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Primrose School sets sights on expanding into the area

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ROYERSFORD — An Acworth, Ga.-based company has identified a site here to house the first of a possible 35 to 40 educational child-care centers it is considering opening in the Philadelphia area over the next five to seven years.

“We don’t have any current locations in Philadelphia, but it’s a market we definitely would like to be in and grow,” said Darin Harris, the chief operating officer of Primrose School Franchising Co.

The company has put a deposit on the site here and has identified sites for centers in Kulpville and Doylestown. If it can find franchises for the sites here and in Kulpville in three months, it can open the centers at those locations by the start of the 2011 school year.

Primrose has been on an expansion binge since it was bought by Roark Capital Group, an Atlanta-based private-equity firm, that, along with Primrose’s CEO, Jo Kirchner, purchased it for an undisclosed sum in June 2008.

It has 208 centers in 16 states, up from 182 in 15 states when Roark bought it.

Primrose used to be just in the Southeast, but under Roark it has

expanded into Arizona and the Washington, D.C., area, and now is entering the Philadelphia area, too.

*‘We don’t
have
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Darin Harris
Primrose School
Franchising Co.



Darin Harris interacts with a Primrose student. Harris says Primrose School Franchising would like to establish a school in Philadelphia.

One of its largest competitors is King of Prussia-based Goddard Systems Inc., which has more than 340 educational centers in 37 states, including 50 in southeastern Pennsylvania and South Jersey.

The two companies respect each other and refer franchisees and parents to each other, said Joseph Schumaker, Goddard’s president and CEO.

“We think the fact that they have a good program is good for early childhood education,” he said.

Primrose’s typical center has from 11,000 to 12,000 square feet on an acre to an acre and a half and is either one or two stories. It employs 30 and can care for 185 to 210 children.

Primrose’s pre-school programs are for children from 6 months to 6 years old. It also has after-school programs for children up to 12 months old.

The company’s curriculums are standardized to the point that a child in one center one day could go to another center in another market the next day and pick up right where he left off.

Partially as a result, Harris said, children from Primrose centers have assessment scores in the top 10 percent of the classes with which they enter elementary school.

That, plus the other services Primrose offers, including meals, enable it to charge premium tuition prices, he said.

“We don’t have schools that fail [financially],” he said. “Throughout the financial market collapse, we’ve been able to attract capital from franchisees and from banks to loan to our schools.”

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