



SBA Success Story, exclusively from KeyBank

# Massage Envy

## Customer

More than a decade ago, Kevin Flynn injured his back while working in the restaurant business. He went to see a chiropractor, and eventually was referred for massage services to help with his recovery. During his often frustrating search for a good massage therapist, he came across a Massage Envy franchise location and decided to give it a try. Impressed by the quality of the therapists he met as well as the convenience of the office schedule, he continued his treatment there and soon started feeling better. When all that started, of course, he never imagined that today he and three partners would be leading a successful chain of Massage Envy locations of their own.

Kevin, along with his wife Cara and friends Brian and Elizabeth Quinn, are each equal partners in the business. Together, they currently own four locations and are pursuing additional locations. Each site offers services that range from traditional massage and stretching to skincare and facials, all provided by certified professionals who undergo extensive company training and hold applicable state and local licenses. At the time the Quinns and Flynns opened their first location, the Massage Envy brand was only about five years old and had roughly 300 locations; today the chain boasts more than 1,200 locations worldwide and is growing quickly.

## Success Summary

**Company:**  
Massage Envy

**Industry:**  
Personal well-being

**Business challenge:**  
Expand franchise business

**Loan purpose:**  
Open new locations and launch new services

**Loan solution:**  
Two SBA 7(a) Term Loans and Express Line of Credit

## Challenge

Launching a business is an expensive undertaking, and getting that first Massage Envy location off the ground was no exception for the Quinns and Flynns. The typical site is about 3,000 square feet with approximately 10 treatment tables, a couples room, a reception area and office space. Most spaces are leased in an existing commercial building—a 10-year lease with extension options is pretty common. In addition to the space and equipment fees, each location requires roughly 30 employees to fill the roles of manager, front desk staff, massage therapist and aesthetician.

Since opening their first Massage Envy franchise location in 2009, the partners have seen a number of changes in the business model. These changes, which improve the customer experience but require additional investment, include new services such as special massage for pregnancy and fibromyalgia, hot stone treatments, Microderm Infusion™ and more.

To successfully implement such new offerings, the business must make additional capital investments. Between the start-up costs at each new location and the ongoing expenses, the Quinns and Flynns had to find a banking partner that could provide the necessary funding.

## Solution

Coincidentally, or maybe fortuitously, Elizabeth Quinn, one of the partners, had worked at KeyBank earlier in her career. She still had contacts at the bank, and together the team began discussions with a local KeyBank Relationship Manager about what kind of financing would make the most sense in this particular model. None of them knew much about the Small Business Administration (SBA) loan program, though after talking it over with KeyBank, that was the solution that met all their needs.

Over the past 10 years, the partners have secured two separate SBA 7(a) loans for capital expenses and also have an SBA Express Line of Credit for operating expenses. They look back on the SBA application as an education, noting that there were a lot of steps in the process but citing the help and guidance of the KeyBank team as the reason it all worked out. They also say the second time was even easier, and they expect there will be more financing needed as the business continues to expand. The business has all of its accounts at KeyBank, and the partners even moved their personal accounts there because of the great experience they've had.



For us, KeyBank makes our banking relationship really personal. It's clear that they are all about the local relationships they develop with their customers. It's great to be able to count on our bank being there when we need them, which lets us focus on being there for our clients.

**– Kevin Flynn, Partner,  
Massage Envy**

## Results

Today, the team has approximately 130 employees across its four locations and will be adding more when they secure additional locations. They estimate that they provide approximately 75,000 massages per year, taking care of clients with a very wide range of physical needs and conditions. In addition to running the locations they own, the team also manages a handful of other locations for other franchisees. Massage Envy is membership-based, and members can visit any location for services, which helps drive revenue for all franchisees.

Some of the recent changes being rolled out at all franchise locations include a new online booking tool, iPad-based client records that the therapists can consult during treatment and a new independent ISP that improves performance and security. The Quinns and Flynns are excited about these changes and confident about the future of Massage Envy. They see the public perception of massage services changing from what was once looked at as a luxury to now being accessible to anyone who can benefit.

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