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## Fantastic Sams prepares to grow New Mexico roots

BY STEVE GINSBERG | SPECIAL TO NMBW

Fantastic Sams wants to make the Duke City more colorful and coiffed.

The national full-service salon chain envisions doubling its New Mexico units in the next two years.

The Massachusetts-based 1,300-unit chain is eager to open salons in Albuquerque and Santa Fe, after making Joe Overton its sole multi-unit franchise operator in the Land of Enchantment. There are three Fantastic Sams in New Mexico, but Overton hopes to have at least five locations. Overton operates one location at 2810 Coors Blvd. NW, while other operators have shops at 300 Menaul Blvd. NW in Albuquerque and one in Carlsbad.

"We think New Mexico is underserved for salons with well-trained stylists in convenient locations," said Scott Colabuono, Fantastic Sams' CEO. "We're hoping the economy improves and allows our franchisees to have access to borrowing. We think the best opportunities statewide are in Albuquerque and its environs, as well as Santa Fe."

Colabuono estimates it costs an average of \$150,000 to open a Fantastic Sams, counting equipment, lease and franchise fees in New Mexico.

Hair salons are far from recession-proof, but they appear to be one of the first retail businesses emerging from the downturn this spring. Local salon owners have been aggressive with several high-profile expansions.

Armando's Salon and La Bella Spa and Salon both signed leases in April to expand into the ABQ Uptown retail center,



RANDY SINGER | NMBW

**(Foreground) Fantastic Sams' franchise operator Joe Overton is aiming to launch five shops in New Mexico within the next two years.**

perhaps the most high-profile location in the city's Northeast Heights. Both Armando's and La Bella are established on the Westside.

With haircuts starting at \$13.95, Fantastic Sams competes with low and moderately priced locally owned full-service salons. Sams offers perms, coloring, weaves and a full array of specialties that are gaining in popularity. It differs from other national chains, such as Supercuts and Great Clips, which primarily offer low-cost haircuts. There are 10 Supercuts sites in the Duke City and 10 Great Clips in

the Albuquerque metro region.

Fantastic Sams is best known in California, where it has 225 salons and is expanding rapidly in Northern California. The privately held firm started 36 years ago in Memphis, but a bankruptcy of the holding company that owned the chain delayed its progress five years ago. At one time, there were around a dozen Sams in the Duke City, but most were closed a decade ago.

Overton, 40, moved to Albuquerque in June 2008 from Chicago, where he held various positions in real estate. He opened

his first salon in December at the 2810 Coors address in 1,200 square feet, and hopes to achieve \$300,000 in revenue there his first full year. Overton said he is close to completing a deal for a 1,600-square-foot lease at the Montgomery/Eubank intersection. That unit could open in June. Rio Rancho is the next logical destination for a salon because of his connections through his teenage children in high school there. His company, JoKim Enterprises LLC, is based in Rio Rancho.

The franchisee is also eying Los Lunas, and said smaller towns are good locations for the concept. In Albuquerque, the state's largest city, he wants locations anchored by major supermarkets or at busy intersections. Overton is doing his own brokerage and has self-financed his startup, and said he has found several banks he can work with going forward.

Overton stumbled on Fantastic Sams by accident.

"I was looking for an opportunity here, and I went to a driving range and got into a casual conversation with a stranger and he mentioned his wife worked at Fantastic Sams. I immediately called Dallas and asked if they were looking for a local owner," Overton said.

"Our goal is to brand it and expand to surrounding regions. We are talking about two in Santa Fe and an additional two in Albuquerque. We will do direct mail and will do some radio once we get our second salon open. We will also be on the street passing out fliers for \$5 haircuts as part of our grass roots marketing efforts."

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