



WE BRING THE PARTS STORE TO YOU

FOR IMMEDIATE RELEASE

Media contact: Margaret Ritsch
Balcom Agency, 817-877-9933

K&N Electric rolls out national franchise opportunity

*Fort Worth company says franchising the fastest way to grow
nationwide with possible expansion into China*

Fort Worth, Texas - May 28, 2008 - K&N Electric Inc. of Fort Worth is planning to expand nationally through its new franchising venture, K&N Mobile Franchises, Inc.

The franchise opportunity is essentially a mobile parts store, a large box van stocked with thousands of parts that can be sold and delivered directly to manufacturers and machinery repair facilities virtually anywhere in the U.S.

For K&N Electric, franchising is the fastest and most economical way to enter new markets and grow a larger customer base, explained K & N's President and CEO Curtis Nelson. "There is an enormous market potential worldwide for our products and services," he said, noting that K&N's customer is any business that manufactures or repairs any type of machinery.

Nelson will also begin exploring the potential for franchising the business in China, where K&N has developed close ties with several factories over the years.

Nelson believes the company can sell at least five to 10 franchises by the end of the year, with an eventual capacity of at least 1,500 franchises nationwide. Founded in 1972 by Curtis's father, Jerry Nelson, the company plans to work with several brokers around the country to market the franchise opportunity.

K&N Electric has developed a proprietary software system for the mobile parts stores and licenses the franchise company to use it. This system practically eliminates the need for paperwork. The "Just-in-Time" inventory and supply chain management system automates the ordering process so that when parts

are sold, they are automatically deducted from the mobile parts store's inventory. At the end of the day, the franchisee simply uploads the information to a computer and sends it directly to K&N Electric, which automatically ships back the parts to replenish the inventory.

K&N Electric keeps more than 5,000 different part numbers in its North Fort Worth warehouse, ready for immediate delivery to its mobile parts stores. It purchases the products in bulk from more than 75 different manufacturers.

K&N Mobile Franchises supports its franchisees with intensive training, an automated order system with barcodes, a voice-activated GPS system, prospect lists, and nearly 5,000 SKUs to get started.

“We really think that with our strong commitment to our customers, this really is the best franchise and career opportunity out there for someone working in the industrial parts field who wants to be in business for him or herself,” Nelson said. “We treat our franchisees like we treat our customers, and we want to be in business together and help each other make money for many years.”

Franchise opportunities are available in every state except Utah, Nebraska, South Dakota and North Dakota. The investment cost is \$10,000 for the initial franchise fee; \$25,000 to \$35,000 for inventory; and between \$69,050 and \$179,000 for a total investment.

To learn more about the franchise opportunity, call 1-800-433-2170 or visit www.kandnmobile.com.