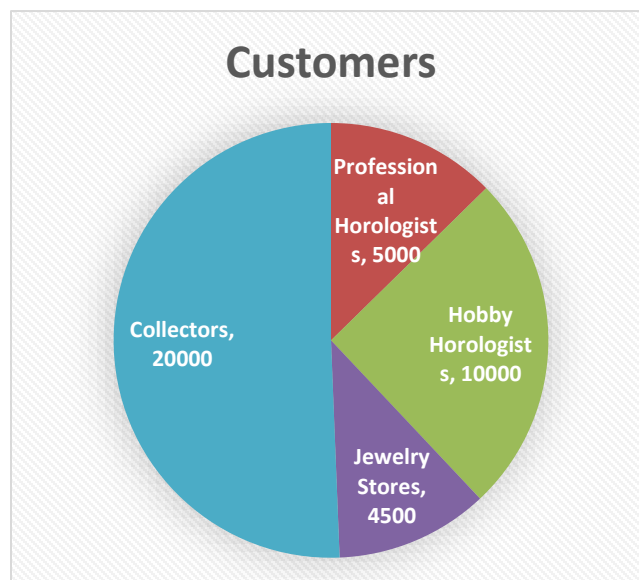
Key to the success of the mobile classroom will be to have a constantly evolving set of classes. The increase of interactions with a broad range of horologists will help us to develop classes that meet the specific needs of the industry and its partners.

# Customers

## Market Overview

The total market for our mobile classroom consists of professional watchmakers and clockmakers, collectors of fine timepieces, and jewelry stores.

There are between 3,500 and 5,000 professional horologists in the United States and another 7-10,000 hobbyist horologists. There are 30,000 jewelry stores in the United States of which the top 10-15% might host watch themed events for their clients. Annually, the Swiss export approximately 2,000,000 wristwatches to the United States. If just 1% of customers have an interest in the technical aspect that represents 20,000 collectors.



## Market Needs

There is an increasing shortage of professional horologists and essentially no training for technicians in the United States. The major manufacturers are trying to reshape their training programs to bring watchmakers to the workforce quicker. The time is right to increase our educational opportunities.

# Marketing and Sales

## Overview

Current AWCI classes are primarily marketed to our members via *Horological Times* magazine and by Email. As we expand our audience we will need to broaden our marketing message and distribution. In order to fully utilize the classroom we will need a professional to help coordinate the classroom tour and help sell classes.

## Positioning

The AWCI mobile classroom will allow AWCI to position itself not only as the premier source for professional watchmaking education in the United States but also as the most convenient and highest quality education for sales personnel, collectors, hobbyists, and others. All AWCI classes are

standards based and they place students on a path towards greater understanding and increased profitability through certification.

## Pricing

Current AWCI course prices are as follows:

	Member Price	Non-Member Price
1-Day	\$595	\$745
3-Day	\$750	\$900
5-Day	\$1,095	\$1,245
Watchmaking Appreciation	\$329	
Battery Replacement	\$499 includes tool-kit	
Build A Watch		\$995

Classes taught in the Archie Perkins Mobile Horology Classroom will be similarly priced to classes taught at our Harrison, Ohio facility. Cost savings come in travel and lodging costs.

	Travel	Lodging
1-Day	\$400	\$160
3-Day	\$475	\$320
5-Day	\$525	\$480

Our professional classes are twice as expensive as most of what is offered by the NAWCC. Our collector classes are comparably priced to what is offered by HSNY. There is essentially no comparison for sales training courses in the United States.

## Launch

The launch of the mobile classroom and buildup to its launch will be one of the prime opportunities to build excitement for and promote the classes in our mobile classroom. The Archie Perkins Mobile Horology Classroom will be a first of its kind. The launch will include press releases to trade and consumer publication.

We will use **Kickstarter** as a marketing tool to broaden our reach and get more of the collector community connected to AWCI and the Mobile Classroom. The goal of the Kickstarter campaign will NOT be to raise funds, but rather to spread awareness of the vehicle and classes that can be taught while pre-selling some classes. The timing of the campaign will coincide with construction of the vehicle such that no funds from the Kickstarter campaign are necessary for launch.

### Campaign Levels

Level	Pledge	Reward
*	\$25	How A Watch Works Poster
*	\$50	Help us reach a high school class
*	\$100	Accessories from partner brands
**	\$250	1 Watchmaking Appreciation Class
***	\$1000	Watchmaking Appreciation for you and 4 friends
****	\$2500	Watchmaking Appreciation class for you and 7 friends in your city
*****	\$2500	Build a Watch Class with Celebrity Instructor
*****	\$5000	Made in America Built By you – partnership with American brand

## Promotion

# Coming soon to your city



### Mobile Billboard

The classroom itself is a mobile billboard announcing its arrival wherever it goes. It becomes a very valuable marketing tool by bringing increased visibility to the profession as a whole, to AWCI members and their services. The exterior of the classroom will bear logos of sponsors and a message about becoming a watchmaker or clockmaker.

The classroom will make appearances at trade events around the country including, but not limited to JCK, AGTA, and InStore events. Short seminars will be available at those events along with promotional material about future classes and opportunities.

### Internet marketing

AWCI will use its own social media channels and email to promote classes and will post class information on forums and groups where large numbers of watchmakers, jewelers, and collectors are known to participate. Internet marketing will prove most valuable in spreading word about collector's classes and events, but will also be useful in reaching jewelers and watchmakers by purchasing digital ads on trade blogs and in industry specific e-newsletters.

The mobile classroom will have its own Twitter and Instagram accounts which will be used to share images from classes as well as images of the classroom as it travels around the country. This will emphasize the mobile nature and convenience of classes offered by AWCI.

### Traditional media

AWCI will use press releases and purchased advertising to promote upcoming classes in trade publications and magazines specific to the jewelry and watch industry.

## Location

The location of classes will be selected by identifying regions with high concentrations of watchmakers and/or clockmakers. AWCI will advertise and promote a continuing education class aimed at professionals in that city. While in the city AWCI will try and maximize use of the mobile classroom.

If the main class is watch focused AWCI will offer a shorter clock class immediately before or after that class and vice versa. AWCI will approach local jewelry stores and offer training opportunities to their employees. The mobile classroom will be available for watch themed customer events. AWCI will contact the local regional jewelers association and offer a training. AWCI will contact local affiliate chapters and NAWCC chapters and offer the classroom for suitcase workshops or travelling bench courses.

Once the length of stay has been determined by the total number of classes offered AWCI will identify affiliate chapters, NAWCC chapters, collectors groups, and other potential customers en route to the destination city and arrange for short stops on the way to and from the “main event.”

# Mobile Classroom Specifications

## Manufacturer

**FARBER**  
SPECIALTY VEHICLES

*Custom Coach™*



Farber Specialty Vehicles' 60,000 square foot manufacturing and assembly plant is located next to I-70 in Columbus, Ohio, just ten minutes from the Columbus International Airport.

A talented workforce with an extremely high retention rate has been the cornerstone of Farber Specialty Vehicles' success. Their team leaders oversee a staff of more than 120 skilled craftsmen and have been in the industry from ten to thirty years.

Their electrical and mechanical engineering staff is dedicated to custom designing bodies and interior floor plans with AutoCAD and Solid Works computer design systems.

Production includes custom-built mobile units for police, medical, veterinary, Homeland Security, communications, education, and business interests both nationally and internationally, and now watchmakers and clockmakers.

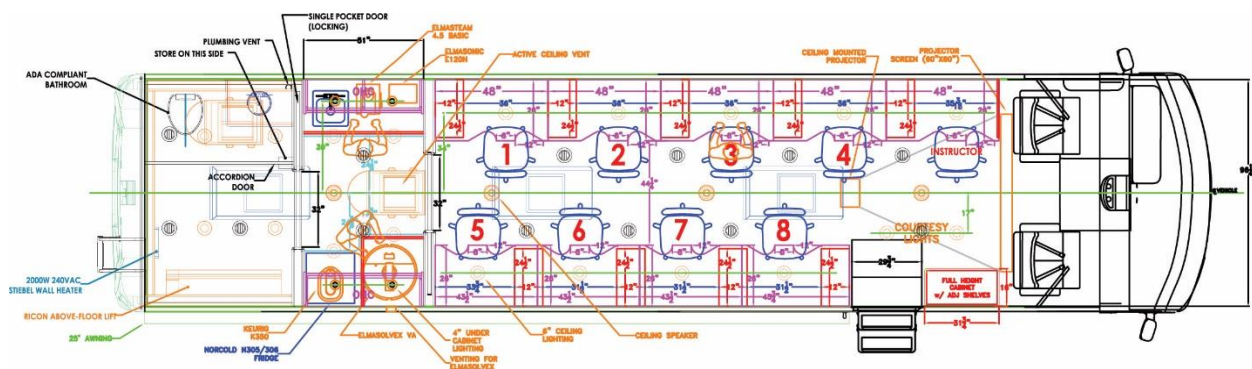
Warranty information and assistance are provided for all components to assure the purchase works to the fullest capacity throughout the life of the vehicle. Delivery and training are provided by experienced technicians.

In 2002, Farber purchased the assets of Custom Coach Corporation, a well-known manufacturer of executive and entertainer transportation since 1955. Together, their commitment to quality and innovation has proven itself in each vehicle they build and every customer they keep.



## Vehicle

- 38' Farber Specialty Vehicles custom configuration built on a Winnebago Chassis with diesel engine
- ADA Approved wheelchair lift
- ADA friendly lavatory with marine toilet and electronic control panel
- 3 independent HVAC units
- 22' exterior awning
- Hydraulic leveling and stability jacks
- Trailer hitch and wiring
- Docking lights
- GPS
- Back-up camera
- Security System with motion sensor and exterior cameras



## Custom Layout

- 9 custom watch repair benches adjustable from 33 to 45 inches high each with bank of 5 drawers
- Cleaning room with sink
- 6 windows to provide natural lighting
- 15 KW Diesel generator

## Technology

- 60' retractable screen with overhead projector
- Digital HD camera mounted over instructors bench
- Exterior 40" Television
- Wired and Wireless network

## Horological Equipment Needs

### Major Equipment

	Cleaning
1	Watch Clenaing Machine
18	Cleaning Baskets
18	Screw Baskets
1	Steamer
1	Ultrasonic Tank
	Timing
4	Mechanical Timing Machine
1	Quartz Timing Machine
	Inspection
1	Digital Microscope
	Water-Resistance
1	Dry Water Tester
1	Roxer Natator 125
1	Roxer Revelator
1	Roxer Diabolic E
	Instruction
1	Bench Camera
1	Document Presenter
1	Escapement Model
1	Balance Model
	Service
1	Caseback Opener
1	Caseback / Crystal Press
1	Bezel Remover
4	Bracelet Tool
1	Demagnetizer
4	Air Vacuum BiFlex 7943 Bergeon
9	Arm Rests (Beco)
	Clock
1	Bushing Tool
2	Mainspring Winder
1	Pivot Polisher
8	Movement Supports
4	Time Trax / Microset

**Bench Kits × 9**

Bench Vise  
Bench Block (anvil)  
Barrel Arbor Holder (slide locking jaws)  
Barrel Arbor Holder (slide locking jaws)  
Barrel closing tool  
Basket, special plastic snap together Vibrograf #17134 for Epilame  
Brush (small)  
Case Cushion  
Clear Plexiglas round stick 4 mm thick, 6" long  
Cloth (lint-free)  
Dial or Digital Measuring Calipers- measuring to .02  
Dial protectors  
Dust blower (rubber)  
Dust Cover  
ETACHRON regulator adjusting tool & removing tool #015595 & # 015600  
File, rectangular, Hand style 6" long #4 cut  
Hammer (Brass or Brass & Fiber)  
Hand press  
Hexane Cup  
Jewelling tool, Horia Pushers and anvils/stumps, (assortment)  
Knife (with case opener)  
Leather/Chamois buff 6 mm wide  
Leather/Chamois buff plexi cover  
Lever for hairspring collets,  
Lever for hands, 2.50 mm (up to 5.0 mm)  
Movement Holder Slick  
Movement Holder 7750  
Oil cup, chromium, 4 in separate containers  
Oiler hand (Bergeon brand) new style #7013 or 30102  
Oiler (automatic No. 1A)  
Parts Tray  
Pin vise (small)  
Pin vise (large)  
Poising tool  
Poising drill  
Presto for removing hands, tool No. 1  
Presto for removing driving wheel, tool No. 3  
Roller table remover  
Screwdrivers  
Stem Cutter  
Staking set

Truing calipers Lyre style  
Truing caliper for Hairspring  
Tweezers, brass/bronze/nickel  
Tweezers, antimagnetic, No. 2  
Tweezers, antimagnetic, No. 3  
Tweezers, antimagnetic, No. 00 (for cap jewels)  
Tweezers, boxwood  
Tweezers, Dumont, No. 5  
Tweezers for hands Fontax or Horotec type F  
Tweezers, Plastic for batteries

### **Consumables**

Finger cots  
Pegwood, Ø 3 mm  
Pegwood, Ø 4 mm  
Pithwood  
Rodico or Rub-off  
Watch paper

## Detailed Financial Data

		year 1	2	3	4	5
Vehicle Purchase Price		\$ 378,258.00				
Annual Expenses						
Fuel	\$3.25 per gallon, 10,000 miles	\$ 5,416.67	6499.2	8124	9748.8	10000
Maintenance	Oil Change	\$ 200.00	225	300	350	400
Insurance		\$ 3,000.00	3000	3000	3000	3000
Cleaning / Wash Upkeep	12 times per year \$42.50 per wash	\$ 510.00	510	510	510	510
Generator Fuel	\$3.25 per gallon, 1.0 gallons per hour	\$ 3,350.00	3900	4387.5	4875	5200
Generator Maintenance	Every 200 hours, \$130	\$ 675.00	805	935	1040	1040
Interest	Financing \$375,000 of purchase price	\$ 19,271.00	16211	12978	9563	5955
Depreciation		\$ 37,500.00	37500	37500	37500	37500
Instructor Fees	\$2500 per week	\$ 50,000.00	60000	75000	85000	100000
Instructor Lodging	\$900 per week	\$ 18,000.00	21600	28800	32400	36000
Instructor Relocation	\$500 per location	\$ 10,000.00	12000	16000	18000	20000

Vehicle Relocation	\$500 per location	\$	10,000.00	12000	16000	18000	20000
Class Marketing		\$	5,000.00	6000	8000	10000	10000
Income							
5-day watch class	\$1095 each, 6 students, 15 classes	\$	98,550.00	98550	98550	98550	98550
5-day technician class	\$595 each, 8 students, 10 classes			14280	24990	38080	47600
3-day clock class	\$350 each, 6 students, 5 classes	\$	10,500.00	10500	10500	10500	10500
1-day retail training	\$2250, 1 offered in each location	\$	22,500.00	31500	67500	81000	89000
2-hour collector class	\$100 each, 8 students, 1 per location	\$	16,000.00	19200	24000	28800	32000
Affiliate Chapter Class	\$300 per day (classroom rental only), 8 per year	\$	2,400.00	3000	3600	4000	4800
NAWCC Class	\$300 per day (classroom rental only), 1 in each location	\$	6,000.00	6900	9000	10800	12000