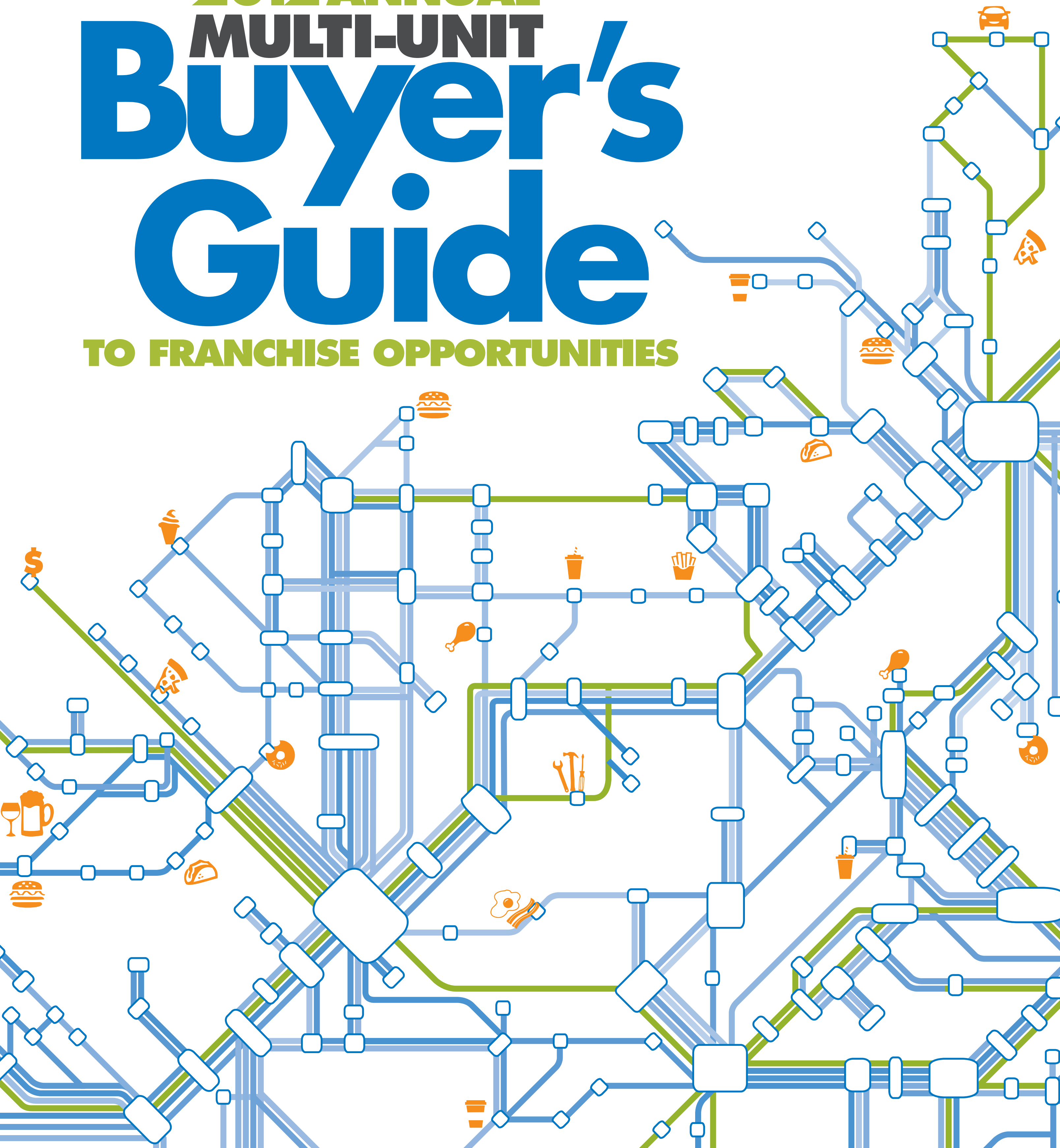
Multi-Unit Franchisee

2012 ANNUAL MULTI-UNIT Buyer's Guide

TO FRANCHISE OPPORTUNITIES



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Franchisors and multi-unit franchisees team up for growth

Multi-unit franchisees dominate today's marketplace, controlling more total units than their single-unit counterparts—and an increasing number are operating multiple brands.

This steady shift over the past decade led Franchise Update Media Group in 2004 to debut a new magazine—Multi-Unit Franchisee—to serve the growing generation of multi-unit operators, hungry for information to help them expand both their number of units and their number of brands.

The first issue of the new magazine featured multi-brand franchisee John Prince, a former stockbroker whose franchise holdings then included Applebee's, Aaron's, Famous Dave's, and a Hooters (in Salt Lake City, no less!). We also featured Jim Gendreau, who in 1981 sold 70 franchises in 9 months for Cost Cutters, and then became a serial franchisee for several brands, including operating 54 Cost Cutters of his own. We also told the story of Tom Larson, who had 20 lodging and restaurant units spread among 7 brands. We led the story with this:

"Besides size, what makes these area developers different from other franchise owners? Why do they amass so many units and brands while others are content with one site, maybe two or three? How do they manage to manage more brands than other people can handle units? Who are these guys?"

Since then we've interviewed and profiled hundreds of "these guys" (and women); heard from experts on every facet of the business; and compiled lists and rankings that chronicle the fantastic growth in not only the numbers, but also in the professionalism of these operators and their organizations.

Our annual Multi-Unit Franchising Conference also has grown over the years, in both the number and the quality of attendees, panelists, speakers, and exhibitors. Our online multi-unit business intelligence offerings have also expanded greatly with monthly newsletters and websites focused on multi-unit franchising—paralleling the growth and serving the growing needs of the expanding ranks of multi-unit and multi-brand franchisee organizations.

Franchisors, in tandem with the growing base of multi-unit operators, have recognized this change and responded by altering their sales approach, even their FDDs, to accommodate multiple-unit sales to experienced franchisees. The "three-pack" has grown to the five-pack and 10-pack, and we're hearing more about deals to develop upwards of 50 or 100 units in territories that grow larger each year.

Many of these multi-unit operators are only too pleased to share what they know with each other through our in-depth magazine profiles, taking time out from their busy schedules to reflect on their success and offer their stories and insights to our readers. And up close and personal at our annual Multi-Unit Conference, they have shown a generosity of spirit through impromptu conversations and on-the-spot mentoring.

This third annual edition of the Multi-Unit Buyer's Guide to Franchise Opportunities is a resource for connecting expansion-minded multi-unit operators with like-minded franchisors. The following pages, filled with concrete information from franchisors, is intended to help you evaluate new opportunities to diversify your portfolio of franchise brands.

The franchisors listed in these pages understand multi-unit franchising and are actively seeking experienced operators to help them penetrate new markets, quickly and effectively—and you're looking for the best brands to help your franchisee organization grow. We hope this guide helps all involved. New and prosperous partnerships could be just a few pages away! MUF

INSIDE

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MULTI-UNIT Buyer's Guide

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MORE FRANCHISEES than ever are ADDING NEW UNITS

Franchisees are an optimistic lot, expansion-minded, on the grow, always alert to new opportunities. And for them, multi-unit franchising represents one of today's most attractive opportunities. Whether it involves increasing the number of units of their current brand or adding new brands to their holdings, the allure of multi-unit franchising is attracting the best and brightest franchisees in the business with increasing frequency.

During the past 20 years, what began as a trickle has become one of the hottest vehicles for building a business rapidly and sustaining it through the years. FRANdata puts the number of multi-unit operators at more than 34,000, and they control more than 155,000 franchised units in the U.S.

Successful multi-unit operators are a different breed than the single-unit franchisees they are displacing. Light years beyond the old "buying a job" mentality, they are skilled, professional business executives who have chosen franchising as their business model. They possess the skills, training, capital, infrastructure, and vision to keep adding units to their portfolio—without stressing their organization or their stomach.

Even during the recent economic upheaval, savvy multi-unit franchisees continued to expand, especially in QSR and in services such as senior care, hair salons, massage, home maintenance, children's activities, pet care, and more. After all, if you can make money with one unit you can make even more with two, three, or more, right?

Well, yes—but it takes a certain skill set, dedication, and infrastructure to make it all work effectively and efficiently. If you're a regular reader of Multi-Unit Franchisee magazine, especially our ongoing profiles of successful multi-unit franchisees, you know exactly what we mean.

All the right pieces must be in all the right places for a multi-unit franchise organization to succeed. If they're not, the results can be disastrous for both franchisee and franchisor. At its best, however, multi-unit franchising allows franchisees (and franchisors) to increase their unit count, market penetration, and profitability more rapidly than a single-unit owner ever could.

Multi-unit franchising already has altered the landscape of franchising in many ways, and will continue to do so. In recent years, private equity has "discovered" the profit potential of multi-unit franchising, buying into multi-unit franchise organizations or acquiring them outright—even doing the same with franchisors. And you know they appreciate the benefits and value of a diversified portfolio!

According to franchise attorney Lane Fisher, "The emergence and growth of multi-unit franchisees is having a profound effect on franchising. It is rapidly changing prospective franchisee screening standards, the quality and substance of existing training and operational support, pressuring franchisors to make financial performance representations in their franchise disclosure documents, and affecting the way contracts are written by redefining 'non-negotiable' rights and deal breakers."

Fisher says that although multi-unit franchising is clearly a growing trend, particularly in food, it is not appropriate for all opportunities. "Sometimes it is a function of timing, as many new franchisors use various forms of multi-unit franchising to grow in early stages; or in other cases the unit economics simply will not support the additional layers of infrastructure to make the investment worthwhile; and in other cases multi-unit expansion is at odds with corporate philosophy, or the lack of expansion capital in a particular industry."

In other words, while multi-unit

franchising is the way to go for any franchisee seriously looking to grow their organization, it's not a slam-dunk, it's not for everyone, and it's far from easy. In fact it's hard work, and fraught with failure. Successful multi-unit franchisees must do at least three things well:

1) You must be able to finance the additional locations/territories. That means deep pockets, or at least access to deep pockets. This often requires business partners and/or lenders who then have skin in the game and can influence the way you conduct your business. This is an important reality to keep in mind if you are an independent thinker and operator.

2) You must be able to form an organization with a management team and infrastructure to command your expanding empire. You may be able to remain hands-on with a handful of units, but when you reach 10 or more it's no longer feasible for you to oversee day-to-day operations. At some point, you will need to bring in a team to handle everything from operations to finance to marketing and HR. You must learn to delegate and get out of the way.

3) Leadership is the final ingredient. You come to the game with vision, ambition, and inspiration. The challenge is communicating these crucial intangibles to your expanding organization and keeping them intact as they filter down to your unit managers and front-line staff through your in-house team. Necessary and achievable; never simple nor easy.

If you have the background, experience, and drive to take on these challenges, then multi-unit franchising offers you a path to achieve your dreams. But you can't do it alone. Rely on people, partners, and delegation—plus a large helping of your own passion, patience, dedication, and hard work—and yes, you can grow a multi-unit empire. MUF

SPREADING THE RISK

Multi-brand franchising allows multi-unit operators to balance risk and ride out the uncertainties of the marketplace in many ways:

ECONOMIC CYCLES. Operating brands in different industries can help minimize the ups and downs of an uncertain economy. Casual dining as a segment took a huge hit in the recession, while bargain-priced fast food continued to do fairly well; new car dealers suffered while automotive maintenance and repair businesses held their own and expanded.

SEASONAL CYCLES. A lawn care franchise in a four-season climate slows to a crawl in the winter. Ice cream, lemonade, and frozen desserts peak in the warm weather, so why not add soup and sandwiches as the weather cools? Adding a second business to balance out the seasons will keep employees engaged and the cash flowing in. New brands can be in related sectors (maid service, electrical, plumbing, home insulation), or in completely different areas (food, rental centers).

CASH FLOW. A franchisee with several units of a casual restaurant brand ventured into rental stores. Stocking a new rental store with merchandise is expensive, and monthly rental fees don't cover the purchase price for 6, 12, or 18 months, tying up valuable cash in inventory. The daily cash flow from the restaurants was the perfect complement to keep the organization healthy until the rental stores started showing a profit—which they did handsomely in time.

DAY PARTS. Breakfast, lunch, dinner, late night, and in-between. Whether it's food or services, consumers and businesses have needs 24 hours a day. If your business makes the majority of its sales at breakfast and lunch, adding a brand that peaks in the afternoon and evening will make for a longer day, but also a stronger bottom line.

SURPRISES. Fast food operators have been hit hard over the years by news of salmonella, E. coli, employee misbehavior, and other developments beyond their control. Having other brands in your portfolio can help you stay afloat until a negative situation is remedied and trust in the brand restored.

Brand DIVERSITY

The growing allure of operating several concepts

Franchising continues to grow—not only in size, but in complexity—and in recent years, a huge part of that growth is attributable to multi-brand franchising.

Makes sense. If following the system works for one successful brand, it will most likely work in another, then another—if you choose wisely. And if your unit economics are strong, more profit will flow your way with each passing year and additional brand.

Diversification, a recommended strategy in designing an investment portfolio, is a big part of the thinking behind the growth in multi-brand franchising. As savvy investors know, no matter how good your ROI may be from a single holding, it's not wise to put all your eggs in one basket. And as multi-unit franchisees seek new avenues for growth, an increasing number are adding second, third, and fourth brands to their portfolios.

"There is a definite interest in growth through multi-concept operations," says Darrell Johnson, president of FRANdata. "It's continuing to expand and grow, and we see the trend continuing upward."

Franchise attorney Lane Fisher observes: "From a franchisor's perspective, multi-unit franchising provides opportunities for accelerated growth; a vehicle to penetrate new markets; capitalize on certain market efficiencies; reduce the training, opening, and operational assistance typically provided to single-unit franchisees; and is a means to attract and reward productive franchisees."

One dynamic propelling multi-brand growth is the combination of 1) expansion-minded franchisors seeking multi-unit operators successful with other brands with 2) successful multi-unit franchisees evaluating new concepts to diversify their organization. This alignment of interests has been accompanied by a rise in the number of franchisors offering several concepts from under one corporate umbrella—usually limited to a single industry segment (fast food or home repair services, for example).

For franchisors offering multiple brands, it means working with franchisee organizations they already know, saving countless hours of relationship-building, recruiting, investigation of finances, etc. For franchisees, adding a new brand from their current franchisor does the same. It means working with a known, trusted management team, saves time, helps them open units sooner, and also can mean discounts on franchise fees, sometimes even royalties for a limited time.

Franchisors seeking new multi-unit partners are looking for a proven track record managing multiple units, relevant industry experience, positive cash flow, strong unit economics, and a solid management team and infrastructure. And, of course, signing multi-unit or area development deals also means dealing with fewer franchisees to sell more units. Franchisees seeking a new franchisor partner look for pretty much the same: a solid management team, strong unit economics, a well-known and respected brand name, and an opportunity to develop a territory over the long term.

> "Franchisors seeking new multi-unit partners are looking for a proven track record managing multiple units, relevant industry experience, positive cash flow, strong unit economics, and a solid management team and infrastructure."

Taken alone or together, there are many reasons that inspire successful multi-unit franchisees to seek out additional brands:

GEOGRAPHY. Adding a new brand can be the perfect path to continued growth in their region for a single-brand multi-unit operator or area developer who has built out their territory, or for a franchisee of a brand with no local opportunities to build more units—without having to travel to new or distant locales. Familiarity with the territory and the dynamics of their market, combined with local connections and a solid grasp of local real estate, developers, and zoning requirements is a real home-court advantage.

FINANCING. A successful track record with one franchise concept demonstrates your ability to lenders who can help you launch that next concept. Thriving multi-unit franchise operators typically have high net worth, extensive contacts, and access to financing to open successful units quickly. These are powerful assets to have. Your existing operation and the value of your real estate can help you acquire a second or third concept, without putting a stranglehold on your cash flow.

INFRASTRUCTURE. Multi-unit franchisees with their own accounting, human resources, and other internal departments often have excess capacity. Adding brands can take advantage of that capacity, growing profits without expanding the home office staff. With a strong infrastructure in place, a multi-brand franchisee has a built-in advantage in building brand awareness in their territory and more easily, rapidly, and successfully penetrating their market with a new brand.

TRAINING AND RETENTION. With two or more brands, a franchisee can offer employees cross-training, flexibility, promotions, and a clear growth path as their skill sets improve. This helps in attracting and retaining top talent as you build your organization, always a challenge in any business. And with better-trained employees, unit economics improve.

ECONOMIES OF SCALE. Once an organization attains a certain size, several things get easier and, often, less expensive since you're "buying in bulk": marketing and advertising, supplier costs and services, administrative and back-office functions, and more. For example, one vendor may be able to service all your equipment and, as a result, offer you a more economical rate.

CO-BRANDING. Locating two or more brands in a single location also allows behind-the-scenes efficiencies that can boost profits. Be careful to maintain compliance with each franchise agreement, as some concepts may not be combined legally or functionally. If it does work, co-branding and co-marketing can make more efficient use of your advertising dollar.

SYNERGY. Each franchise brand has its own proprietary operating system perfected over many years and many thousands of customer transactions. While the operating systems differ and must remain separate, sometimes elements of one can be applied to another, or to internal operations at the franchisee's home office. The same holds true for marketing programs, recruiting methods, training, HR, and every other ingredient of franchising success. Keep them separate to maintain compliance, but look for areas to adapt good ideas across your organization.

Multi-brand franchising is a complex business. Done right, it offers great potential to the multi-unit franchisee seeking to diversify their investment, increase their profitability, and build a larger, stronger organization. One caveat: New brands should not (and in many franchise agreements, cannot) be in competition with your existing brands. Check with your franchisor, franchise agreement, and franchise attorney before you start shopping for a new brand. MUF

BY EDDY GOLDBERG

Is Private Equity Right for You?

FAQs for Multi-Unit operators seeking capital in 2012

You might not know it from reading the news, but there's a lot of money out there looking for a good home, and high-performing multi-unit franchise companies have become targets for private equity investors. Estimates of available private equity peg the pent-up funds at about $500 billion, more than enough pie for most multi-unit franchisees to get a slice—if they have what it take to appeal to investors.

Developments in the mergers and acquisition universe, along with the growth in large multi-unit organizations and a stabilizing economy in 2011, have combined to produce what experts predict will be a favorable environment for franchise sellers with the right stuff: a strong national brand; a positive cash flow for the trailing 12 months; an infrastructure able to leverage the investment; and an organization large enough to make the deal worthwhile in terms of the costs and time involved for both buyers and sellers during the due diligence/courtship process, which can take six months to a year or more. Real estate assets are a big plus as well.

Even as the economy writhes its way toward recovery, however, getting your hands on the money—and your mind around the ramifications of taking on a private investor partner—is another story. Yes, interest in high-performing franchisee organizations by private equity firms is rising, but is this a good option for multi-unit operators in need of capital? Is the cost of money—an active partner, accountability, loss of autonomy to investors that typically seek a controlling interest—worth it to a franchise operator used to calling their own shots?

We asked a dozen players—franchisees, attorneys, and deal-makers of various stripes—to tell us what multi-unit franchisees should know about the current state of the private equity market, the pros and cons of taking on a private investor partner, and the tradeoffs involved. The answer, of course, is, "It depends." The financial terms of the deal are an obvious critical consideration, but more important, say many, is the relationship between the operator and the investment company. Is there an alignment of goals? Can an independent-minded operator get along with an active board during a partnership that can span five years or more?

How will a capital infusion help achieve a franchise company's goals over the short, medium, and long term? Is it needed for expansion within a territory or brand? Strategic acquisitions? An initial step toward an exit in 5 or 10 years? Or, for food and lodging brands, a way to pay for expensive remodeling obligations?

For most private equity players, the goal is to find a reasonably safe, high-return vehicle for investors to park their money in for a limited time and make a profitable exit. Following the end of the high-flying M&A years of 2005–2007, many investors were disappointed by their returns in recent years, and are still fairly cautious about doling out funds—except to those with a positive cash flow and a track record of success backed by solid management practices. Balancing their investors' demands to find opportunities for their pent-up capital, private equity firms are climbing back on the bull in 2012, wary of waiting too long or seeing valuations rise.

On the franchisee side, the stagnant market of the past 3 years has created a backlog of franchisees seeking to sell their business, whether to exit or to make a profit and taking their organization for a sale when the economy recovered. Their time is now, say experts. Multiples are rising, but not to the excessive levels of the boom years, making the current environment a potential win-win opportunity for both sellers and buyers.

A growing understanding on both sides of the buy-sell equation—private equity "getting it" about franchisees, and operators educating themselves about the private equity market—combined with the "perfect storm" of pent-up capital seeking investments and operators seeking capital for growth as the economy tilts upward for the first time since 2008—looks to make 2012 an exciting year in the multi-unit franchising arena. Here, in FAQ form, is what our ad hoc panel of experts has to say about the year ahead for multi-unit franchisees considering taking on a private equity partner, or simply selling out and heading for their favorite fishing hole, golf course, or new venture.

What is private equity?

Private equity is a "hodgepodge," says Harry Loyle, managing director of Cybeck Capital Partners, and it comes in all shapes and sizes. The simple definition, he says, is "private money that involves equity transactions, but under that there all kinds of opportunities."

"Private equity comes in a myriad of forms, fashions, and has different criteria important to them," says David Stiles, senior vice president at Trinity Capital, which recently served as financial advisor to multi-unit firm Breads of the World in its sale of 20 Panera Bread restaurants in Ohio to Covelli Enterprises. "There are private equity interests out there to match whatever you require." And it can take on lots of different forms, depending on the agenda of the multi-unit franchisee.

In terms of scale, most franchisee deals are small potatoes in the private equity world. From the $1 million or less that Cybeck provides, it's not uncommon to see private equity deals in the hundreds of millions and well into the billions. And franchisee companies have been involved in larger deals over the years. The largest now in the news would involve Goldman Sachs's GS Capital Partners buying Apple American Group from Weston Presidio Capital for what likely will be several hundred million dollars if the deal closes. Apple American owns and operates about 270 Applebee's and reported sales of $665 million in 2010.

What are the upsides?

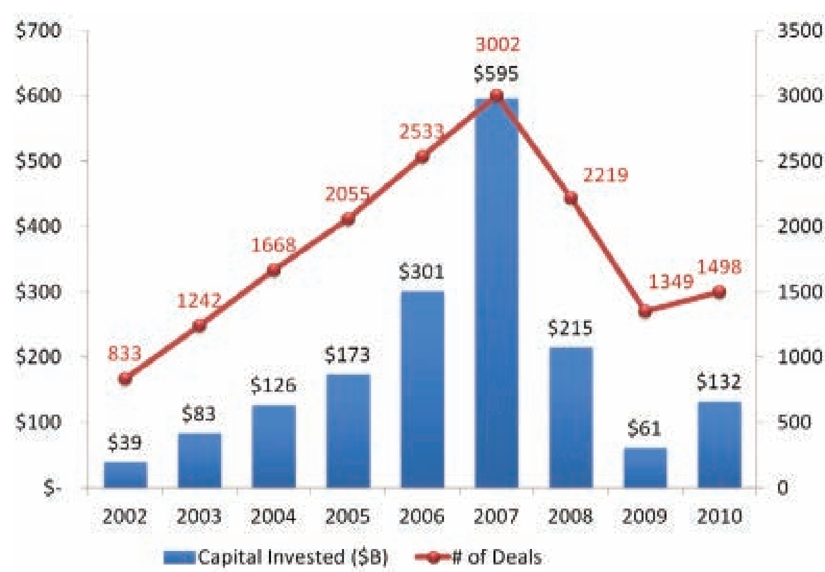
Private equity is a tool that can be used for many reasons: exit/succession, partial exit, strategic acquisitions, to meet a development schedule, remodeling, or as the answer to a distressed operator's prayers. For the right operator at the right time, it can bring many advantages.

"You get people who understand professional management and in many cases are finance experts who will work with your CFO to use capital efficiently," says Dennis Monroe, cofounder and chair of law firm Monroe Moxness Berg. "In many cases these are smart people, so their management input is good."

"Private equity firms generally are smart, sophisticated, knowledgeable, and tend to bring with them operating partners," says Cheryl Carner, who joined GE Capital, Franchise Finance as senior vice president, private equity originations in June 2010. "A private equity firm has better access to capital—their own, and the ability to get debt—to grow and remodel more easily than a smaller, individual investor." And, for the franchisee, she adds, "Where a private equity firm is making an investment on other people's behalf and is accountable to other investors, it sets the bar even higher."

"Efficiencies of scale with a private

U.S. Private Equity Deal Flow by Year



SOURCE: PITCHBOOK, ANNUAL PRIVATE EQUITY BREAKDOWN 2011 equity group equals access to greater resources, professional or legal advice, synergies, IT, and shared services across different businesses or restaurant companies," says Rick Ormsby, a partner at NDA Inc., an investment banking firm in Lousville focused on buying and selling restaurants for franchise companies with up to 200 units, valued from about $5 million up to $35 million.

A capital infusion brings not only money, expertise, and new beneficial relationships, but also a freedom that allows franchisees to concentrate on what they do best: growing their business. It can also add an element of professionalism, such as accounting, that might help save tax dollars, suggests Monroe.

"Too often, management gets involved in things that don't drive profitability," says Kevin Burke, managing director at Trinity Capital. "Private equity firms are generally led by very bright people who can tinker with and improve an organization's efficiency. They can take a lot of financial pressure off, and bring in a very skilled board of directors," enabling the franchisee to "intensify their focus and drive profitability."

"A private equity partnership brings a team of analysts, attorneys, real estate experts at levels beyond our capabilities, agrees Aziz Hashim, president and CEO of National Restaurant Development, which operates about 50 units, including Popeyes, Checkers/Rally's, and Subway. "They are larger firms with more talent and more people."

On the money side, he agrees that partnering with a private equity firm "brings a huge balance sheet. You have a lot of capital, can do what you like, and don't have to run around to banks," he says. "It's a huge advantage in having the financial backing, especially in today's financially challenged time."

What are the downsides?

On the other hand (and there always is one when money is involved), the price of money may be too high for independent-minded business owners. "Maintaining control is something the operators are comfortable with. They're used to being their own boss and operating with unfettered discretion," says Riley Legason, a partner at Davis Wright Tremaine, which typically represents the operators in restaurant brands that are taking on investments.

Partnering with private equity represents a "change in philosophy," says Hashim. "In that model, the management team—me—is an employee per se of the private equity company. There's something antithetical about that and the entrepreneur, where I'm the owner and make my own decisions."

Since he became a franchisee, says Hashim, "I never had to report to anyone, or do a presentation. I could have a really bad year, lose money, and that's my problem. If it's someone else's money, that's not necessarily bad," he says, but it is profoundly different from being your own master. For now, he's choosing to expand without bringing on a private equity partner.

Two other factors could also be a problem for the seller. While private equity investors are generally smart, sophisticated business people, that could turn into a problem when reasonable minds differ on strategy or tactics. "They may think they know more than they know and interfere" with a successful operation, cautions Monroe. "They want to be involved, with monthly calls, updates, and detailed financial information."

There's also a change of psychology and environment that comes with taking on a partner, especially one with the purse strings and its own set of expertise and expectations (as well as investors they must answer to about ROI). "You may be giving up economic control," says Rod Guinn, industry coverage leader for restaurants at FocalPoint Partners, which advises operators seeking to bring in fresh capital. "But if it's a really smart partner and you've done a good job in choosing them, you won't give up operating control. However, if your business starts to slip off plan by a certain amount, you'll have to sit down and account for what you're doing."

There also could be timing issues, with franchise agreements and development schedules running up against the requirements of the funders. "A private equity firm generally has a pretty set investment horizon, generally about 5 years and a couple additional to harvest investments," says Carner. "They're not going to be involved in the system for 20 years. They make money by selling companies, not keeping them."

Why now?

As noted above, the timing is right for both sellers and buyers. "I get calls all the time, looking to invest in the franchisee side," says Monroe. "Part of it is that there's so much demand, pent-up capital, and at some given point they have to deploy it."

"The market is incredibly robust, with more supply than demand, more dollars chasing loans," says Carner. This creates a favorable environment for both the borrower and the private equity firm, as well as the lenders and deal-makers. "Last year was a very active year for us following a very quiet 2008 and 2009. We saw the rebound in M&A activity and a willingness of buyers to buy and sellers to sell."

So, is it a good time to sell?

"Yes, I would say so," she says, "but it depends on franchisee performance and the sector they're in."

"Traditionally, private equity groups were just interested in franchisors," says

Burt Yarkin, managing director of the San Francisco branch of The McLean Group, a private investment firm. Yarkin was CEO of Cartridge World in 2007 when the company was purchased by a private equity fund. "These days there are so many private equity firms with so much money out there, so they're willing to move up to large multi-unit franchisee firms."

As Yarkin sees it, "There is going to be a lot of activity for the next couple of years. The money that's out there is not going to find a home very quickly." If someone is thinking of selling, he says, the next two years will be an opportune time.

Historically, private equity interest in franchising has been mostly on the franchisor side (although a number of players have invested in large franchisee organizations). One reason is a lack of understanding or appreciation of the franchise model. Another is simply size: most of the multi-unit organizations a decade ago simply weren't big enough to attract investor interest. However, as investors' understanding of franchising grew, so did multiples, which made deals less attractive to investors seeking a high return on their investment.

Today's lower multiples for franchisee companies following the peak years of 2005 to 2007 are another factor driving M&A activity in 2011. "With multiples down, there really is an opportunity for upsides, because multiples will come back," says Monroe. "They're not terribly low, but they are low enough for some upward movement." When multiples got too high, private equity investors found it difficult, if not impossible, to justify investing in high-performing franchise firms.

The real key for private equity, says Monroe, is to find a good operator with real estate rights and the capacity to grow, so they can leverage their investment for a good return, and sell. Monroe notes that most of the private equity firms that invested in franchising did so in the early 2000s, so exits should be starting to appear now.

How important is the relationship?

The relationship is the most important element of a private equity transaction, says Legason (see sidebar, page 60). After all, seller and investor are going to be partnered closely for years. "Is the group a good fit in terms of how the relationship will potentially play out? That piece is often very difficult to ascertain. Everything sounds good going into it." When performance is less than expected or growth is slower, especially because of unforeseen challenges, how well will the parties work together under pressure?

"The key thing is the relationship," agrees Monroe. "Do they really understand the operator? Are they patient, don't micromanage, and let you do what you do best? The franchisee has to be able to control the operating decisions. Most private equity groups agree with that." In fact, it's why they were interested in the franchisee in the first place.

"Private equity has kind of a mind of their own," says Stiles. "Their vision of what they want for the private equity company could conflict with the vision of the franchise company."

Thus it's critically important for both parties to "fully vet any opportunity, do due diligence as much as they possibly can," says Legason. "The more the parties get to know each other and understand their respective goals, the better. It's rare to see a deal go quickly."

What are your goals?

Just as private equity comes in many shapes and sizes, so do the ways it's deployed. What is the motivation of the operator? To expand through the acquisition of new units or territories? Fulfill their development schedule when banks aren't lending? Have capital available when an opportunity arises? Remodel or upgrade their units (an expensive proposition if a significant number of their restaurants or hotels are due for a facelift)? Make the first step toward the exit through a deal that requires the operator to stay on for a number of transitional years? Family succession? Or simply to sell the company and retire?

In some deals, says Stiles, operators can do partial cash-outs and stay on as they phase themselves out. "If they want to take some chips off the table in terms of a distribution, some private equity firms are okay with that." Is it time to put the kids through that Ivy League college? Finally buy that vacation home by the lake? Travel with your spouse, now that the kids have moved out? The shape of the deal really depends on the stage of your business and your goals over time.

"For the next few years in our business lifecycle, what is the trajectory? Do we want to supercharge or put it on steroids? Do we give up control, majority ownership, as the price to pay to play in the big leagues?" Hashim asks. As for whether or not to take on a private equity partner to achieve his goals, "It's a business decision for me, the emotional part is not critical to me. I have not written it off by any means. I continually review our business plan."

Are you big enough?

The answer to this depends on the size of the fund, its focus (restaurants, service, B2B), the time horizon on their capital, and, often, personalities. Opinions vary on how big a franchise company has to be for a private equity deal. Here are some thoughts from the experts.

With the cost of due diligence (time, energy, money), private equity firms often need revenues of $10 million, $20 million, or $30 million to make the deal worthwhile, says Loyle. "We always had some pretty large multi-unit operators out there but nobody understood it. Now they do."

"Franchisee deals are very small for these guys," says Hashim, and the opportunity costs of getting in bed with franchisees are a factor. "They can place $200 million deals at the drop of a hat. You have to get to a point where it makes sense for them to entertain smaller deals."

Most private equity deals on the operator side have been in the $3 million to $15 million range, says Monroe. "In most cases it's been smaller players looking to hook up with significant operators."

Private equity firms won't buy something with 5 units, they want large transactions in good brands that they can scale, sales in the $30 million to $50 million range, and/or an EBIDTA of at least $4 million to $5 million a year, says Yarkin. "Generally, they're looking for a decent-sized transaction. If they're a billion-dollar fund, they won't look at a million- or two million-dollar deal."

"There is a slowly increasing number of private equity shops that will look for multi-unit franchisees rather than the franchisor; or will look for multi-unit franchisees alongside a franchisor," says Guinn. He says investors generally set two conditions:

1) Cash flow. "A few will look at multi-unit franchisees who have $5 million in annual cash flow, but more will look at $10 million and up."

2) The brand(s). "Every investor I've spoken with who has looked at multi-unit franchisees has limited the concepts they would look at to the 'tier 1' national concepts, for example, a cluster of Taco Bells or Pizza Huts," he says. "The reason is pretty logical because these private equity investors never intend to own the business forever and want to be able to turn it around in four to five years after they work what they think is their magic."

What about the franchisor?

The last (or possibly first) piece of the puzzle in a private equity deal is the franchisor. Examining your franchise agreement and the FDD is essential. Obstacles to a deal might include the time horizon, personal guarantees, noncompetes, and approval of transfers.

"We counsel our clients that before even engaging with private equity, they understand what their FDD says about it," says Ormsby. For example, if a 50-unit Denny's operator is approached by a private equity firm with a fund that's in year four of seven, and the operator's FDD says any private equity has to be in for five years, no deal is possible without flexibility on the part of the franchisor.

The franchisor also might balk over the issue of personal guarantees. For example, if the operator is obligated for $5 million in personal guarantees, says Ormsby, "The franchisor has to understand how that payment will be guaranteed. The operator may be obligated to guarantee it, but with a private equity firm, it's not the same."

"The franchisors are learning that dealing with a private equity investor, a substantial institutionalized investor, limited partners, and hundreds of millions of dollars, is very different from dealing with an owner-operator," says Carner. However, she says, the issue of personal guarantees is not insurmountable. "We have heard franchisors have recognized that fact, that it doesn't make sense, and see the sense of having professional investors involved in their system."

"Normally most franchisors can work through that, particularly if the operator is on the hook," agrees Monroe.

"A lot of franchisees aren't paying royalties on time now, and are struggling with hard-set remodeling dates. Some operators can't borrow the money to do it, so how do you handle it contractually?" says Ormsby. When a private equity deal can help solve that problem and keep the units operating, that's a plus for the franchisor and the brand. "Franchisors are having to learn how to accommodate private equity firms," says Ormsby. MUF

What's Driving Multi-Unit GROWTH

Stats point to continuing multi-unit expansion

For the past few years you have heard me note that the majority of franchised units in the U.S. are owned by multi-unit operators. With more than 400,000 franchised units in the country, multi-unit operators control about 53 percent of those units. That's impressive, and the percentage controlled by multi-unit operators is rising. This growth is a consequence of many brands focusing their development models on multi-unit development packages over single-unit programs.

Today, FRANdata's database shows the following breakdown of multi-unit operators (MUOs):

These are the "known" franchisees in our database. While we try to keep up with the changes in each franchise system, our database does not include current data for all of today's 3,500-plus brands. Therefore, each category understates the actual total. Since our database is more current with the larger brands and most of the smaller to medium-sized brands, any under-counting is primarily with the less-established brands, which are less likely to have many multi-unit operators.

Statistically, we think we have more than 90 percent in each category. Using this 90 percent confidence level leads us to the estimated counts in the right-hand column. Thus, in total, we believe there are more than 38,000 multi-unit operators in the U.S. With the number of units they control and the brands and sectors they operate in, that puts the combined annual revenue of multi-unit operators somewhere around $100 billion. There's some serious operational, business, and political influence in that figure.

We know the number of units they control is growing. But how is the number of multi-unit operators changing? For that, we can turn to our actual database counts. Assuming the actual-to-estimated changes are consistent, the actual counts should reflect about the same percentage change per category that our estimated numbers would show.

In a three-year span, we've seen a 17 percent increase in entry-level multi-unit operators. That's certainly consistent with our analysis of the development models franchise brands have been using over the past few years. To wit, entry-level multi-unit operators' average annual growth of nearly 6 percent slightly exceeds the growth of franchised units generally, which has been expanding by about 5 percent per year.

Much more interesting is the expansion of the larger categories of multi-unit operators. In the three-year span, those categories expanded about 25 percent. Even more interesting is the consistency with which each category expanded, ranging between 24 and 28 percent.

Several obvious trends are affecting these outcomes. Multi-unit development models became a common form for expansion only in the past 20 years. In a life cycle sense, the data confirm that this model is still solidly in a growth mode. And although many franchisors have had to cancel contracts for development, especially for the second and third units within the contract timelines, these data suggest that many second, third, and fourth units have been added in recent years.

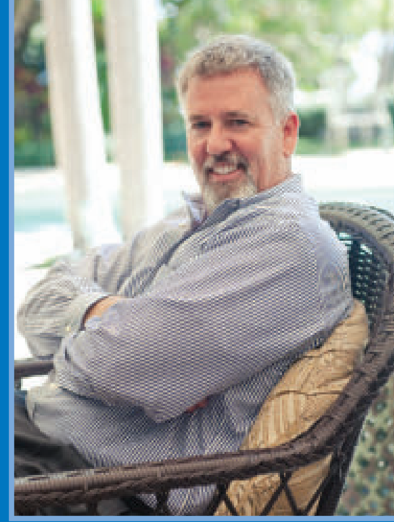
We also can't ignore the impact that one of the "big two" small-business challenges—capital access—may have had on the growth statistics of multi-unit operators (the other, of course, is unit sales in a soft economy). Most banks have tightened their underwriting borrower qualification standards to include existing experience in the industry. This undoubtedly has led to more multi-unit operators compared with new single-unit operators.

Finally, it should be noted that the growth of multi-unit operators is happening, in part, from the exiting of some single-unit operators. Transfers are on the rise across many industries. As I've noted in a previous article, multi-unit operators increasingly are the buyers of existing units. It makes sense, since they are in the best position to evaluate the current operations and future potential of an existing unit.

All of this suggests a continuing rise in influence of the multi-unit operator within franchising. Want further evidence? Franchise Update Media Group's Multi-Unit Franchising Conference has set attendance records in each of the past three years. Looks like I'll be seeing more of you in Las Vegas next April! MUF

Darrell Johnson is president and CEO of FRANdata, an independent research company supplying information and analysis for the franchising sector since 1989. He can be reached at 703-740-4700 or djohnson@frandata.com.

EYES ON ★ EMPIRE ★



John Metz

Multi-Unit Franchising Conference Chairman
40 units in 3 states.

Denny's, Dairy Queen, Hurricane Grill & Wings, Marriott

Creating an empire is no small task; it wasn't for the Romans centuries ago, and it's not for multi-unit franchisees today. But it can be done.

Conjure a lot of hard work, elbow grease, and knowledge gained from experience—and maybe a pinch of luck—pour it all into a strong and thriving franchise brand, and you're on your way. Stories abound of franchisees who started small and gone on to make it big. Most of them have a few things in common.

Key components to any successful business organization include quality people, partners, tools, and intelligence. All of these resources, and more, are available each year for participants of the Multi-Unit Franchising Conference. I began attending these conferences in 2004, and I keep coming back every year. The content and the people make this one of the best events in franchising.

As a franchisee of Denny's, Dairy Queen, and Marriott Hotels, information is important to me. At the Multi-Unit Franchising Conference, attendees not only learn how to successfully lead a business of this kind, we also are granted the opportunity to share experiences with strong players in the field. I have met people and been exposed to ideas that have both encouraged and challenged me. This conference is not only about multi-unit concepts, but more about multi-unit, multi-brand franchisees—adding another layer of knowledge and understanding to the equation.

If information is critical to you and your operation, this conference is a basic business essential. Whether you have three or 300 units there is something here for you: quality speakers and panelists, timely and topical subject matters, extremely interesting keynote speakers, a great array of vendors and suppliers, and the opportunity to network with the top players in multi-unit franchising.

In organizing this event each year, the Franchise Update Media Group team works in tandem with the seasoned multi-unit franchisees on the Conference Advisory Board. Let me tell you, I make the rounds attending numerous franchise events throughout the year, and none has achieved a reputation for quality like the Multi-Unit Franchising Conference.

As incoming chair, I know I have some big shoes to fill. Charles Smithgall did a fantastic job last year. Before him were franchise stalwarts including Stan Novack, Bill Hall, Gary Grace, Lyndon Johnson and Rocco Fiorentino. But I know the Franchise Update team and Advisory Board will create an outstanding event I will be proud to be a part of.

If you have your eyes set on building your own empire, through growth, financing, or adding brands, don't miss this conference! There's plenty to benefit you.

See you in Vegas!

Produced by: Multi-Unit Franchisee FranchiseUpdate MEDIA GROUP

AGENDA at a GLANCE

MONDAY, APRIL 23, 2012

12:00PM	**Golf Tournament, Red Rock Country Club** *(Separate registration fee required)*
7:30PM - 8:30PM	**Multi-Unit Franchisee Mixer** *(Franchisees Only)*

TUESDAY, APRIL 24, 2012

7:30AM - 7:30PM	**Registration Desk Opens**
8:00AM - 9:00AM	**Continental Breakfast**
9:15AM - 11:30AM	**OPENING GENERAL SESSION** • Welcome: Therese Thilgen, *President & Chief Content Officer,* Franchise Update Media Group and 2011 Conference Chairman, John Metz • Keynote: Jim Collins, *Author & Business Expert* Great by Choice: Uncertainty, Chaos, and Luck—Why Some Thrive Despite Them All.
11:45AM - 1:30PM	**Franchisee Only Leadership Luncheon** *(Franchisees Only)*
11:45AM - 12:45PM	**Franchisor Program:** **Developing Successful Programs for Multi-Unit Growth** *(Franchisor Focus)*
1:45PM - 3:00PM	**GENERAL SESSION** • Keynote: Nigel Travis, *Chief Executive Officer,* Dunkin' Brands and *President*, Dunkin' Donuts Building Brand Value Through Franchisee Collaboration
3:15PM - 4:15PM	**BREAKOUT SESSIONS & CONVERSATIONS** • Mega Franchisees: Lessons Learned (Case Studies) • Growing to 10 Units (Case Studies) • Accelerating Growth Through Area Representation • Commercial Leasing Updates and Best Practices
4:30PM - 5:15PM	**BREAKOUT SESSIONS & CONVERSATIONS** • Keys to Selecting Additional Brands • Winning and Keeping Loyal Customers • Show Me the Money: Franchise Finance Pitch Session
4:00PM - 7:30PM	**Expo Hall Open. Cocktail Reception** *(Starts at 5:30pm)*

EMPIRE BUILDERS

AGENDA at a GLANCE

WEDNESDAY, APRIL 25, 2012

8:30AM - 7:00PM **Registration Desk Open**

9:00AM **Coffee and Conversations**

9:30AM - 11:15PM **GENERAL SESSION**

- Industry Trends - Darrell Johnson, *President*, FRANdata
- Multi-Unit Franchisee Magazine MVP Awards
- Keynote: Don Shula, Winningest Coach in NFL History, *Owner* of Shula's Steak House and Dave Shula, Former NFL Player and Coach, *President* Shula's Steak House, *You Can Inspire Anyone to Be a Winner*

11:30AM - 12:15PM **BUSINESS SOLUTIONS ROUNDTABLES & BREAKOUT SESSIONS**

- Social Media, Marketing & Mobile Payment Technologies Roundtables
- Finance & Real Estate Roundtables
- Financing Growth through Private Equity and Other Capital Sources
- Growth Strategies for Integrating Additional Brands

12:15PM - 1:45PM **Lunch in Exhibit Hall**

2:00PM - 3:00PM **GENERAL SESSION**

- Leadership Panel: Building the Brand Together

3:15PM - 3:45PM **BUSINESS SOLUTION CASE STUDIES**

- Building Infrastructure to support 20-30 units
- Driving Returns: Best ROI Strategies for Local Marketing
- Targeting the Hispanic Marketplace

4:00PM - 5:00PM **BREAKOUT SESSIONS & CONVERSATIONS**

- Turn that Franchise Around! Targeting Distressed and Underperforming Units
- Building Productive Franchisee Associations
- Financial Dynamics and Valuation Trends for the Franchise Industry
- Managing Family Run Businesses, Succession Planning, Estate Planning

5:00PM - 7:00PM **Cocktail Reception in Expo Hall**

8:00PM **Chairman's Dinner**
(Multi-Unit Franchisee Advisory Board Celebration–Private Invitation Only)

THURSDAY, APRIL 26, 2012

10:00AM - 10:30AM **Healthcare Reform – How It Will Impact Your Business**

10:30AM - 11:30AM **Today's Labor Laws: Best Practices to Avoid Future Damages**

Produced by: Multi-Unit Franchisee FranchiseUpdate MEDIA GROUP

A CAN'T MISS EVENT

"Each year that I attend this conference, I return with new contacts, industry insights, business opportunities, and best practices that I can immediately implement in my business."

Gary Robins, *President*, G&C Robins Co., Supercuts Franchisee

"I rank this past conference as one of the best I have ever attended in any industry in terms of the value it added to my business and my leadership skills."

Steve Adams, *CEO*, U.S. Retail, Inc. Pet Supplies "Plus" Franchisee

"The networking is great. You meet a lot of other entrepreneurs, like yourself, sharing similar problems and similar successes."

Greg Cutchall, *President and CEO*, Cutchall Management
Multi-Concept Franchisee:
Paradise Bakery & Café, Tin Star Southwestern Grill, Famous Dave's BBQ, Rock Bottom, Sonic Drive-In, Burger Star, Domino's Pizza, Twin Peaks

"The multi unit franchising conference is an absolute must attend for people who are serious about their business and franchising. This is by far the most productive conference that I go to."

John Hotchkiss, Partner, L&M Restaurant Group
Franchisee: Little Caesars, Firehouse Subs

TOP 3 REASONS TO ATTEND

Reason #1 – Franchisee Networking

Where else can you engage with franchisees from a variety of industries? Discover new ideas, best practices, and develop relationships from business owners facing the same challenges. Be ready to meet industry key players and be ready to share.

Reason #2 – Education and Motivation

Over 50 multi-unit and multi-concept franchisee speakers will share their tactics, insights, and practical advice in 30 solution-focused sessions. Topics include:

- Selecting and Adding New Brands
- Consumer Marketing
- Customer Service
- Recruiting, Retaining, and Rewarding Employees
- Financing
- Benchmarking Unit Performance
- Healthcare and Government Regulations

Reason #3 – New Opportunities

Over 150 franchises and business solution providers looking to partner with successful multi-unit operators just like you will fill the expo hall. Find the next great brand to add to your portfolio. Discover a service provider that can boost your bottom line.

REGISTER NOW online at mufranchisee.com/2012 OR CALL 1-800-289-4232 ext. 216

ADVISORY BOARD

2012 CONFERENCE CHAIRMAN

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Franchisee: Denny's, Dairy Queen, Huricane Grill & Wings, Marriott . (40 units in 3 states)

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Franchisee: Pet Supplies Plus (13 units)

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Franchisee: Money Mailer (30 units)

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Cutchall Management
Franchisee: Paradise Bakery & Café, Tin Star Southwestern Grill, Famous Dave's BBQ, Rock Bottom, Sonic Drive-In, Burger Star, Domino's Pizza, Twin Peaks. (43 locations in 6 states)

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Franchisee: Great American Cookies, Mrs. Fields Cookies, Pretzelmaker, and Salsarita's Fresh Cantina. (10 units)

Rocco Fiorentino | *President*
Swiss Farm Stores
• **2006 CONFERENCE CHAIR**
Franchisor: Swiss Farm Stores
Partner: Eagle Tax Services
Former Franchisee: Krispy Kreme Doughnuts

Gary Grace | *President*
GG Enterprises
• **2009 CONFERENCE CHAIR**
Franchisee: Supercuts (34 units, over 125 units at one time)

David & Maureen Grimaud
Grimaud Enterprises Inc.
Franchisee: Precision Tune Auto Care (90 units)

WilliamG. Hall | *President*
William G. Hall & Company
• **2008 CONFERENCE CHAIR**
Franchisee: Dairy Queen (5 units)

Aziz Hashim | *President/CEO*
National Restaurant Development
Franchisee: Popeyes, Checkers Drive In Restaurants/Rally's, SUBWAY, Moe's South-west Grill (50 units in 4 states)

John Hotchkiss | *Partner*
L&M Restaurant Group
Franchisee: Little Caesars, Firehouse Subs (43 units)

Ellen Hui | *President*
EBR Investments
Past Brands: Popeyes Chicken & Biscuits, Extreme Pizza

Lyndon Johnson | *President & CEO*
Reciprocity Restaurant Group, LLC
• **2010 CONFERENCE CHAIR**
Area Developer: Church's Chicken (22 units)

Ken Leese | *President & CEO*
The Tax Authority Inc.
Franchisee: Jackson Hewitt (30 units), Play N Trade (3 units)

Tony Lutfi | *CEO/President*
MarLu Investment Group
Franchisee: Arby's, Church's Chicken, Jack in the Box, Little Caesars, and Sears (85+ units)

Ron Millard | *Partner*
Redstone Capital Partners
Franchisee: Popeyes (21 units), Café Express

Glenn Mueller | *President*
RPM Pizza
Franchisee: Domino's (134 units)

Stan Novack | *President*
Novack Consulting
• **2007 CONFERENCE CHAIR**

David Ostrowe | *President*
O&M Restaurant Group
Franchisee: Burger King (10 units), 180 Business Solutions

Gary Robins | *President*
G&C Robins Co.
Franchisee: Supercuts and Cost Cutters (33 units)

Cheryl Robinson | *Owner*
Sapphire Ventures, Inc.
Franchisee: Supercuts (33 units)

Grant Simon | *President*
Simon Clips
Franchisee: Great Clips (26 units), Smoothie King (1 unit) T-Mobile Premium Retailer (3 units)

Charles Smithgall III | *Chairman & CEO*
SEI/Aaron's, Inc.
• **2011 CONFERENCE CHAIR**
Franchisee: Aaron's (85 units in 9 states)

Ted Torres | *President*
Caerus Hospitality Partners
Franchisee: Microtel Inn and Suites, Comfort Inn and Suite, La Quinta Inn and Suites (11 units)

Ricky Warman | *CEO*
Pizzerias LLC, Mongolerias
Franchisee: Papa John's Pizza (31 units)

Anil Yadav | *President*
JIB Management Inc.
Franchisee: Jack in the Box (155 units) and Denny's (26 units)
Area Developer: Marco's Pizza

Produced by: Multi-Unit Franchisee FranchiseUpdate MEDIA GROUP

Multi-Unit Franchisee 2012 MVP

Help Multi-Unit Franchisee Magazine Find the Most Valuable Franchisee Players in the Nation!

Nominations for the 2012 Multi-Unit Franchisee Magazine MVP Awards are now open. We are looking for the best and the brightest franchisees - the power operators, the innovators, the creative thinkers who have demonstrated outstanding performance in growing their organizations, their brands, and serving their communities.

Award winners will be recognized on stage at the 11th annual Multi-Unit Franchising Conference in Las Vegas. In addition, winners will also receive an exclusive profile in Multi-Unit Franchisee Magazine, a feature on mufranchisee.com, press releases, and more.

To qualify for entry, multi-unit franchisees must have at least five operating units, and have been in a franchise system for a minimum of two years. Multi-unit franchisees can nominate themselves or fellow multi-unit franchisees. Franchisors can nominate outstanding multi-unit franchisee performers in their systems.

NOMINATE MVP'S ON THE CONFERENCE WEBSITE
Mufranchisee.com/2012

CONFERENCE CHARITY

The Multi-Unit Franchising Conference is pleased again to support The Little Rock Foundation as our conference charity.

The Little Rock Foundation provides vital resources for children, parents, therapists, and educators who are facing issues related to blindness. Founded by the parents of a child living with blindness, the organization is uniquely positioned to address the needs of families who are trying to find the information and resources they need to help their child.

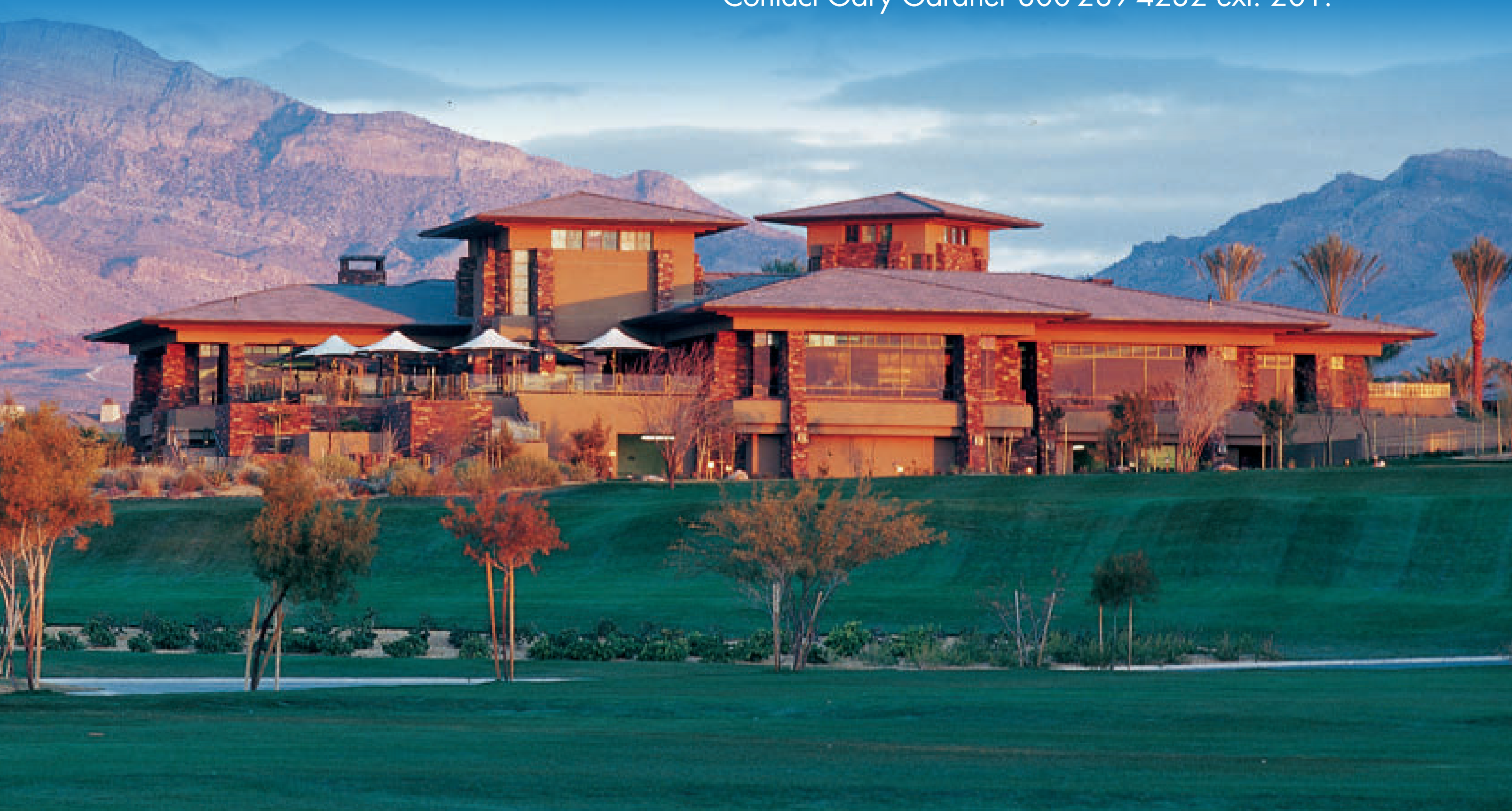
The foundation currently runs the following programs: Camp Little Rock, Family Resource centers, Workshops and Seminars for Parents, Cooking Without Looking, Holiday Party, Blindness Awareness Campaign across six states NJ, PA, DE, MI, LA, and CA.

CAMP LITTLE ROCK

THE LITTLE ROCK FOUNDATION

For more information, visit:
www.tlrf.org
www.blindnessawarenessmonth.org

REGISTER NOW online at mufranchisee.com/2012 OR CALL 1-800-289-4232 ext. 216



Multi-Unit Franchise Opportunities

FOOD | RETAIL & SERVICES

Fast Franchise Facts

Franchising Since: 2011

Multi-Unit Franchisee Operating Units: 66%

Total Franchise/Company Operating Units: 5

Capital Investment: $239,350-$821,550

Franchise Fee (per unit): $30,000 first unit; $24,000 subsequent

Royalty Fee (per unit): 6%

Advertising Fee (per unit): 4%

Earnings Claims: No

Build-Out Options: Inline, food court, stand alone, college, airport, military base, mobile

Available Territories: All areas available

Demographics

America's Taco Shop is poised to grow in urban areas with 50,000 population within a 2 to 3 mile radius.

SITE LOCATION
Assistance

We provide assistance in finding a location for your store. Additional services are available if desired.

Qualifications

Ideal candidates must have a net worth of at least $375,000 and $90,000 in liquidity. Proven leadership skills and a desire for community involvement is required. Prior restaurant experience is preferred.

Contact

Dana Mead
Director of Franchise Sales
(855) 55-CARNE (22763)
franchising@americastacoshop.com
www.americastacoshop.com

OPPORTUNITY
Description

When America Corrales, the visionary behind the authentic Mexican fare of America's Taco Shop, first came to the U.S. from her native Mexico, her most precious possession was a collection of her mother's hand-written recipes. We use those same recipes to bring the authentic taqueria to any town. We're not buying into the "American-ization" of Mexican food, that's just not what we do. We're all about offering customers real food, with real ingredients.

America's Taco Shop is led by entrepreneurial industry leader, Kahala – one of the fastest growing franchise companies in the world.

OPPORTUNITY
Description

The concept has been growing in more than a dozen countries around the world, and is now being introduced to U.S. and Canadian consumers who also appreciate Belgian beer and the cuisine that compliments an array of brewing styles. The Belgian Beer Café fills a unique niche in the U.S. and Canadian restaurant landscape, offering the following:

- An international brand
- Authentic and inviting venues
- A unique niche in the US

SITE LOCATION
Assistance

Creneau International USA provides the design and build package for the restaurant, working with your architect and contractors. You provide the layout and equipment for the back of the house that aligns with the menu and size of the location. Creneau International USA also has a complete support team assisting in training, menu, food pairing, look & feel, etc.

Fast Franchise Facts

Franchising Since: 1998

Multi-Unit Franchisee Operating Units: 50%

Total Franchise/Company Operating Units: Currently over 60 across the globe

Capital Investment: $940,000 - 2,285,000 USD

Franchise Fee (per unit): $35,000 USD

Royalty Fee (per unit): 5%

Advertising Fee (per unit): 2%

Earnings Claims: No

Build-Out Options: High density, urban or metro settings, airports, hotels, stadiums, etc.

Available Territories: All US & Canada. Call or email for details.

Contact

Erwin Himpens | *Franchise Director*
(855) 466-9222
info@belgianbeercafe.us
www.belgianbeercafefranchise.us

Demographics

We target the urban and suburban areas with high visibility, easy access, dense customer traffic. The Belgian Beer Café can also be a destination.

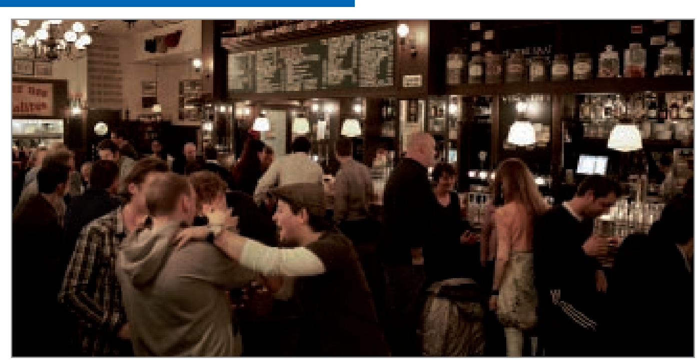
Rankings & Awards

'Stella Artois World Draught Master Contest 2011': Belgian Beer Café bartender Nanda Nkumar

'Best Bar Food 2011': Belgian Beer Café in Abu Dhabi

Qualifications

We are seeking restaurant entrepreneurs in the upper segment of the market that have a proven history of operating one or more high quality venues. He/she should have expertise in both beer and wine and the ability to motivate a team dedicated to excellent quality and service standards.



Qualifications

Bob's Big Boy is seeking franchisees committed to the operations of their restaurants and an interest in multi-unit ownership. Business and restaurant experience preferred. Financial requirements include a documented net worth of $500,000 and cash liquidity of $250,000.

Demographics

Preferred trade area criteria includes:

- Population of 30,000 within 2 miles and 10,000 daytime pop.
- Heavy traffic with mix of economic generators e.g. quality retail, business, School, and hospitals.

Fast Franchise Facts

Franchising Since: Founded in 1936, franchising since 1952.

Total Franchise Operating Units: 109 Bob's Big Boy Restaurants and 25 Frisch's Big Boy Restaurants all operating in the US.

Company Operating Units: 20 Bob's Big Boy Restaurants and 96 Frisch's Big Boy Restaurants all operating in the US.

Capital Investment: $600,000 – $3,000,000

Franchise Fee (per unit): $40,000

Royalty Fee (per unit): 4%

Advertising fee (per unit): 3%

Earnings Claims: Yes

Build-Out Options: Inline and Free Standing

Available Territories: CA, AZ, TX, LA, NM, AL, MS, FL, GA, SC, NC, WV and MD

Rankings & Awards

Hot Concept 2007

Contact

Steve Facione
Vice President of Development
(586) 755-8113
franchiseinfo@bigboy.com
www.ownabigboy.com

OPPORTUNITY
Description

Bob's Big Boy is a family casual dining restaurant, an iconic highly recognized Brand, and Home of the Original Double Deck hamburger. Bob's is making Franchise Territories available to candidates who possess a passion toward restaurant service and creating the "It's your Big Boy" guest experience.

SITE LOCATION
Assistance

Bob's Big Boy provides:

- A site criteria review package.
- Support during design and construction, as well as, sources for equipment, millwork, smallwares, and food product.
- Training of your management team.
- Strategic marketing ideas.
- A Franchise Business Director assigned in a support role.

OPPORTUNITY Description

Unique, modern, fresh and mouth-watering. These words don't even begin to describe it. Burger 21® is a new fast-casual restaurant featuring 21 chef-inspired burger creations, hand-dipped signature shakes, made-to-order salads and so much more. Our 10 hand-crafted Angus beef burgers made from fresh chuck, 10 beef-alternatives made with sushi-grade Ahi Tuna, shrimp, turkey, chicken, and black beans, and one feature burger every month provide a taste experience beyond the better burger for all ages.

Qualifications

Franchise opportunities are available as single and multi-unit franchise development agreements. Our Discovery Process will help you learn more about the Burger 21 opportunity, and the support we provide from over 25 years of franchising experience with The Melting Pot Restaurants, Inc. Minimum financial requirements per unit are $200,000 liquid capital to invest and a minimum net worth of $500,000.

Fast Franchise Facts

Franchising Since: 2011

Capital Investment: $513,495 to $733,995

Franchise Fee (per unit): $40,000

Royalty Fee (per unit): 5%

Advertising Fee (per unit): 1% plus 3% spent locally

Earnings Claims: Yes

Build-Out Options: End-caps, free standing, and inline

Available Territories: United States - please visit our website for more information

Demographics

Burger 21 restaurants are an average of 2400 to 3000 square feet situated in high visibility locations. We are targeting lunch and dinner fast-casual restaurant hubs in high traffic areas.

Contact

Ashley Pollard
Franchise Sales Associate
(813) 425-6252
apollard@burger21.com
www.burger21franchise.com

Rankings & Awards

"Burger Chain to Watch in 2012" by BurgerBusiness.com

"Best Burger" by MetroMix Tampa Bay

"Best of the Bay - Best Chain Restaurant" by Creative Loafing Magazine

"Top 50 Restaurants in the Tampa Bay" by the Tampa Bay Times

SITE LOCATION Assistance

Our Vice President of Real Estate helps franchisees throughout the site selection and lease negotiation process, while our experienced construction and design team will provide you with customized assistance from the first stages of development through the final construction phase.

Fast Franchise Facts

Franchising Since: 1986
Multi-Unit Franchisee Operating Units: 485
Total Franchise Operating Units: 780
Company Operating Units: 295
Capital Investment: $453,000 to 627,200 excluding real estate
Franchise Fee (per unit): $30,000
Royalty Fee (per unit): 4%
Advertising Fee (per unit): 5%
Earnings Claims: Yes
Build-Out Options: Free Standing, Inline, End Cap, Conversion, Airports, Malls
Available Territories: United States

Demographics

Our primary focus markets are in the northeast and mid-west but are growing in most major markets across the country. We have identified potential locations in our available markets.

SITE LOCATION
Assistance

Checkers provides experienced real estate, site selection and construction support and a complete guide to new restaurant opening and ownership.

Qualifications

Our ideal candidate has multi-unit restaurant and/or franchise experience, has a passion for Checkers and a minimum net worth of $1 million. Strong ties and an understanding of the preferred market are a plus.

Contact

Christine Elam
Sr. Manager
Franchise Development
(813) 283.7068
elamc@checkers.com

www.checkersfranchising.com

OPPORTUNITY
Description

Checkers/Rally's is the largest double drive-thru company in the United States. Our strong unit performance driven by menu items such as burgers, fries and shakes, coupled with new category extensions of chicken wings, late-night and Cold Creations provides an opportunity for successful franchisees.

We provide franchisee assistance from real estate and construction through unit opening and ongoing operations and marketing support. Our new prototype building provides an updated image and more efficient operations.

OPPORTUNITY
Description

Founded in San Antonio, TX in 1952, Church's Chicken® is a highly recognized brand name in the Quick Service Restaurant sector and is one of the largest quick service chicken concepts in the world. Church's serves up a rich tradition of gracious Southern hospitality and freshly prepared, high quality, authentic Southern style fare, to help people provide affordable, complete meals for their families. Church's menu includes flavorful chicken both Original and Spicy and crispy tenders and Southern Style Chicken sandwiches with classic sides and hand-made from scratch biscuits.

SITE LOCATION
Assistance

Church's franchisees are partnered with a dedicated Development Director as well as assistance from our Architecture and Engineering group to guide them through the site selection and development process.

Contact

Patricia Perry
Director/Franchising and Development
(770) 512-3943
pperry@churchs.com

www.churchsfranchise.com

Fast Franchise Facts

Franchising Since: 1967

Multi-Unit Franchisee Operating Units: 54%

Total Franchise Operating Units: 1400+

Company Operating Units: 260

Capital Investment: $191,300 - $1,070,100

Franchise Fee (per unit): $15,000 USD franchise fee per rest. / $20,000 development fee per rest. 3 unit requirement.

Royalty Fee (per unit): 5%

Advertising Fee (per unit): 5%

Earnings Claims: Yes

Build-Out Options: Free-standing, including Build to Suit, Ground Up and Ground Lease, Inline, Convenience Store or Travel Plaza, 2nd Generation Conversions.

Available Territories: : AL, AZ, CA, FL, GA, IL, IN, LA, MI, MO, NC, NM, OH, PA, TN, VA, WA, WI

Demographics

30,000 – 40,000 population in 2 mile radius (urban and suburban) and 15,000 in trade area for rural areas (small town). We prefer sites with high visibility, full movement access, maximum signage, traffic count of 25,000 ADT, signalized corner, Mall/out parcels and off-highway locations.

Rankings & Awards

One of the 50 Top Franchises for Minorities as selected by World Franchising Network from 2008 - 2011

Ranked 34th in Entrepreneur Magazine's Franchise 500 for 2012

Qualifications

Church's Chicken is seeking potential franchisees who understand the restaurant business and who are willing to grow with a proven brand. Our financial requirements consist of a minimum of $650,000 liquid capital to invest and $1.5 million in investment capabilities. Operator must have prior restaurant operating experience.

OPPORTUNITY
Description

CiCi's Pizza is dedicated to delivering a fresh, affordable, custom pizza buffet at its more than 550 restaurants across the country. With no other significant direct competitors in the pizza buffet segment, CiCi's Pizza serves over 80 million guests and produces more than 75 million pizzas per year. Franchisees benefit from a 2-to-1 sales-to-investment ratio, which demonstrates a predictable and measurable investment opportunity. Average new restaurant sales volumes in 2011 were between $950,000 - $1 million.

SITE LOCATION
Assistance

CiCi's Pizza is dedicated to the culture of serving franchisees. From inquiry to opening, the brand's seasoned executives provide unparalleled assistance including experienced site selection and construction support, as well as a complete guide to ownership.

Fast Franchise Facts

Franchising Since: 1988

Multi-Unit Franchisee Operating Units: 219 Franchisees – 110 or 50.2% own multiple units. 11% own 5+

Total Franchise Operating Units: 561

Company Operating Units: 11

Capital Investment: $461,343-$714,912, *AVG $490,000

Franchise Fee (per unit): $30,000

Royalty Fee (per unit): 4% + (see FDD for additional information)

Advertising Fee (per unit): Greater of $2,300 or 3% of net sales%

Earnings Claims: Yes

Build-Out Options: Inline, Freestanding, Malls, Airports

Available Territories: Western U.S, Southern U.S, Southeast, Mid Atlantic, and Northeast

*Net of Tenant Allowance.

Contact

Bruce Evans | *Vice President of Franchise Development*
(972) 745-9318
bevans@cicispizza.com

www.cicispizza.com

Demographics

CiCi's Pizza is positioned to grow in targeted markets across the country and is seeking multi-unit operators that have an entrepreneurial spirit and a passion for community involvement and the families we serve. Well-defined commercial areas with high exposure and a strong employment base preferred.

Qualifications

At CiCi's Pizza, culture is key. Ideal candidates should have an entrepreneurial spirit, strong financial background and possess multi-unit or multi-brand experience. Single-unit opportunities are available based on market preference. Candidates are required to demonstrate a minimum of $250,000 in liquid capital, a net worth of $750,000 per unit, and a credit score of 700+.

Rankings & Awards

Zagat's most child-friendly fast-food chains. First in category Entrepreneur Franchise 500. Inc. Top 5,000. Parent's top family-friendly restaurants. #1 sales and unit growth among pizza chains in Nation's Restaurant News.

OPPORTUNITY
Description

At CKE Restaurants, The Food is the Franchise®, and Franchisees Are Our Future. Our best-in-class menu consistently out-delivers the competition. CKE's innovative menu strategy is focused on developing premium, sit-down restaurant-quality menu items that offer the convenience and value of fast food. The Carl's Jr.® and Hardee's® menus are designed to give fast-food customers what they want: bigger, better burgers. Carl's Jr.® and Hardee's® use edgy, irreverent advertising to create two of the strongest and most recognized brands in the industry.

SITE LOCATION
Assistance

CKE provides franchisees with the development tools they need to grow. CKE assists with site selection, restaurant design, equipment ordering, construction and training. CKE offers a flexible building prototype designed to manage upfront restaurant costs.

Fast Franchise Facts

Franchising Since:
Carl's Jr.® founded 1941 | Hardee's® founded 1961

Multi-Unit Franchisee Operating Units:
Carl's Jr.®: 96.6% of stores, 75.3% of Franchisees
Hardee's®: 96.1% of stores, 60.3% of Franchisees

Total Franchise Operating Units:
Carl's Jr.®: 692 | Hardee's®: 1,294

Company Operating Units:
Carl's Jr.®: 425 | Hardee's®: 469

Capital Investment:
Carl's Jr.®: $1.3 million+ | Hardee's®: $1.1 million+

Franchise Fee (per unit): $35,000 with a reduction for additional units

Royalty Fee (per unit): 4%

Advertising fee (per unit): Carl's Jr.® 5.5% | Hardee's® 5%

Earnings Claims: Yes

Build-Out Options: Free Standing with Drive-Thru, Airport & Mall locations, Colleges & Universities, Sports Stadiums & Arenas, Build-to-Suit Opportunities

Available Territories: Carl's Jr.®: Western U.S. & International; Hardee's®: Midwestern, Southern & Eastern U.S.

Demographics

Carl's Jr.® - Residential population: 25,000+; Daytime population: 11,000; 55% 18-49; Annual growth rate: 2.5%; Home ownership 66%; Average household income $35,000+

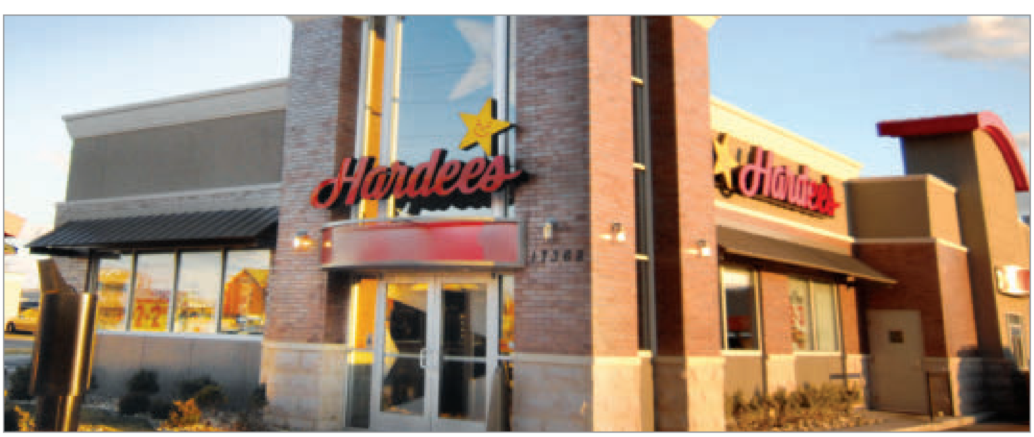
Hardee's® - Residential population: 25,000+; Daytime population: 11,000; 55% 18-49; Annual growth rate: 2.5%; Home ownership 66%; Average household income $30,000+

Rankings & Awards

Both Carl's Jr.® and Hardee's® rank among the top 3 hamburger brands in the Entrepreneur Magazine 2012 Franchise 500.

Qualifications

CKE Restaurants is seeking exceptional franchise candidates who have experience operating multiple restaurant and/or hospitality locations and the ability to acquire prime commercial real estate. We require our candidates to have substantial financial resources, with a minimum of $300,000 in liquid assets and a minimum net worth of $1,000,000 per unit developed, with a minimum 3-store commitment.



Contact

Michael D'Arezzo
VP Franchise Sales
North America, Carl's Jr.®

Tricia More
Director of Franchise Sales
North America, Hardee's®

(866) 253-7655
www.ckefranchise.com

Fast Franchise Facts

Franchising Since: 2004

Multi-Unit Franchisee Operating Units: 95%

Total Franchise Operating Units: 234

Company Operating Units: 8

Capital Investment: $492,000 to 928,000

Franchise Fee (per unit): $30,000

Royalty Fee (per unit): 6%

Advertising Fee (per unit): 2%

Earnings Claims: No

Build-Out Options: Inline, free standing, and non-tradtional opportunities

Available Territories: US

Demographics

Costa Vida locations are 2,600 to 3,200 square feet and have excellent visibility and easy access.

SITE LOCATION

Assistance

Costa Vida uses the latest analytics tools available to assist you in mapping out and developing your area.

Qualifications

Costa Vida seeks Multi-unit franchisees that have strong management and operational experience. We seek those that have a passion for the restaurant business and who can fit within the brand culture.

Contact

Timothy Howden
Franchise Sales Coordinator
(801) 797-2374ext. 410
thowden@costavida.net

www.costavida.net

OPPORTUNITY

Description

Since 2003, Costa Vida has been creating new consumer passion for an exciting "Fresh-Mexican Grill" concept in the fast casual world With its beach themed environment, and award winning fresh food, Costa Vida provides its guests with the highest quality, freshest ingredients and made from scratch tortillas and food that keeps its customers craving the wave! With 234 franchises sold in 12 states and Canada, Costa Vida is riding the "Fresh-Mexican Grill" wave to the top.

Rankings:

2010 and 2011 Best of State Mexican Restaurant
Recognized in the Inc. 500/5000

OPPORTUNITY Description

The Nation's No. 2 Mexican quick serve chain, Del Taco first opened in 1964 serving up freshly prepared classic Mexican menu items along with American favorites. With high quality ingredients such as freshly grated cheddar cheese, hand-made salsa, slow-cooked lard-free beans and marinated chicken grilled fresh every hour Del Taco's core menu focuses on value/quality, With consistently strong sales and growth capabilities, Del Taco has grown to more than 532 locations in 17 states.

SITE LOCATION Assistance

Del Taco employs sophisticated demographic and analytical tools to guide new markets. The Director Franchise Development will educate franchisees on the real estate development process, including real estate broker selection, site selection, construction management and equipment vendors.

Fast Franchise Facts

Franchising Since: 1990

Multi-Unit Franchisee Operating Units: 40%

Total Franchise Operating Units: 245

Company Operating Units: 287

Capital Investment: $350,000 - $1,100,000

Franchise Fee (per unit): $35,000

Royalty Fee (per unit): 5%

Advertising Fee (per unit): 4%

Earnings Claims: Yes

Build-Out Options: Free-standing or end cap with drive thru, conversion, food court, c-stores

Available Territories: West, Southwest, Southeast and MIdwestern States

Contact

Laura Tanaka
Director Franchise Development - West
(949) 462-7379
ltanaka@deltaco.com

Eric Edwards
Director Franchise Development - East
(214) 870-3888
eedwards@deltaco.com

www.deltacofranchise.com

Demographics

Del Taco's target customers are between 18–49 who seek great food for a good value in a convenient location. Restaurants need maximum signage, excellent visibility, major signalized intersection or adjacent to main entrance of anchored centers. 35,000+ people with 10,000+ daytime population in primary trade area. Household income $40,000+

Rankings & Awards

Consistently ranks in the top 50 chains by QSR Magazine.

Among the NRN Top 100 chains.

Del Taco's Double Del Cheese-burger has been voted best burger by Southern CA newspaper

Qualifications

Del Taco seeks a minimum liquidity of $350,000; minimum net worth of $750,000; Franchisee or Operating Partner with restaurant management experience; Operator is an equity partner of at least 10%; Operator resides in the desired market and has local market knowledge; Desire for multi-unit development of 2 or more; Dedication to operational excellence.

OPPORTUNITY Description

There's never been a better time to join Denny's! Our New & Emerging Markets program offers incentives for opening multiple restaurants in the U.S., and we have recently secured a lending source to benefit both new and existing franchisees. We are focused on helping our franchise system grow and provide aggressive, long-term franchise development programs backed by industry-leading support systems. If you're an experienced retail/restaurant multi-unit developer with an interest to add a growth brand, check us out at dennysfranchising.com.

SITE LOCATION Assistance

Denny's provides an experienced team of professionals to guide you through the development process. Our standard prototype can be built from the ground up or converted from existing space in a wide range of settings, including freestanding or multi-use retail sites, travel centers, hotels and casinos.

Fast Franchise Facts

Franchising Since: founded 1953, franchising since 1963

Multi-Unit Franchisee Operating Units: 82%

Total Franchise Operating Units: 1,477

Company Operating Units: 205

Capital Investment: $700,000–2.4 million

Franchise Fee (per unit): $40,000

Royalty Fee (per unit): 4%

Advertising fee (per unit): 4%

Earnings Claims: Yes

Build-Out Options: Inline, Free Standing, Travel Centers and Conversions

Available Territories: All U.S., call for details

Contact

Doug Wong
Director of Franchise Recruitment
(864) 597-8705
DWong@dennys.com

www.dennysfranchising.com

Demographics

Desirable demographics would be near quality retail, near hotels and tourist attractions, colleges, or major highways. Minimum permanent population of 40,000 with a minimum traffic count of 30,000 vehicles per day on primary artery.

Rankings & Awards

#1 in Family Restaurants Category, Entrepreneur Magazine

Top 100 Chains in Food Service Sales in Nation's Restaurant News

Top 50 Franchises for Minorities USA Today

Top 25 Franchises for Hispanics Poder Magazine

Bond's Top 100 Franchises

Qualifications

Denny's is seeking franchise partners who understand the restaurant business. Our recruiting process is designed to help you understand the Denny's opportunity and identify ideal markets where you can grow with the Denny's brand. Minimum financial requirements are $350,000 liquid capital to invest and $1 million net worth. Operator must have restaurant operating experience.

DUNKIN' DONUTS
AMERICA RUNS ON DUNKIN'®

OPPORTUNITY
Description

Dunkin' Donuts, America's favorite every day, all-day stop for coffee and baked goods, continues to implement a steady and strategic growth plan to increase its franchised locations across the U.S. To ensure this success, the company has extensive franchisee programs including brand training, franchisee business management and human resources. Franchisees are supported by an experienced field team including field marketing, development and operations.

Rankings & Awards

#1 in Customer Loyalty by Brand Keys for five years; ranked by Entrepreneur Magazine as #1 in Coffee Category.

SITE LOCATION
Assistance

Dunkin' Donuts team works with franchisees to effectively navigate through the many challenges of site selection and development.

Contact

Pamela Gore
Sr. Manager, Franchise Recruitment

(781) 737-3432
dunkinfranchising
@dunkinbrands.com

www.dunkinfranchising.com

Fast Franchise Facts

Franchising Since: 1955

Multi-Unit Franchisee Operating Units: 95%

Total Franchise Operating Units: 10,000 (Global)

Company Operating Units: 11

Capital Investment: $310,250 to $1,771,300 (cost estimates are based on strip center end cap restaurant)

Franchise Fee (per unit): $40,000 to $80,000 (varies by market)

Royalty Fee (per unit): 5.9%

Advertising fee (per unit): 5%

Earnings Claims: N/A

Build-Out Options: Free-Standing Stores, End Caps, In-Line Sites, Gas and Convenience and Non-traditional Locations

Available Territories: : Midwest, Mid-Atlantic and Southeast, GA, LA, WI, OK, TN, NM, NC, TX, AL, CO, NE (Visit website for available markets)

Demographics

- Strong residential populations
- Drive-thru
- Minimum 20,000 ADT
- Superior real estate positioning
- Morning drive side
- Strong vehicular visibility
- Prototypical signage
- Limited obstructions that may impact customer reaction time
- Minimum of one parking space per table with a min. of 18 seats
- Option for 24 hour operations

Qualifications

Franchising opportunities range from one unit to multi-unit store development agreements. Ideally, franchisees should possess a minimum net worth of $500,000 and liquid assets of at least $250,000 per unit which will vary based on the opportunity available by market. Management teams should possess prior restaurant and/or foodservice operations experience.

East Coast Wings & Grill
FEEL THE FLAVOR TASTE THE HEAT®

Fast Franchise Facts

Franchising Since: 2003
Multi-Unit Franchisee Operating Units: 63%
Total Franchise Operating Units: 22
Company Operating Units: 1
Capital Investment: $350,000-650,000
Franchise Fee (per unit): $20,000-30,000
Royalty Fee (per unit): 4-5%
Advertising Fee (per unit): 2%
Earnings Claims: Yes
Build-Out Options: Typically in-line, some freestanding, lease
Available Territories: Licensed in 31 states, concentrating currently in southeastern US expansion

Demographics

Locations with national grocery /power center anchors; 45,000-65,000 population minimum in 3-mile radius; high-visibility from major traffic arteries (20,000+ count), with local community hub.

SITE LOCATION
Assistance

ECW&G provides hands-on assistance selecting, reviewing, approving and negotiating best site options. We'll guide you through the entire process!

Qualifications

Business professionals with management experience and/or previous restaurant experience. Must share our passion and brand philosophy. Must have entrepreneurial spirit with a min net worth of $850,000 and liquid asset requirement of $250,000 for single-unit.

Contact

Lee Easley
VP of Real Estate - Unit Development
(336) 760-4985 ext.103
vls@eastcoastwings.com

www.eastcoastwings.com

OPPORTUNITY
Description

Franchising since 2003, ECW&G franchisees have reported above industry average EBITDA, while the brand has just celebrated 32 consecutive same store sales growth quarters. WIth nationally recognized, award-winning wing sauce, over 675 flavor combinations and a wide-variety menu with fresh product - this fast-casual concept is a leader in customer satisfaction. Our management team is focused on continued support to the franchisee in all aspects of development, training and operations.

Rankings:

1st place, National Buffalo Wing Festival

1st place, Carolina Wing Festival

Edible ARRANGEMENTS
franchise opportunity

OPPORTUNITY
Description

At Edible Arrangements®, We Know Fruit®. Our innovative and beautiful fresh fruit bouquets, tantalizing chocolate dipped fruit, fresh fruit juices, smoothies, and salads are "wowing" people all over the world. With over 1,100 retail locations in 14 countries, Edible Arrangements® continues to grow by offering multi-unit opportunities.

SITE LOCATION
Assistance

Site selection is strategically planned through demographic modeling technology to help you find the best location. An in-demand retail center with a high amount of foot traffic is ideal for an Edible Arrangements store.

Fast Franchise Facts

Franchising Since: 1991

Multi-Unit Franchisee Operating Units: 484

Total Franchise Operating Units: 1,101

Capital Investment: $150,000-$300,000

Franchise Fee (per unit): $20,000-$30,000

Royalty Fee (per unit): 5%

Advertising Fee (per unit): 2%

Earnings Claims: Yes

Build-Out Options: Yes

Available Territories: US

Demographics

Our loyal customer base consists largely of women who are working professionals, time-starved, and looking for unique solutions for gifting and entertaining.

Contact

Eric O' Connor
VP of Franchise Development
(888) 727-4258
eoconnor@
ediblearrangements.com

www.EAFranchise.com

Rankings:

- Ranked #1 in its category on Entrepreneur Magazine's Franchise 500 six years in a row, this opportunity has never been more attractive.
- Named one of the Top 10 hottest retail concepts by the International Council of Shopping Centers in 2010.
- Named one of the "10 Most Promising Franchises for 2011" by Inc. Magazine.
- Recently ranked #9 on the "Top 20 Franchises to Start" by Forbes.com.
- On Inc. Magazine's "Top 500 Fastest-Growing private companies in America" for the 6th year in a row.

Qualifications

- $500,000 net worth
- Prepared to invest $250,000

OPPORTUNITY
Description

Einstein Bros.® Bagels is the World's Largest Bagel brand and a leader in both the fast casual and breakfast restaurant segment. We own and operate over 350 Einstein Bros. Bagels restaurants which help us to suport our franchisees and improve our systems and brand on a constant basis. We have experienced signficant growth in our gourmet coffee, catering and lunch sales and have strategic territories and markets available for operators looking to grow.

SITE LOCATION
Assistance

Einstein Bros. Bagels assists our franchisees with an experienced team of real estate professionals. We help you engage with your local market experts and use current technological tools to promote the selection and identification of prime restaurant sites.

Fast Franchise Facts

Franchising Since: Founded in 1995 - franchising since 2007

Multi-Unit Franchisee Operating Units: 228

Total Franchise Operating Units: 257

Company Operating Units: 358

Capital Investment: $536,300 - 828,850

Franchise Fee (per unit): $35,000

Royalty Fee (per unit): 5%

Advertising Fee (per unit): 4%

Earnings Claims: Yes

Build-Out Options: End cap, free standing, conversions plus airports + colleges

Available Territories: All U.S. - call for details

Contact

John Hyduke–West
1(800) 224-3563
(303) 568-8189
jhyduke@einsteinnoah.com

Steve Bailey–East
1(800) 224-3563
(303) 968-4482
sbailey@einsteinnoah.com

Demographics

Best on the "breakfast" side of the road and in close proximity to office, hospital, and retail outlets. We search for dense daytime population backed up with solid residential population. Strong traffic counts of at least 25,000 vehicles per day. Typically looking for higher income and education levels.

Qualifications

Einstein Bros. is seeking experienced restaurant operators who share our passion for excellence in execution and our vision for multi-unit development. Your protected development territory is typically based on a restaurant commitment of 5 - 7 stores. Franchise partners need a combined Net Worth of $2.5M and Liquid Assets of $1M.

Rankings & Awards

Top 50 Franchise Satisfaction Award – Franchise Business Review, 2009 and 2010

Top 50 Restaurant Brands – QSR Magazine 2011

Top 10 Healthiest Fast Food Restaurants by Health Magazine, 2009

Top 200 Restaurant Brands – Franchise Times Magazine, 2009 and 2010

FIREHOUSE SUBS
FOUNDED BY FIREMEN™

OPPORTUNITY
Description

Firehouse Subs is actively seeking multi-unit restaurant developers who possess the desire to maximize their territory's sale, have strong financial backgrounds and bring a serious passion for the communities they will serve. To ensure success, the company offers extensive training programs, comprehensive operating systems and support, development and construction experts, and field marketing managers geared to simplify operations and help build business.

Fast Franchise Facts

Franchising Since: 1995

Multi-Unit Franchisee Operating Units: 128

Total Franchise Operating Units: 468

Company Operating Units: 29

Capital Investment: $200,300-$385,675

Franchise Fee (per unit): $20,000

Royalty Fee (per unit): 6%

Advertising Fee (per unit): 3%

Earnings Claims: Yes

Build-Out Options: end-cap, in-line and non-traditional retail environments

Available Territories: Southwest, Southeast, Northeast, and Midwest

Qualifications

Franchising opportunities range from one unit to multiple store development agreements. Ideally, franchisees should possess a minimum net worth of $300k and liquid assets of at least $90k, but financial qualifications will vary based on the opportunity.

Contact

Greg Delks
CFE, Director of Franchise Development
(904) 886-8300 ext. 239
gdelks@firehousesubs.com

www.FirehouseSubs.com/Franchising

Demographics

Firehouse Subs is actively seeking multi-unit franchise candidates to develop restaurants in cities such as Philadelphia, PA, Chicago, IL, Houston, TX, Phoenix, AZ, Las Vegas, NV, Los Angeles, CA, Minneapolis, MN and Columbus, OH among many other locations across the country.

SITE LOCATION
Assistance

Firehouse Subs provides you with the tools and guidance to effectively indentify and secure the ideal site for development.

Rankings:

#1 on FastCasual.com's 2011 list of "Top 100 Movers and Shakers," ZAGAT 2010 Top-rated in Service, #8 on Technomic's 2011 list of "Fastest Growing Restaurant Chains.

OPPORTUNITY Description

Fuddruckers® operates and franchises restaurants that specialize in high quality, upscale hamburgers in a variety of sizes that are cooked to order. We use only the freshest ingredients and we give our guests the "power of choice." We encourage guests to garnish their own entrees by providing an array of farm-fresh produce and condiments. Our restaurants sserve 100% USDA fresh, never frozen premium beef, and feature on-premise bakeries where bread and dessert items are baked fresh daily.

Fast Franchise Facts

Franchising Since: 1984

Multi-Unit Franchisee Operating Units: 65%

Total Franchise Operating Units: 122

Company Operating Units: 58

Capital Investment: $250,000 to 400,000

Franchise Fee (per unit): $50,000

Royalty Fee (per unit): 5%

Advertising Fee (per unit): 0.25%

Earnings Claims: Yes

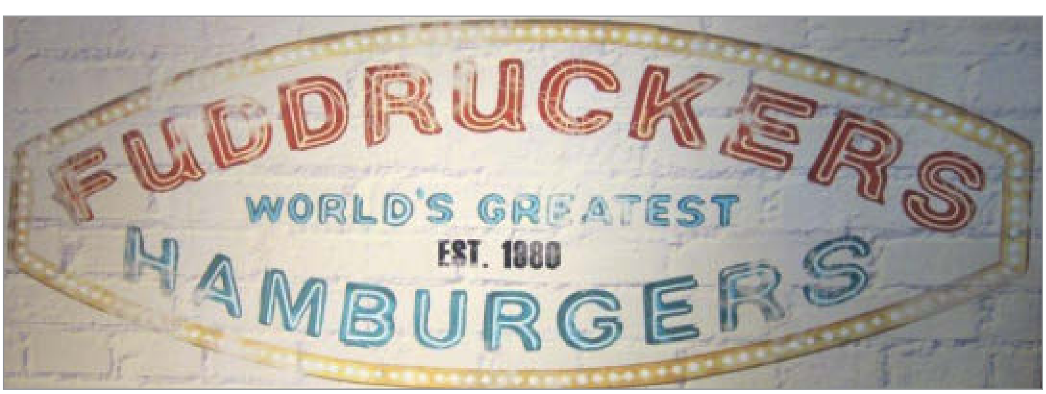
Build-Out Options: Free Standing, End Cap, and Non-Traditional Venues

Available Territories: Territories available throughout the U.S.

Contact

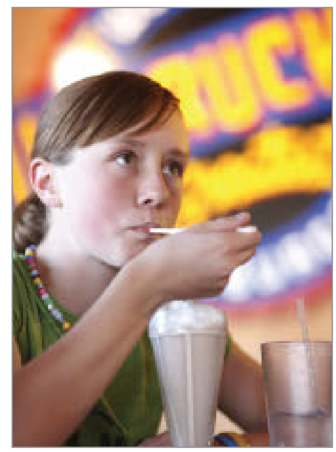
Keith Coleman | *Vice President of Franchise Development*
(800) 886-4600
keith.coleman@fuddruckers.com

www.fuddruckers.com



Demographics

- Minimum population of 50,000 in a 3-mile radius
- Average household income of $55,000 and above
- Predominance of families and children
- Concentration of offices and/or retail centers
- Employee population 20,000 in a 3-mile radius
- Traffic counts of 30,000+ cars a day



Qualifications

Potential Fuddruckers franchisees must be committed to being hands-on owner/operators and following through with all training requirements. Minimum financial requirements include having liquid resources of $250,000 to $400K and a net worth of $750,000 to $1 million dollars.

SITE LOCATION Assistance

Fuddruckers provides site selection support, demographic information, broker coordination services, site survey trips, and architectural and bid review.

Fast Franchise Facts

Franchising Since: 1974

Multi-Unit Franchisee Operating Units: 36%

Total Franchise Operating Units: 607

Company Operating Units: 23

Capital Investment: $450,500-638,000

Franchise Fee (per unit): $25,000

Royalty Fee (per unit): 6%

Advertising Fee (per unit): 0%

Earnings Claims: No

Build-Out Options: Free-standing units or inline for traditional operations

Available Territories: Multiple regions in U.S.

Demographics

Minimum population base required for traditional unit is 20,000; if Delco unit is added the minimum for both is 50,000. For populations over 100,000, Area Development Agreement may be required.

SITE LOCATION Assistance

Godfather's Pizza offers demographic analysis, on-site evaluation and an equipment and dining room layout service.

Qualifications

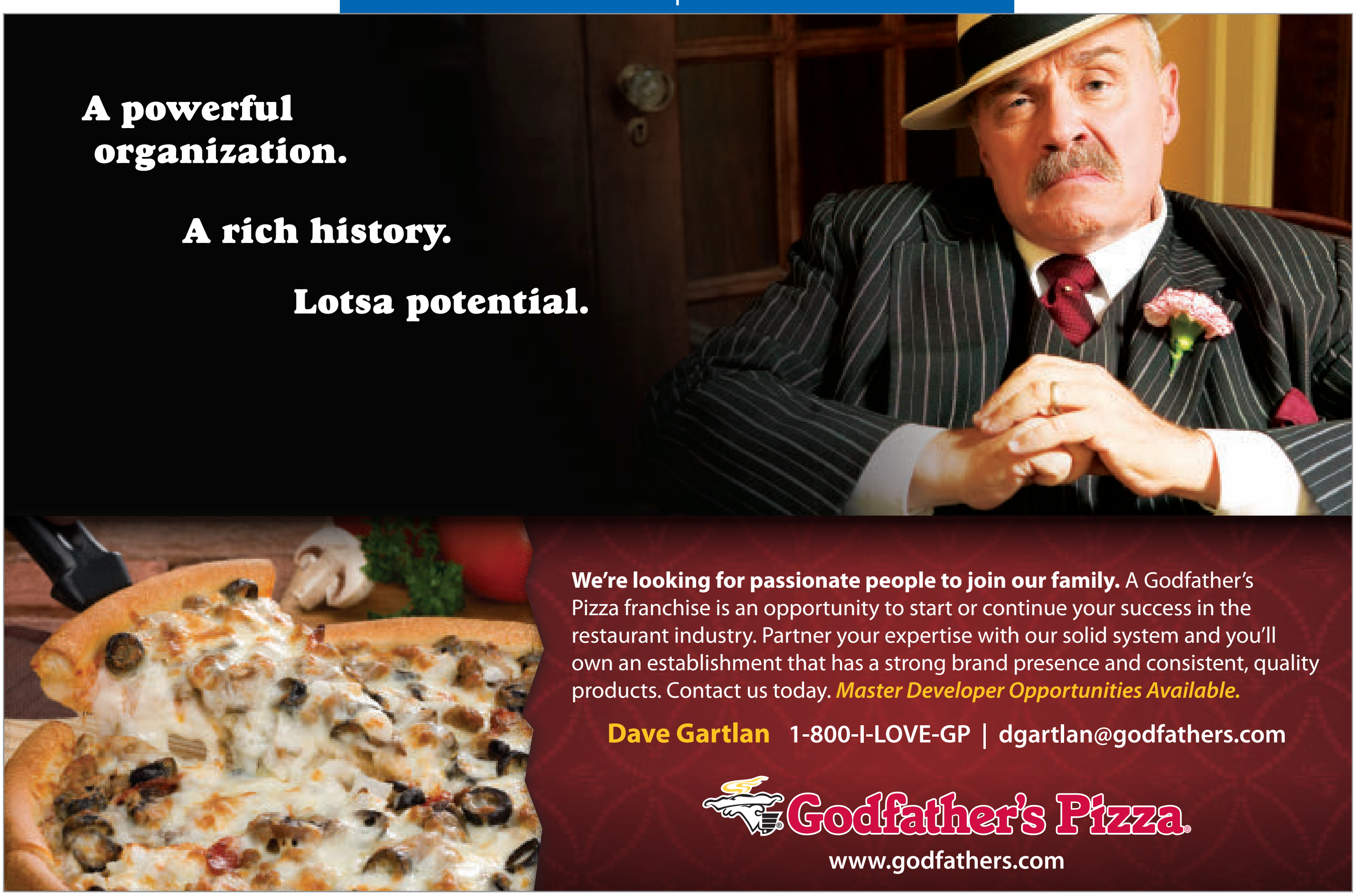
Prospective franchisees need a minimum net worth of $200,000 and liquidity of $100,000. Restaurant experience is preferred; at minimum need a management staff with at least one year's restaurant experience.

Contact

Dave Gartlan
Director of Franchise Development
402.255.2572
1-800-I-LOVE-GP
dgartlan@godfathers.com
www.godfathers.com

OPPORTUNITY Description

Godfather's Pizza makes pizza the way pizza was meant to be-an incredible crust, delicious veggies, hearty meats, and mountainous amounts of real cheese. In our 38 years, our products have grown to include a variety of sides and an unmatched buffet. We offer franchisee extensive training and operational support, both pre-opening and on-going. Each franchisee is assigned a Franchise Marketing Manager to help develop sales-generating campaigns. Area and Master Developer opportunities. Miliary Veteran program availabe.



Golden Corral Buffet & Grill

OPPORTUNITY

Description

Golden Corral is a grill-buffet, family-style restaurant featuring display cooking, charbroiled USDA steaks, a 160-item buffet/salad bar with a meat carving station, seafood station, Italian foods, Asian foods, in-house bakery that offers fresh breads, muffins, cookies, pies, cakes, and The Chocolate Wonderfall fondue dipping fountain—where guests may dip strawberries and other sweet treats. The 120-item, weekend-only breakfast buffet features eggs and omelets cooked to order, bacon, sausage, pancakes, waffles, and fresh cinnamon rolls.

Operational Support: Golden Corral uses an integrated system of ongoing support. East and West regions each have a vice-president of operations that provides ongoing marketing, training, and operational support. Contact is weekly with a Franchise Service Consultant (FSC), with quarterly visits by FSC and quality assurances inspectors. There is an annual national convention, semi-annual regional meetings and quarterly training meetings

Training: A 10-week training program for general and associate managers covers all aspects of restaurant management and operations.

Fast Franchise Facts

Franchising Since: 1986, founded 1973

Total Franchise Operating Operating Units: 388

Company Operating Units: 97

Capital Investment: $1,953,900–$6,756,500 (estimated)

Franchise Fee (per unit): $50,000 (15-year term)

Royalty Fee (per unit): 4% of sales

Advertising fee (per unit): 2% – 6% of sales

Earnings Claims: Yes

Build-Out Options: Conversions, End Caps, In Lines (after first free standing unit)

Available Territories: Continental United States

Demographics

Golden Corral has broad social and economic support with an offering and service style that appeals to a large segment of the population. Golden Corral's direct appeal is to value conscious singles, families and seniors of all ethnic backgrounds.

Contact

Annette Bagwell
Franchise Sales &
Legal Assistant
(800) 284-5673 X 4479
abagwell@goldencorral.net

www.goldencorralfranchise.com

Qualifications

Verifiable net worth of $2,500,000 in investment group with $500,000 liquid or cash equivalents. (Third-party financial assistance is available in pools of funds from over 40 of the nation's leading lenders.) Restaurant experience required within group. Applicant(s) must demonstrate necessary energy and successful experience to develop single- and multi-unit restaurants. Must recognize and reward employees/co-workers as valuable human resources.

SITE LOCATION

Assistance

Golden Corral uses analytical tools and demographic databases to identify markets and approve sites. Full-time Directors of Real Estate guide franchisees in site selection, real estate negotiations and development.

Rankings & Awards

In 2012, ranked #1 franchise in the buffet restaurant category by Entrepreneur Magazine.

In 2011, ranked #1 in the grill-buffet segment for 14 years by Nation's Restaurant News.

In 2009, Restaurants & Institutions ranked Golden Corral #1 in Consumer's Choice in cafeteria/buffet chains.

OPPORTUNITY
Description

Hungry Howie's was born in 1973 when Jim Hearn converted a 1,000 sq. ft. hamburger shop in Taylor, Michigan into a successful carry out & delivery pizzeria. Around this same time, Hearn hired a delivery driver named Steve Jackson. Over the years, their relationship evolved into a partnership. In 1983, they awarded their first franchise. The popularity of Hungry Howie's spread quickly. Today, we are approaching 600 locations in 24 states.

Rankings & Awards

2012 Entrepreneur Magazine Top 100 Franchise Opportunities

2004 Pizza Chain of the Year

SITE LOCATION
Assistance

Hungry Howies uses a sophisticated mapping system combined with a local area broker to identify potential sites. Once a site is chosen, Hungry Howie's will assist with lease negotiations and guide franchisees through construction.

Fast Franchise Facts

Franchising Since: 1983

Multi-Unit Franchisee Operating Units: 75%

Total Franchise Operating Units: 560

Company Operating Units: 0

Capital Investment: $225,000-$358,000

Franchise Fee (per unit): $20,000

Royalty Fee (per unit): 5%

Advertising fee (per unit): 3%

Earnings Claims: Yes

Build-Out Options: Inline and freestanding locations with high visibility, malls and airports

Available Territories: Territories for multi-unit development are available across the country.

Demographics

Hungry Howie's will consider all demographics. We typically look for high traffic areas with a strong household presence within a 1-3 mile radius depending on the size of the market.

Qualifications

Financial Requirements per location:

- $100,000 Liquid Assets
- $300,000 Net Worth
- Positive Credit History

Other requirements include:

- Business and/or Food Service Experience necessary
- Minimum Unit Requirements vary based on market

Contact

Tim Lipka
Director of Franchise Development
(248) 824-3462

www.hungryhowies.com

in the box

OPPORTUNITY
Description

In select Jack in the Box seed markets, growth starts with an acquisition. You can franchise recently opened company restaurants and use these locations as a platform for future market development.

New Market Development Program*:

- Royalty fees reduced for up to 5 years
- Up to $50,000 in franchise fees waived
- Up to 75% of your advertising fees invested in local marketing efforts

*Per location. Certain restrictions apply Development fee still applicable.

SITE LOCATION
Assistance

Jack in the Box uses demographic and analytical tools to guide development in new markets. We help educate franchisees on the real estate development process, including broker selection, site selection and construction management. Real Estate Managers and Construction Managers will assist in these areas.

Qualifications

Multi-unit restaurant operations experience; Minimum liquidity of $750,000; Minimum net worth of $1.5 million; Ability to acquire and/or develop at least 5 restaurants; Operating partner is an equity partner and resides in the desired market.

Fast Franchise Facts

Franchising Since: 1982, founded 1951

Multi-Unit Franchisee Operating Units: 72%

Total Franchise Operating Units: 1592

Company Operating Units: 633

Capital Investment: $1,208,900 - $2,510,900

Franchise Fee (per unit): $2,500 per year (up to 20 years)

Royalty Fee (per unit): 5% of gross sales

Advertising fee (per unit): 5% of gross sales

Earnings Claims: Yes

Build-Out Options: Free-standing drive-thru, multiple footprints; walk-ups; airports

Acquire Seed Markets: Cincinnati, Indianapolis, Kansas City, Oklahoma City, Tulsa

Acquisition Only Markets: Austin, Baton Rouge, Beaumont, Charlotte, Greenville/Spartanburg, Nashville

Development Markets: Amarillo, Champaign, Little Rock, Louisville, Salt Lake City

Demographics

In core markets, Jack in the Box is a convenience driven restaurant chain. A vast majority of our guests come from within two miles of the restaurant, or six minutes driving time. The typical population within one mile of the restaurant is 15,000-20,000 and employment is 5,000. Average daily traffic past the restaurant is 20,000-30,000.

And now a few words about Franchising from our CEO:

"Do it."

Rankings & Awards

10 EFFIES (1995-2010), IAFP's Black Pearl Award (June 2004), NRN's Menu Masters Award (June 2007), NRN's Golden Chain Award (August 2007), NRN's Technology Innovation Award (October 2007), QSR Applied Technology Award for Local Restaurant Marketing (2010), FBR's Franchisee Satisfaction Award (2011).

Contact

Grant Kreutzer
Director, Franchise Licensing & Recruitment
(858) 571-4091
grant.kreutzer@jackinthebox.com
www.jackinthebox.com/franchise

THE JOINT
...the chiropractic place®

OPPORTUNITY
Description

Founded in 1999, The Joint was created to promote and deliver the health benefits of routine chiropractic care. A rapidly changing chiropractic industry left providers searching for an alternate means to meeting the needs of patients in an otherwise conventional healthcare structure. On a mission to meet the needs of both patient and chiropractor, The Joint set out to transform the traditional and often misunderstood practice of chiropractic care into a strong, valuable business.

Qualifications

Financial Qualifications:
$350,000 net worth
$150,000 liquid assets

Single and multi-unit franchises available, successful business history needed

Sales skills necessary, people skills a must; previous franchise ownership desired

Demographics

Minimun population of 75,000, median household income of $50,000.

Contact

Chad Everts
Vice President of Development
(480) 245.5960
ceverts@thejoint.com

thejoint.com

Fast Franchise Facts

Franchising Since: 2005

Multi-Unit Franchisee Operating Units: 61%

Total Franchise Operating Units: 36

Company Operating Units: 1

Capital Investment: $90,000 to $130,000

Franchise Fee (per unit): $29,000

Royalty Fee (per unit): 7%

Advertising Fee (per unit): 1%

Earnings Claims: No

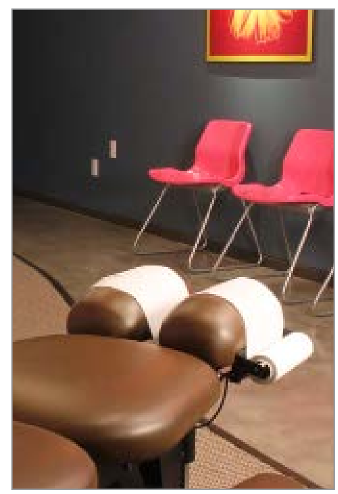
Available Territories: 50 States

SITE LOCATION
Assistance

Support through the entire development process from identifying profitable site opportunities to negotiating a favorable lease. Additionally we offer fully detailed construction support – from the space plan to the specified accessories.

Rankings & Awards

Entrepreneur Magazine
Hot Franchise to Watch 2012



KOLACHE FACTORY®
a history of good taste.

Demographics

Market demographics are based on a minimum three mile population of 60,000, with a minimum household income of $60,000. Kolache Factory looks for high traffic areas over 40,000 cars per day with high visibility.

SITE LOCATION
Assistance

Kolache Factory will work with you in identifying a favorable site, and help you locate a real estate broker who can assist with lease negotiations.

Qualifications

Multi-unit restaurant operations experience; Minimum liquidity of $750,000; Minimum net worth of $1.5 million; Ability to acquire and/or develop at least 5 restaurants; Operating partner is an equity partner and resides in the desired market.

Rankings:

Houston Business Journal's "Fast 100" 2007, 2008, 2009.

Contact

Aaron Nielsen
Director of Franchise Sales
(281) 829-6188 ext. 108
anielsen@kolfac.com

www.kolachefactory.com

Fast Franchise Facts

Franchising Since: 2000, founded 1982

Multi-Unit Franchisee Operating Units: 42%

Total Franchise Operating Units: 19

Company Operating Units: 21

Capital Investment: $340,330–474,000

Franchise Fee (per unit): $35,000

Royalty Fee (per unit): 6%

Advertising Fee (per unit): 3%

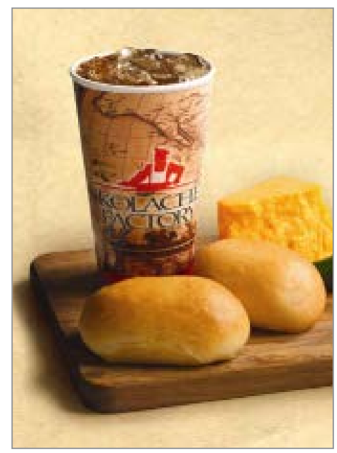
Earnings Claims: Yes

Build-Out Options: Inline, Free Standing, Airports

Available Territories: Most US States

OPPORTUNITY
Description

As a quick service, bakery-café that serves excitingly different products, Kolache Factory is experiencing tremendous success in the market. Recognizing that bakery-cafés are currently producing among the highest average retail unit volumes of any concept outside of casual dining, Kolache Factory has tremendous growth potential as a business franchise opportunity. Customers love our product because they are delicious and easy to eat on the run.



WINGS • SUBS • SALADS • GYROS

Fast Franchise Facts

Franchising Since: 1998

Total Franchise Operating Units: 3

Company Operating Units: 10

Capital Investment: $125,000-225,000

Franchise Fee (per unit): $25,000

Royalty Fee (per unit): 5%

Advertising Fee (per unit): 4%

Earnings Claims: No

Territories: Nationwide

Qualifications

Manny & Olga's™ Pizza presents an outstanding business opportunity in the burgeoning industry of takeout/delivery pizza and sandwiches. We will be selecting qualified individuals to own and operate a select number of frnachise units. If you share our dedication to exceptional customer service, have a commitment to delivering top quality food products, and understand the value of providing hands-on ownership in the daily operation of you own business, let's talk!

OPPORTUNITY
Description

Manny opened his first restaurant in 1974, with the Manny & Olga's™ name coming later, in 1993. Why the name "Manny & Olga's™"? It incorporates his name and that of his daughter. Manny has solid family values that continue to inspire him -- and win over customers -- to this day. Together, the Athanasakis family proudly carries out their family tradition of making top quality food, delivered with warm hospitality.

Demographics

Manny & Olga's™ has developed a comprehensive support system to help franchisees with everything from start-up and marketing, through day-to-day operations. We'll share with you the procedures, recipes and service philosophies that we've developed throughout our years of experience in the industry.

SITE LOCATION
Assistance

While it is the responsibility of the franchisee to build their own successful Manny & Olga's franchise, it is our responsibility to insure that the franchisee is provided with all of the support, tools and knowledge necessary to do so. We, at the corporate level of Manny & Olga's, take this responsibility to our franchisees very seriously.

Contact

Bobby Athanasakis
President
(866) 320-6542
franchise@mannyandolgas.com
www.mannyandolgas.com

MASSAGELUXE

Fast Franchise Facts

Franchising Since: 2007

Multi-Unit Franchisee Operating Units: 7

Total Franchise Operating Units: 10

Company Operating Units: 6

Capital Investment: $300,000

Franchise Fee (per unit): $38,000

Royalty Fee (per unit): 5%

Advertising Fee (per unit): 3.5%

Earnings Claims: No

Build-Out Options: Free Standing, Inline, strip malls/centers

Territories: All states available for multi unit opportunities.

Demographics

Population within 5 miles should be a minimum of 40,000 people with an average household income of $70,000. Ideal neighbors-Health-Wellness-Fitness-Grocery Stores-High End Retailers-National Coffee Companies-National Bookstores.

SITE LOCATION

Assistance

Guidance in all phases of the start-up process, including site selection criteria and review and lease negotiation assistance.

Qualifications

Minimum Net Worth of $300,000. Estimated initial investment for a single unit is $195,500 - $371,800. The minimum Multi Unit Development Fee is $76,000 for a minimum of a 3 Spa mandatory development schedule.

Contact

David J. Ruzicka
Director of Franchise Development
(636) 680-9013
druzicka@massageluxe.com

www.massageluxe.com

OPPORTUNITY

Description

Since 1994, we have also owned and franchised The Tan Company. This has given us over 18 years of franchise experience that we have used to strengthen and grow our MassageLuXe brand. We offer our MassageLuXe Franchisees: *Innovative Approach to Massage and Spa Services *World Class Training and Ongoing Support *Attractive Membership Pricing Structure *Comprehensive Marketing Programs *Fully Computerized Operations * Professional Working Environment *Multiple Revenue Opportunities.

MOOYAH
BURGERS · FRIES · SHAKES

Demographics

MOOYAH restaurants are 1,800-2,400 square feet and have excellent visibility and access to high-traffic areas with above average income-level demographics.

SITE LOCATION
Assistance

Intensive real estate selection, working with MOOYAH President, Alan Hixon, and an assigned personal Project Manager for hands-on construction assistance.

Fast Franchise Facts

Franchising Since: 2007

Multi-Unit Franchisee Operating Units: 90%

Total Franchise Operating Units: 27

Company Operating Units: 3

Capital Investment: $318,825-$514,250

Franchise Fee (per unit): $30,000

Royalty Fee (per unit): 6%

Advertising Fee (per unit): 3%

Earnings Claims: No

Build-Out Options: End Cap, In-Line and Non-Traditional

Available Territories: United States

Qualifications

You love burgers. Can't live without fries. And always need to wash both down with a shake. You're dedicated to running the best restaurant ever – period.

Contact

Michael Mabry
Director of Franchise
(214) 912-0514
mmabry@mooyah.com

www.mooyah.com

Kindly No Solicitations

OPPORTUNITY
Description

Simply put, MOOYAH is dedicated to serving the best burgers, fries and shakes our Guests have ever tasted. With an easy to operate system, our managers can focus on offering an unmatched Guest experience every time. We have the building blocks for your success…see our ad below.

Rankings:

"11 Burger Chains to Watch in 2011" BurgerBusiness

2009 FastCasual #1 Top Movers & Shakers

Mr. Goodcents® Subs & Pastas

OPPORTUNITY
Description

With former Applebee's CEO Dave Goebel, as a current Mr. Goodcents multi-unit franchise and as the new President & CEO of Mr. Goodcents, we are positioned for Rapid Growth! Come discover what a fresh opportunity really tastes and looks like! Mr. Goodcents is best known for deli fresh subs served on fresh baked bread, with fresh sliced deli meats and cheeses. Mr. Goodcents also captivates the dinner day part by offering hearty pastas and flat bread pizzas. Featuring low investment costs, a low fee structure and over 200 ADI's available, the time to get on board is now.

Fast Franchise Facts

Franchising Since: 1st Franchise 2004, Founded 1992

Total Franchise Operating Units: 30

Company Operating Units: 21

Capital Investment: $305,175–$629,000

Franchise Fee (per unit): $30,000 single; $20,000 multiple

Royalty Fee (per unit): 5% of gross sales

Advertising Fee (per unit): Currently 1% of gross sales with

Earnings Claims: No

Build-Out Options: End-caps, Free Standing, Lifestyle Centers

Available Territories: U.S.

SITE LOCATION
Assistance

Mr. Goodcents utilizes demographic and analytical tools to guide the site selection process. Our construction and real esate teams educate and provide franchisees on-the-ground assistance in evaluating proposed sites.

Contact

Jodi Beerens
Director, Franchise Recruitment
(800) 648-2368
jbeerens@mrgoodcents.com

www.mrgoodcents.com

Demographics

Mr. Goodcents is a quick service restaurant chain offering many new territories with full exclusivity, with an increased focus on development in the Midwest. Average unit size is 1600 sq ft within a high profile in-line, end-cap, or pad site with potential drive thru capability. Minimum traffic count 25,000 ADT and a 3 minute drive time population of 25,000 – 30,000.

Qualifications

Strong business and management experience, with a strong desire to be involved in creating the ultimate guest experience. Financial requirements vary based on the number of restaurants in development. The liquid assets requirement is at least $50,000 per location with preferably a minimum net worth of $300,000. New territories require a minimum development commitment of 5 restaurants.

PANCHEROS MEXICAN GRILL

Demographics

Food quality, customization, affordability and service speed allow Panchero's to attract a broad demographic base. While launched in college towns, the brand experiences success in a variety of market types.

Rankings:

STAR Award Winner – Social Media, Franchise Update Media Group;

"Future 50" – Restaurant Business Magazine;

Top 100 Movers & Shakers – Fastcasual.com

Fast Franchise Facts

Franchising Since: 1st Franchise 2004, Founded 1992

Total Franchise Operating Units: 30

Company Operating Units: 21

Capital Investment: $305,175–$629,000; Financial qualifications of $250,000 liquid assets and $750,000 net worth

Franchise Fee (per unit): $30,000 single; $20,000 multiple

Royalty Fee (per unit): 5% of gross sales

Advertising Fee (per unit): Currently 1% of gross sales with cap of 3% of gross sales

Earnings Claims: No

Build-Out Options: End-caps, Free Standing, Lifestyle Centers

Available Territories: U.S.

Qualifications

Panchero's seeks restaurant/franchise ownership/management or relevant business experience; a passion for the restaurant industry; desire for multi-unit development; proven success in team building; fulfillment of financial requirements and a good fit with brand culture.

Contact

Kinsey Bartlett
Franchise Coordinator
(888) MEX-BEST
or (319) 545-6565 ext. 109
kinseyb@pancheros.com

www.pancheros.com

OPPORTUNITY

Description

Since 1992, Panchero's Mexican Grill has been capitalizing on the growing popularity of "Fresh-Mexican" flavors in a "Fast-Casual" format. With a history of over 19 years, Panchero's offers a limited menu of freshly prepared, high quality items served made-to-order and delivered fast. With a lively "warm-industrial" décor, each order starts with a fresh-pressed tortilla and finished with customized quality ingredients. Panchero's represents an exciting franchise opportunity within a growing segment. Panchero's is truly Fresh-Mexican!

SITE LOCATION

Assistance

Panchero's provides full support in areas of real estate, design and construction, with an experienced staff and proven step-by-step process.

Better Ingredients. Better Pizza.

OPPORTUNITY
Description

Committed to delivering on its brand promise of "Better Ingredients, Better Pizza," Papa John's is the recognized quality leader in the pizza category. Papa John's opened its first pizza restaurant in 1985. Today, Papa John's boasts more than 3,800 restaurants worldwide.

SITE LOCATION
Assistance

Papa John's Development team provides customized assistance to our franchise community regarding site selection, construction management and equipment.

Fast Franchise Facts

Franchising Since: 1986

Total Franchise Operating Units: 3891

Company Operating Units: 598

Capital Investment: $115,823 to $549,523

Franchise Fee (per unit): $25,000

Royalty Fee (per unit): 5%

Advertising Fee (per unit): 7%

Earnings Claims: Yes

Available Territories: Please visit our website www.papajohns.com for a listing of available areas.

Rankings:

For ten out of the last 12 years, Papa John's has earned the highest customer satisfaction rating among pizza chains in the highly regarded American Customer Satisfaction Index (ACSI).

Ranked in the Top 10 2012 Fastest Growing QSR Franchises according to Entrepreneur Magazine.

One of the "50 Top Franchises for Minorities" as determined by the National Minority Franchising Initiative (NMFI).

Qualifications

Papa John's net worth and capital requirements for new franchisees are as follows:

- Minimum of $50,000 in cash or liquid assets;
- Minimum net worth of $150,000; and
- Ability to obtain financing up to $200,000.

These are minimum requirements and do not represent the total potential costs to open and operate one or more Papa John's units.

Contact

Stacy Bowling
Senior Qualifications Specialist
(502) 261-4844
stacy_bowling@papajohns.com
www.papajohns.com

Papa Murphy's

TAKE 'N' BAKE PIZZA

OPPORTUNITY

Description

Papa Murphy's is the largest Take 'N' Bake chain in the U.S. with over 1,300 stores in 37 states. Papa Murphy's offers a great value and a superior pizza to customers and a simple focused concept for franchisees. The limited hours of operation and the take-n-bake concept without the hassles of dining or delivery, provide a great franchise opportunity.

Demographics

The site selection team identifies target sites with neighborhood retail patterns where customers shop multiple times per week. Demographics are then analyzed to select targets with the best population, households, income, growth rates and more.

Qualifications

Multiple Store Agreements range from 3-10 store opportunities in numerous markets. The net worth requirement is $250k per store. Operating partners must have experience with multi-unit food industry operations.

Contact

Amy Stevens
Inside Sales Manager
(800) 257-7272
Amy.Stevens@papamurphys.com

www.papamurphys.com

Fast Franchise Facts

Franchising Since: 1981

Multi-Unit Franchisee Operating Units: 45%

Total Franchise Operating Units: 1305

Company Operating Units: 51

Capital Investment: $250,000

Franchise Fee (per unit): $ $25,000

Royalty Fee (per unit): 5%

Advertising fee (per unit): 1.5%

Earnings Claims: Yes

Build-Out Options: Inline and free standing

Available Territories: : CA, AZ, NV, NM, TX, OK, KS, MO, AR, LA, AL, GA, FL, SC, NC, VA, KY, OH, IN

Rankings & Awards

Papa Murphy's ranked "#1 Rated Pizza Chain" by participants in Zagat Survey's 2010 & 2011 Fast Food Survdey and is a four-time recipient of Pizza Today's Chain of the Year

SITE LOCATION

Assistance

The experienced Real Estate and Construction team provides guidance and assistance from the first stage of site selection to the final construction phase.

PET SUPPLIES "PLUS"

OPPORTUNITY
Description

Be part of the growing $53 Billion Pet Supply Industry! Pet Supplies "Plus" is the largest franchised specialty pet supply retailer in the nation, with over 240 stores in 23 states. Our smaller store sizes and lower operating costs allow our franchisees to be successful in a variety of retail climates. PSP stores offer a selection of items that rival that of our big-box competitors, in a much more convenient and pleasing shopping environment.

Demographics

Trade areas for successful Pet Supplies "Plus" stores have a population base of 75,000 or greater. We target middle to upper-income shoppers, and prefer high retail traffic areas. Our smaller-sized stores are convenience oriented, so we can locate our stores closer to our customers homes than the larger big-box warehouse style competitors.

Contact

Marc Kiekenapp
Direct (480) 664-0851
Mobile (480) 266-0169
mkiekenapp@petsuppliesplus.com

www.petsuppliesplusfranchise.com

Fast Franchise Facts

Franchising Since: 1989, founded 1988

Multi-Unit Franchisee Operating Units: 53%

Total Franchise Operating Units: 152

Company Operating Units: 92

Capital Investment: $650,000–$750,000

Franchise Fee (per unit): $40,000

Royalty Fee (per unit): $3,000/mo +2.25% over $83,333/mo

Advertising fee (per unit): 2,500 per month

Earnings Claims: No

Build-Out Options: 8,000 to 10,000 square feet, 2nd generation space, In-line or Free-Standing

Available Territories: Single- and multi-store areas available throught eastern and southern United States. Visit www.pspfranchise.com for detailed market availability.

Qualifications

If you enjoy working with the public in a fun retail environment, and have the ability to follow a well-defined successful program, Pet Supplies "Plus" is for you.

Our in-depth training program and on-going operational support after your store opens will provide you with all the tools you need to become a successful Pet Supplies "Plus" owner.

Franchisee candidates should-have a minimum net worth of $1 million and be able to make an equity contribution of no less than 50% of the total project cost.

SITE LOCATION
Assistance

Pet Supplies "Plus" will work with you to secure the best sites in the best trade areas. We can work with local real estate brokers, if necessary. Our demographic program can tell you not only how many people live in a given trade area, but what types of pets they own and how much they spend on them.

Rankings & Awards

Franchise Times Magazine: Consistently featured in the "Top 200 Franchising Chains" ranking since 2006, and in 2010 ranked as #119 in terms of overall sales.

Fast Franchise Facts

Franchising Since: 1997; Founded in 1995

Multi-Unit Franchisee Operating Units: 70

Total Franchise Operating Units: 170 US + 130 Canada + 20 International

Company Operating Units: 23

Capital Investment:$168,000 - $288,000

Franchise Fee (per unit): $25,000 - $12,000

Royalty Fee (per unit): 5% - 4%

Advertising Fee (per unit): 1%

Earnings Claims: Yes

Build-Out Options: End Caps, Inline, Free Standing, Malls, Airports and Food Courts

Available Territories: U.S.

Demographics

We have a concentration around Colleges & Universities with an emphasis on young professionals. However, our real goal is to serve anyone looking for FRESH & HEALTHY food.

Rankings:

Entrepreneur's Franchise500 (#132) & Top Global (#109); NRN's Top100 Social-Media Index (#59); INC5000 Honor Roll

Qualifications

Multi-Unit Zone Agreements (MUZA) available for 3 to 10 units with some experience required.

Contact

Corey Bowman
V.P. Operations Unit
(866) OWN-A-PIT Ext. 232
franchise@pitapitusa.com

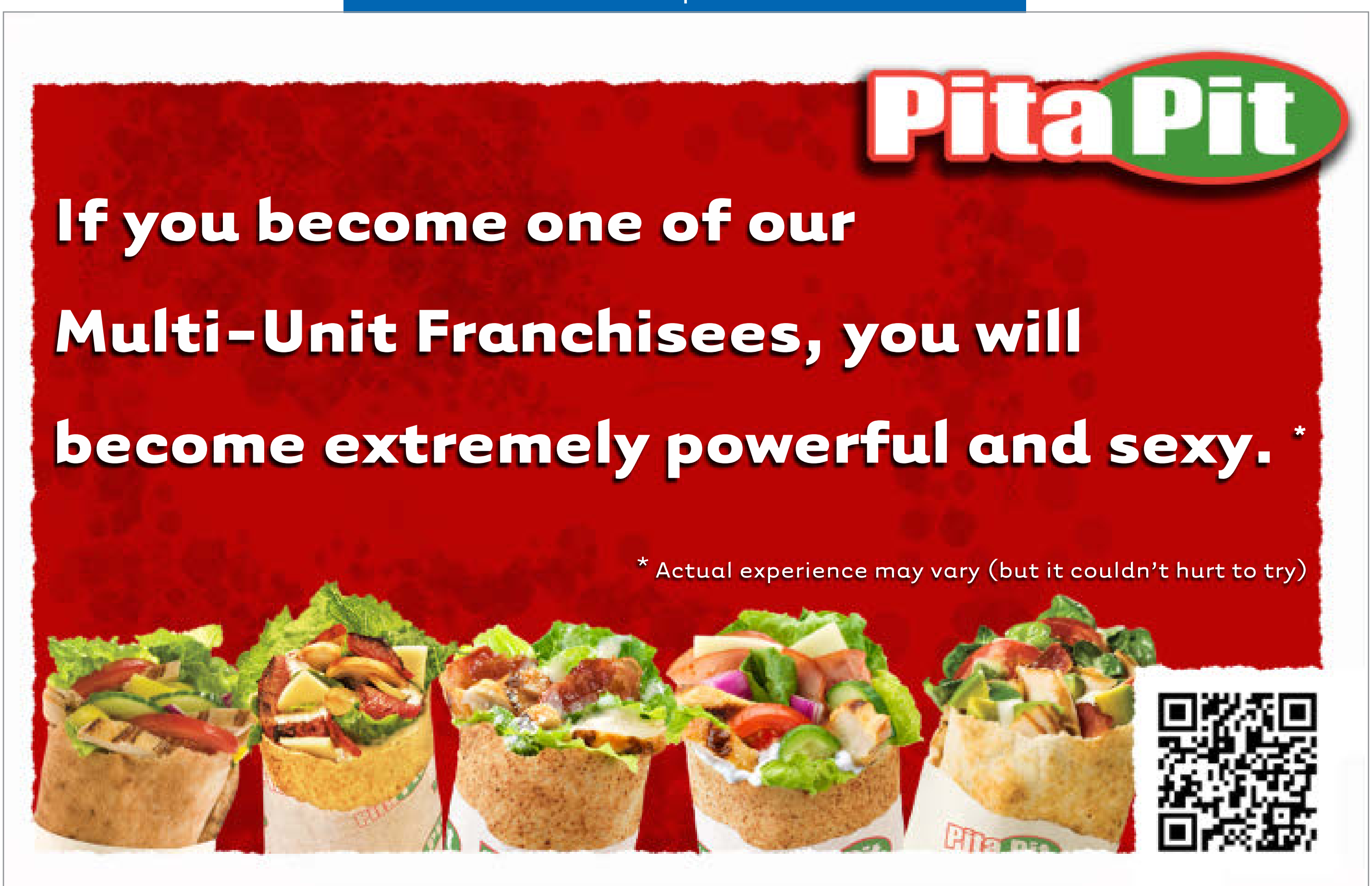
www.pitapitusa.com

OPPORTUNITY
Description

Pita Pit was founded on a simple principle...Fresh Thinking, Healthy Eating. In today's fast-paced world, people don't want just a quick meal, they want a quick meal they can feel good about. With low startup costs and an ever increasing fan base, it's never been a better time to become a Pita Pit Multi-Unit Franchisee.

SITE LOCATION
Assistance

Intensive demographic site evaluations done by Baum Realty Group - Chicago and design / construction assistance throughout the process.



Demographics

Wide demographic appeal

Heavy user: 24 – 54

Core household incomes average $35,000 to $100,000

51% male 49% female

Singles, families and couples

OPPORTUNITY
Description

As one of the most brand differentiated restaurants in casual family dining, Quaker Steak & Lube®, has been a successful concept for over 35 years. Come expand Lube Nation with us!

- Industry high average unit volume of 3.7M
- Fuel-injected marketing and operations support
- Multiple revenue streams in each restaurant – retail, sauces, events, food and bar beverages
- Award-Winning menu (Best Wings USA) and and Blowout Beverages

Qualifications

Quaker Steak & Lube is looking for franchise owners who will be passionate about the brand and philosophically aligned with our values and approaches to operating a business. Criteria includes:

- Minimum $1 million liquidity and minimum net worth of $3 million
- Restaurant and/or operational experience
- Strong understanding and experience in executing four-walls and local marketing
- Passion for guest service

Fast Franchise Facts

Franchising Since: 1996, founded 1974

Multi-Unit Franchisee Operating Units: 75%

Total Franchise Operating Units: 40

Company Operating Units: 8

Capital Investment: $1,200,000–$4,400,000

Franchise Fee (per unit): $40,000

Royalty Fee (per unit): 5%

Advertising fee (per unit): up to 4%

Earnings Claims: Yes

Build-Out Options: Free-standing, end cap, stadiums, campus, airports

Development Markets: Great markets available

Rankings & Awards

Hundreds of national and international awards for its wings and over 20 wing sauces and the Cheers Beverage Excellence Award for 2012 for Best Beverage Merchandising for its signature Bar Jars.

SITE LOCATION
Assistance

Site selection criteria and asssistance, lease assisstance, design and architectural plans, construction review, preferred suppliers

Contact

Zeb Hastings
VP Franchise Development
(888) MYLUBE1 (695-8231)
zhastings@thelube.com
www.lubefranchising.com

These figures reflect the average restaurant revenue of ten of our 26 restaurants operated by our franchisees in the fiscal year ending January 2, 2011, for their Classic I and Classic II Restaurants that were open and operating for at least 18 months, based upon royalty fee reports submitted by these franchisees as published in Item 19 of our Franchise Disclosure Document amended October 3, 2011. A new franchisee's results may differ from the represented performance. Offered by prospectus only.

EVERY BITE Schlotzsky's® LOTZ BETTER

OPPORTUNITY
Description

Founded in 1971, Schlotzsky's is a pioneer in the fast casual restaurant category, offering customers an inviting restaurant feel and great food that has created a passionate following amongst customers throughout the world. Our delicious and unique products, exciting modern restaurant design and superior franchise support makes Schlotzsky's a great business opportunity. We are seeking out highly-motivated individuals for multi-unit franchise opportunities who are passionate about owning their own business and creating lasting memories for their guests.

Fast Franchise Facts

Franchising Since: 1977, founded in 1971

Multi-Unit Franchisee Operating Units: 30%

Total Franchise Operating Units: 337

Company Operating Units: 40

Capital Investment: $473,622-$715,342

Franchise Fee (per unit): $30,000

Royalty Fee (per unit): 6%

Advertising Fee (per unit): 4%

Earnings Claims: Yes

Build-Out Options: Inline, free standing, malls, airports, co-branded, casinos, universities, hospitals, theme parks, travel plazas and business institutions

Available Territories: All regions

Qualifications

For 3-unit minimum development:

- $600,000 liquidity
- $1.5 million net worth
- Restaurant management experience as an owner and/or operator.

Contact

David Wheeler
VP Franchise Development
(972) 663-9360
dwheeler@focusbrands.com

www.schlotzkys.com

Demographics

The majority of our guests come from a 2 mile radius of the restaurant, varying by trade area. The typical population is 30,000 with 15,000 of that number being employed.

SITE LOCATION
Assistance

Comprehensive assistance in site selection using Strategic Integrated Mapping and Modeling System customized for Schlotzsky's. Prototypical design and conceptual layouts..

Rankings:

2009 Franchise Times Top 200

2009 Restaurants & Institutions Top 400

Entrepreneur Franchise 500- 2009, 2010, 2011

Sears Auto Center Franchise

Fast Franchise Facts

Franchising Since: 2008

Multi-Unit Franchisee Operating Units: 22%

Total Franchise Operating Units: 8

Capital Investment: $231,000-1,192,000

Franchise Fee (per unit): $35,000

Royalty Fee (per unit): 7%

Advertising fee (per unit): 1% National + $500/wk Local%

Earnings Claims: Yes

Build-Out Options: Inline, free standing, malls, auto dealerships

Available Territories: All US States

OPPORTUNITY Description

Sears is one of the most trusted names in retail with a long tradition of serving American motorists. Whether you're an experienced auto service pro or just an auto enthusiast, a Sears Auto Center Franchise offers the opportunity to run your own business in a growing, multi-billion dollar industry, while benefiting from the support of a Fortune 100 company.

SITE LOCATION Assistance

The typical range of store sizes varies throughout our network from four to 10 bays, although some of our "Dealer Based" locations are significantly larger. However, we will evaluate each market opportunity on a case-by-case basis to determine the right fit for anticipated service demands.

If you are a conversion candidate and are concerned about whether the size of your facility will accommodate the Sears Auto Center service offering, we will be glad to provide a professional evaluation and share our findings with you.

Demographics

Sears analyzes information from various sources based on traffic count, registered vehicles, replacement rates, population, growth trends, competitive factors, zoning, retail shopping patterns and other applicable factors.

Contact

Craig Sobel
Director, Franchise Development
O: (813) 425-2020
M: (813) 406-0850
csobel@franchisedynamics.net

www.searsautofranchise.com

Qualifications

We're looking for outgoing, results-oriented franchise candidates with sales, marketing, and/or management experience; people that can build relationships, lead teams, and have the motivation to excel! Automotive experience is a plus.

WHICH WICH® SUPERIOR SANDWICHES

OPPORTUNITY
Description

Which Wich was a hit from the moment it opened its doors in 2003. As our brand has grown, we've made a lot of improvements, but one thing has never changed: our commitment to serving superior sandwiches in a store as uniquely styled as our concept. Thanks to a superior product, simple operations, and infectious vibe–together with unparalleled support and leadership–Which Wich offers an exciting business opportunity to passionate entrepreneurs.

Qualifications

Which Wich is currently awarding franchising opportunities to passionate entrepreneurs interested in multi-unit development. Individuals must have a net worth of $500,000 and liquidity of $150,000, along with having business experience and strong leadership skills. The best franchisees share our vibe and deliver superior guest service and creating a superior sandwich experience.

Rankings & Awards

Hot Concept Award Winner!
Nations Restaurant News

No.1 Great Restaurant Idea
Restaurant Business

No.1 Fastest Growing Restaurant Chain in U.S. and Canada
Chain Restaurant Guide

Fast Franchise Facts

Franchising Since:: Founded 2003; Franchised in 2005

Multi-Unit Franchisee Operating Units: 72%

Total Franchise Operating Units: 155

Company Operating Units: 3

Capital Investment: $650,000-$750,000

Franchise Fee (per unit): $194,500-$488,750

Royalty Fee (per unit): 6%

Advertising fee (per unit): 2-4%

Earnings Claims: No

Build-Out Options: In-line, Free-Standing, Malls, Airports, Food Courts, Campus

Available Territories: All Territories are open

Demographics

Which Wich is expanding in both urban and residential areas. Trade area criteria consists of a high daytime employee population within a three minute drive time and a residential population greater than 25,000, within respective defined trade areas.

SITE LOCATION
Assistance

Which Wich uses demographic, psychographic, and analytical tools to assist in the site selection process. The process is a collaboration between the franchisee, the Which Wich Support Center team, and our preferred real estate brokers who specialize in restaurant placement.

Contact

Connie Alires
Director of Franchise Development
(214) 747-9424
connie@whichwich.com

www.whichwich.com

WING STOP
DINE-IN OR CARRY-OUT

OPPORTUNITY
Description

With more than 8 straight years of same store sales increases and 500 locations nationwide, Wingstop is one of the fastest-growing franchises for single-unit and multi-unit operators. Wingstop offers a limited, high-quality menu with simple operations that appeal to experienced restaurateurs and entrepreneurs with the drive and passion to own a business. Wingstop keeps the sole focus on fresh, cooked-to-order wings and side dishes like fresh-cut seasoned fries. Due to that simple operating platform, the system is 95% franchise owned and operated

Rankings & Awards

2011 - 10 Best Franchise Deals - QSR Magazine

2011 - 10 Best Franchise Bets - CNN Money

2010 Technomic - Top 10 Fastest-Growing Concept

2010 Black Enterprise - Top 40 Best Franchises for African Americans

'Best Wing' accolades in outlets and festivals across the country

Fast Franchise Facts

Franchising Since: 1997, founded 1994

Multi-Unit Franchisee Operating Units: 55%

Total Franchise Operating Units: 478

Company Operating Units: 24

Capital Investment: $263,550 - 616,946

Franchise Fee (per unit): $25,000

Royalty Fee (per unit): 5%

Advertising fee (per unit): 2%

Earnings Claims: No

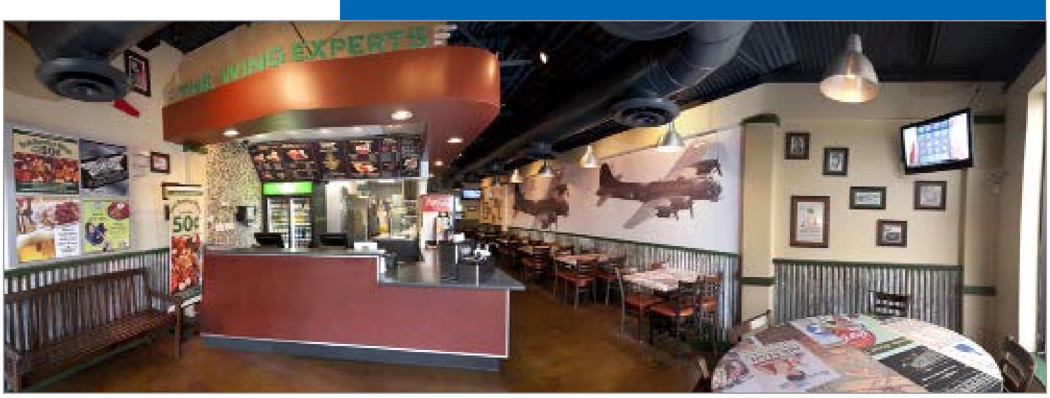
Build-Out Options: Inline, non-traditional (airports, college campuses)

Available Territories: Northeast, Southeast, Midwest, Northwest States

Contact

David Vernon | *Senior Vice President of Development*
(972) 331-7565
dvernon@wingstop.com

www.wingstopfranchise.com | www.wingstop.com



Demographics

Wingstop restaurants are generally neighborhood service restaurants (2-3 mile radius) with a majority of take-out sales. We primarily rely upon a seven minute drive-time base in urban markets and a two mile population base of 40,000 or more. In non-urban environments, the sales radius may be larger but we strive for a target population base of not less than 50,000. A typical Wingstop is located on major traffic arteries with not less than 20,000 cars per day.

Qualifications

Single-unit operators: no restaurant experience required. Minimum net worth $400,000; liquidity of $200,000. Multi-unit developers: liquidity totaling $200,000 per store developed. Wingstop training guides franchisees from site selection to construction and ongoing operations.

SITE LOCATION
Assistance

The Wingstop real estate and development team use the latest analytical programs to assist with site selection and demographics. Stores feature a small restaurant footprint of 1600 sq. feet, seat 20-40 people, and average 75% carryout service – ideal for inline shopping centers.

8 Yogurtland Advantages

1.) Growth from 3 to 170 locations in just 4 years!

2.) 49 million spoons served in 2011- with just as many smiles returned.

3.) Expanding in Major US Markets!

4.) The leader in flavor innovation.

5.) World-Class support.

6.) Excellent Business Model.

7.) Currently in 15 states, Guam & Mexico.

$801,000 Average Unit Volume!!

KEEPIN IT REAL YOGURTLAND

Yogurtland Franchising
LARRY SIDOTI
(714) 939-7737
larry.sidoti@yogurt-land.com

*Growth in number of stores is based on actual numbers of all System stores operating as of year end 2007 and 2011 respectively. 49 million spoons served based on total cases sold through System distribution channels in 2011. Yogurtland releases more new flavors consistently each quarter than any other self-serve frozen yogurt system in the USA. Average unit volume figure is based on sales reports from all 59 franchised stores in the USA open for at least one year as of 12/31/2010. This average sales figure does not include costs of sale, operating expenses, or other costs or expenses that must be deducted from gross revenue or gross sales figures to obtain net income or profit. (Please refer to Item 19 of our franchise disclosure document for a detailed explanation of the costs and expenses of operating a Yogurtland store.) Of these 59 stores, 25 achieved at least this average sales figure. A new franchisee's sales results may differ from this average. Written substantiation for average sales and other claims will be made available to the prospective franchisee upon reasonable request.

ZAXBY'S

OPPORTUNITY
Description

As a Zaxby's licensee, you will be operating an independent franchised business, but you will benefit from being a part of a brand that has exhibited steady growth and success in a wide range of markets across the Southeast. You will be provided with a detailed set of operations manuals, as well as extensive marketing materials. ZFI currently holds semiannual conferences of all licensees, and assigns to each licensee an operations consultant.

Qualifications

Collective net worth of at least $700,000, with liquid assets greater than $400,000

Fast Franchise Facts

Franchising Since: 1990

Total Franchise Operating Units: 540

Company Operating Units: 89

Capital Investment:: $209,500-642,100

Franchise Fee (per unit): $ $35,000

Royalty Fee (per unit): 6%

Advertising fee (per unit): 2.1/2 - 4.1/2%

Earnings Claims: Yes

Build-Out Options: Free standing

Available Territories: : Currently operating in 13 states, call for details.

Demographics

Median Age: 22 – 45

Min. Avg. Household Income: $42,000

Min. Traffic Counts: 20,000 ADT on primary artery (returning home side preferred)

Seating Inside: 50 – 90

Site Size: .80 to 1.25 acres

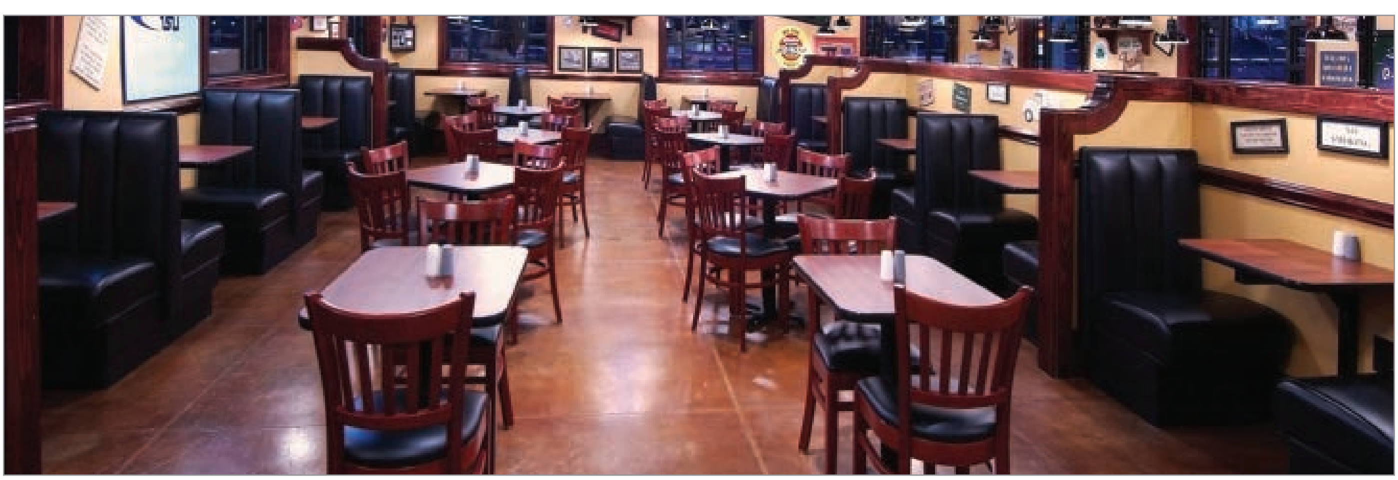
Trade Area: 25,000 draw minimum

SITE LOCATION
Assistance

Zaxby's will provide support that includes real estate guidelines, architectural, construction and engineering assistance.

Contact

Vance Snow
VP Franchise Licensing
(706) 353-8107
vsnow@zaxbys.com
www.zaxbysfranchising.com



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Hardee's
CHARBROILED THICKBURGERS

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★

DUAL BRAND CONCEPTS
WITH GREEN BURRITO® OR RED BURRITO® BROADEN MENU APPEAL

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