

IMMIGRANT BUSINESS

IMMIGRANTS GUIDE TO SUCCESS IN THE US

Dream Big to Multiply Your Successes



How two young immigrants from South America combined their dreams and their expertise to provide innovative answers for America's growing need for early childhood education.

Overview



Roberto Ortega

Roberto and Candelaria Ortega came to the United States from Ecuador and Argentina respectively and met after college in Miami. In addition to their Latin heritage, they had a common interest in education. Candelaria was already a certified and experienced pre-school teacher, and Roberto's grandfather had started schools in South America. As they began married life, they searched for a business they could build together, and decided that a commercial daycare facility would make the best use of Roberto's training in business administration and Candelaria's experience as a teacher. The result was [KLA Schools](#), which combines an innovative approach to early childhood education with franchising as an engine of growth.

Immigrant Statistics

Name: Roberto and Candelaria Ortega
Country of Origins: Ecuador and Argentina
Immigrated: 2000 and 199
Business Name: KLA Schools
Launched: 2008
System Revenue: \$10-13 million annually
Jobs Created: 300



Getting Started

Of course, there are many daycare centers in the marketplace, from one-offs established in a proprietor's home, to large chains, and the quality and costs to the consumer vary tremendously. The challenge for the Ortegas was twofold, to create a facility founded on a strong educational philosophy that set them apart in a crowded marketplace, but also build a business capable of sustained growth.

Research



Candelaria Ortega

The Ortegas began their journey by researching the possibilities, looking at existing educational philosophies such as Montessori, and the Creative Curriculum, among others. After spending some time in Italy with proponents of the [Reggio Emilia approach](#), they decided that this unique educational philosophy would make their school stand out. As Roberto explains, "Reggio Emilia is a constructivist approach to learning, a play-base curriculum. We really put the interests of children at the core, and based on their interests, the teachers derive the curriculum and the learning objectives."

The Business Plan

Once the Ortegas wrote their business plan, it was clear that they would need financing to make it happen. Starting a Reggio Emilia style school was not as simple as opening a day-care center at home. The Ortega's would need a trained staff, and, just as importantly, a physical environment conducive to unstructured learning, one with plenty of light and color, and that meant a newly constructed or retrofitted building.

Finding Financing

They knew from the experiences of the immigrant community in South Florida that two young immigrant entrepreneurs would not be able to find financing through banks or credit unions, so they started their business with the help of friends and family.

The Big Idea

While taking investments from their personal circle would get them started, it was clear that one school was not going to be able to satisfy their investors and support the Ortigas too. They needed to think bigger; they needed to be more ambitious. Instead of launching one Reggio Emilia school and waiting to see it would take off, they decided to franchise the concept.

“With one facility, you might attract one investor, and we would do all the work and give up too much of the business,” Roberto explains. “ So we decided to go with franchising as a way to grow the company. We thought, we can develop our own schools, but we can also award franchises to people who have a dream of owning a school, but they don’t necessarily want to go out on their own. We would bring in the know-how necessary to help them realize their dream.”

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[KLA Schools](#) from [Kla Schools](#) on [Vimeo](#).

KLA Schools Today



Since founding KLA Schools in 2008, the Ortigas have developed a vibrant and unique brand in the franchise industry. With Robert as CEO and Candelaria as Pedagogical Director, the business has flourished. There are now 11 centers open in Florida, Washington, Calif. and Illinois with more than 1,200 students enrolled, and there are seven additional schools in the pipeline scheduled to open within the next two years. Also, they have signed multi-unit franchise agreements signed for California, Oregon and Texas. KLA Schools has also proved to be very attractive to immigrant educators and investors. The majority of KLA franchisees come from outside the U.S., including Jamaica, Haiti, India, Israel and South America.

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How to Become a Franchisee

KLA Schools provides a highly structured approach to franchising, including a detailed [roadmap](#) taking the franchisee from opening inquiries through training, hiring staff, selecting real estate, building the school, and, ultimately, opening the franchise for business. Roberto stresses that it's a comprehensive approach to preparing the franchisee to succeed, and it doesn't stop once the school is open to the public. "There's a lot of communication that goes back and forth between the franchisee and the franchisor," he says. " There's a lot of visits; we go onsite frequently especially during the first year, then they start decreasing as the school grows."

Investment Required

The investment required in acquiring a KLA Schools franchise depend, in part, on how large a school a franchisee wants to build, and whether or not he or she buys real estate or leases it. Apart from those considerations, the structure is fairly typical. There's a franchise fee of \$70,000, which is typical for this category; a royalty payment of 3% revenue; plus an advertising fee of 2%. According to KLA's estimate, the investment ranges from a low of \$587,500 and to a high of \$1,364,250. Franchisees are required to have a minimum of \$300,000 in liquid capital and the rest may be financed if necessary.

Strategies from Roberto and Candelaria Ortega You Can Use Today

- **Scale Your Business for Success Right From the Beginning**
 - The Ortegases decided to franchise their schools right away to provide cash for growth
- **Research the Business Sector to find a Niche That Stands Out from the Competitors**
 - The Ortegases built their business on the innovative philosophy of Italy's Reggio Emilia schools
- **Find a Business That Matches Your Skills and That You Can Be Passionate About**
 - Both Roberto and Candelabra had business degrees and a passion for education