

TAZZA CAFFÈ FRANCHISE INFORMATION KIT

# THE COMPANY

TAZZA CAFFE IS A CAFÉ/BISTRO-STYLE RESTAURANT FRANCHISE. TAZZA CAFFE FOCUSES ON COMFORT AND WELL-BEING, GOOD COFFEE, LIGHT MEALS, AND A HEALTHY MENU.

TAZZA CAFFE FRANCHISES ARE GRANTED BY INVESTISSEMENTS P.A. INC, A GROUP OF 8 EXPERIENCED BUSINESS PEOPLE FROM THE ACADIAN PENINSULA.

THE COMPANY WAS FOUNDED IN 2006 IN TRACADIE, IN NORTH-EASTERN NEW BRUNSWICK. AT THE TIME, TAZZA CAFFE WAS THE ONLY ESTABLISHMENT OF ITS KIND IN THE TRACADIE REGION. A SECOND TAZZA CAFFE LOCATION OPENED ITS DOORS IN SHIPPAGAN IN 2010, FOLLOWED BY A THIRD LOCATION IN SAINT-ISIDORE IN 2015.

TAZZA CAFFE'S GOAL IS TO PROVIDE ITS CUSTOMERS WITH A VARIETY OF COFFEES AND A RANGE OF FRESH, HEALTHY AND HIGH-QUALITY PRODUCTS AT COMPETITIVE PRICES, WHILE OFFERING A CONSISTENT PERSONALIZED SERVICE

IN A WARM AND RELAXING ATMOSPHERE. TAZZA CAFFE, WHOSE NAME MEANS "CUP OF COFFEE" IN ITALIAN, IS A CONCEPT THAT WAS DEVELOPED WITH THE NEEDS OF ITS CUSTOMERS IN MIND. WE PROVIDE A FUN AND WELCOMING INTERIOR AND EXTERIOR SETTING IN WHICH OUR CUSTOMERS CAN ENJOY A GREAT CUP OF COFFEE, WHETHER THEY COME WITH FRIENDS, FAMILY OR BY THEMSELVES.

TAZZA CAFFE'S VARIED MENU IS THE SAME ACROSS ALL OF ITS FRANCHISES. EACH TAZZA CAFFE IS COMPRISED OF A KITCHEN AREA AND A DINING AREA, IN WHICH OUR CUSTOMERS CAN FIND BISTRO-STYLE TABLES AND CHAIRS AS WELL AS COMFORTABLE SOFAS AND ARMCHAIRS. THE TAZZA CAFFE FRANCHISES ALSO HAVE THE OPTION TO OFFER ADDITIONAL SERVICES TO THEIR CUSTOMERS, SUCH AS A DRIVE-THROUGH, A CATERING SERVICE, FREE WIRELESS INTERNET ACCESS (WI-FI), NEWSPAPER AND BOOK STANDS, OR EVEN CONFERENCE ROOM RENTAL.





# MISSION *and vision*

TAZZA CAFFÈ'S MISSION IS TO PROVIDE ITS CUSTOMERS WITH A VARIETY OF COFFEES AND A RANGE OF FRESH, HEALTHY AND HIGH-QUALITY PRODUCTS AT COMPETITIVE PRICES, WHILE OFFERING A CONSISTENT PERSONALIZED SERVICE IN A WARM AND RELAXING ATMOSPHERE.

AS FOR ITS VISION, TAZZA CAFFÈ WISHES TO ATTRACT AND RETAIN CUSTOMERS WITH A WIDER VARIETY OF QUALITY PRODUCTS, ALL WHILE FULFILLING THE NEEDS OF ITS CUSTOMERS AND IMPROVING ITS PERSONALIZED CUSTOMER SERVICE. SECONDLY, TAZZA CAFFÈ SEEKS TO FOSTER A HEALTHY ENVIRONMENT FOR ITS EMPLOYEES AND TO ENCOURAGE UNITY AND COOPERATION AMONG ITS STAFF MEMBERS. FINALLY, TAZZA CAFFÈ WISHES TO INCREASE ITS MARKET SHARE AND TO EXPAND BY OPENING ADDITIONAL FRANCHISES.



# WHY CHOOSE THE Tazza Caffè franchise?

IN LINE WITH OUR EXPANSION GOALS, WE ARE ACTIVELY SEARCHING FOR MOTIVATED AND DEVOTED ENTREPRENEURS TO JOIN OUR NETWORK. BY BECOMING A TAZZA CAFFÈ FRANCHISE OWNER, YOU JOIN A TEAM THAT IS DYNAMIC, EXPERIENCED AND TIGHTLY-KNIT. WE ARE COMMITTED TO CREATING A HEALTHY ENVIRONMENT FOR OUR CLIENTS, OUR EMPLOYEES, AND OUR FRANCHISEES.

UNLIKE INDEPENDENT ENTREPRENEURS, TAZZA CAFFÈ FRANCHISEES BENEFIT FROM THE KNOW-HOW, THE STRUCTURE AND THE SERVICES OF A WELL-ESTABLISHED COMPANY. THE FRANCHISE OWNER CAN THUS PROFIT FROM A BUSINESS INFRASTRUCTURE THAT HAS ALREADY PROVEN TO BE SUCCESSFUL, A STRUCTURE WHICH PROTECTS THE FRANCHISEE AGAINST THE MISTAKES AND PITFALLS OFTEN ENCOUNTERED BY NEW ENTREPRENEURS.



## THE ADVANTAGES OF BECOMING A TAZZA CAFFÈ FRANCHISEE:

1. THE OPPORTUNITY TO BECOME YOUR OWN BOSS WHILE BENEFITING FROM THE EXPERTISE AND THE REPUTATION OF A COMPANY WITH A PROVEN TRACK RECORD;
2. EXCHANGE OF IDEAS, ADVICE, AND PARTICIPATION IN THE NETWORK DECISIONS;
3. REDUCED FINANCIAL RISK COMPARED TO NEW INDEPENDENT BUSINESSES;
4. ACCESS TO AN ESTABLISHED NETWORK OF CONTACTS IN THE COMMUNITY;
5. PRODUCTS TESTED AND PERFECTED ON THE MARKET;
6. BRAND RECOGNITION;
7. CUSTOMER TRUST;
8. STRONG RELATIONSHIP BETWEEN TAZZA CAFFÈ AND ITS FRANCHISEES;
9. TRANSFER OF KNOWLEDGE BETWEEN FRANCHISEES AND THE HEAD OFFICE;
10. ASSISTANCE IN THE OPENING PHASE OF THE FRANCHISE;
11. PRE-ESTABLISHED SUPPLY CHAIN;
12. ASSISTANCE IN THE PURCHASE OF EQUIPMENT AND SUPPLIES;
13. MANAGEMENT OF ADVERTISING AND MARKETING PLANS AND CAMPAIGNS;
14. ONGOING TRAINING OF FRANCHISEES;
15. ONGOING AND OPEN COMMUNICATION WITH THE HEAD OFFICE TO MEET THE NEEDS SPECIFIC TO EACH FRANCHISE.

# Market and target clientele

TAZZA CAFFÈ DEFINES ITSELF AS A HIGH-END CAFÉ-BISTRO. AS SUCH, IT ATTRACTS A REGULAR CLIENTELE THAT IS TYPICALLY COMPOSED OF EDUCATED AND AFFLUENT INDIVIDUALS SUCH AS OFFICE WORKERS AND BUSINESS PEOPLE AGED 30 YEARS OR OVER. TAZZA CAFFÈ'S CLIENT BASE ALSO INCLUDES COLLEGE AND UNIVERSITY STUDENTS. FINALLY, TOURISTS CAN ALSO REPRESENT AN IMPORTANT SECONDARY MARKET SECTOR, ESPECIALLY DURING THE SUMMER PERIOD.

## SOME SUCCESS FACTORS TO CONSIDER FOR THE ESTABLISHMENT OF A NEW TAZZA CAFFÈ FRANCHISE ARE LISTED BELOW:

- › EASE OF ACCESS AND PARKING;
- › DRIVE-THROUGH;
- › CATERING SERVICE;
- › FREE WIRELESS INTERNET ACCESS (WI-FI);
- › LONG OPENING HOURS (EX: 6 AM TO 11 PM);
- › RELAXED ATMOSPHERE WITH COMFORTABLE ARMCHAIRS AND TABLES TO ENCOURAGE VARIOUS ACTIVITIES SUCH AS READING, RELAXING, OR CONDUCTING WORK OR STUDENT MEETINGS;
- › PRESENCE OF A COMMERCIAL HUB (PROXIMITY AND DIVERSITY);
- › PROXIMITY TO A COLLEGE OR UNIVERSITY CAMPUS;
- › DISTANCE AND LOCAL TRAFFIC;
- › LOCAL TAXATION.



# HOW TO ACQUIRE a franchise

## THE STEPS REQUIRED FOR THE PURCHASE AND ESTABLISHMENT OF A NEW TAZZA CAFFE FRANCHISE ARE OUTLINED BELOW:

1. INITIAL CONTACT: IF YOU ARE INTERESTED IN PURCHASING A TAZZA CAFFE FRANCHISE, PLEASE CONTACT US TO MANIFEST YOUR INTEREST.  
MR. DEAN ROBERTS  
613-3, CHEMIN RIVIÈRE-À-LA-TRUITE  
RIVIÈRE-À-LA-TRUITE, NB, E1X 2M4  
TELEPHONE: 506-393-6410  
E-MAIL: DEAN.ROBERTS@IPCSECURITIES.COM
2. REQUEST FOR INFORMATION: WE WILL COMMUNICATE WITH YOU IN ORDER TO OBTAIN SOME BASELINE INFORMATION. THIS WILL ALLOW US TO EVALUATE YOUR COMPATIBILITY WITH THE TAZZA CAFFE TEAM AND TO ENSURE THAT OUR GOALS ARE ALIGNED.
3. RECEIVE FRANCHISE DISCLOSURE AGREEMENT: UNDER A CONFIDENTIAL AGREEMENT, WE WILL SEND YOU A COPY OF OUR FRANCHISE DISCLOSURE AGREEMENT TO PROVIDE YOU WITH ALL THE UP-TO-DATE INFORMATION ABOUT THE PURCHASE OF A FRANCHISE. THIS WILL ALLOW YOU TO DETERMINE WHETHER YOU WISH TO GO FORWARD WITH THIS PROJECT.
4. SUBMIT APPLICATION: IF YOU DETERMINE THAT A TAZZA CAFFE FRANCHISE IS RIGHT FOR YOU, WE WILL SEND YOU AN APPLICATION FORM. THIS FORM MUST BE FILLED OUT AND RETURNED TO US ALONG WITH ANY SUPPORTING DOCUMENTS THAT ARE REQUESTED.
5. EVALUATION: IN ORDER TO ENSURE THE SUCCESS OF THE REQUESTED FRANCHISE, WE WILL EVALUATE EACH APPLICATION ACCORDING TO OUR SELECTION CRITERIA: MANAGEMENT SKILLS, BUSINESS SPIRIT, FINANCIAL RESOURCES, ETC.
6. INTERVIEW: IF YOUR APPLICATION MEETS THE CRITERIA, WE WILL SCHEDULE AN INTERVIEW TO GET TO KNOW EACH OTHER AND TO DISCUSS THE POTENTIAL PURCHASE OF THE FRANCHISE.
7. APPROVAL: FOLLOWING THE APPROVAL (FINANCIAL AND OPERATIONAL), YOU WILL BE INFORMED OF THE FINAL DECISION.
8. AGREEMENT: THE FRANCHISE AGREEMENT WILL BE DRAFTED ACCORDING TO THE TERMS AGREED UPON BY TAZZA CAFFE AND THE FRANCHISEE AND THEN SIGNED BY BOTH PARTIES.

FOLLOWING THE PURCHASE OF A FRANCHISE, THE FRANCHISEE WILL RECEIVE A LICENSE THAT ALLOWS FULL USE OF THE TAZZA CAFFE TRADEMARK AND WILL BENEFIT FROM ITS ENTIRE OPERATIONAL SYSTEM. THIS LICENSE IS TYPICALLY GRANTED FOR A PERIOD OF TEN YEARS. IN RETURN, THE FRANCHISEE PLEDGES TO RESPECT TAZZA CAFFE'S SPECIFIC OPERATIONAL GUIDELINES.

# Responsabilités

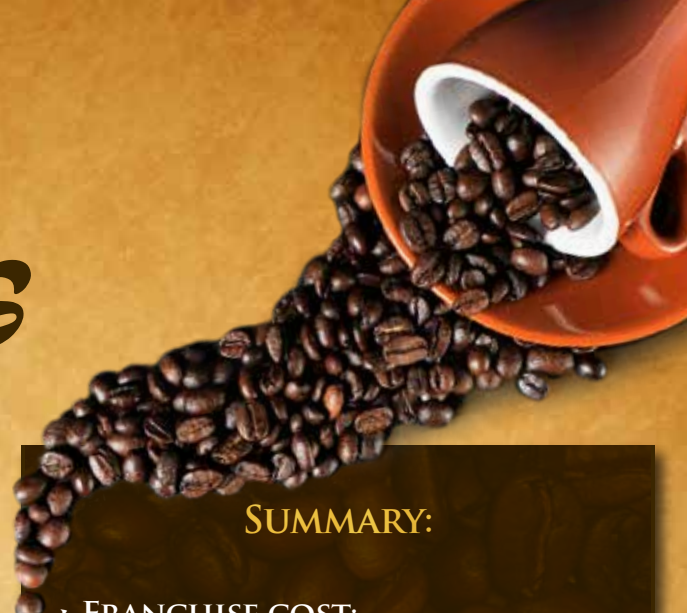
## FRANCHISOR OBLIGATIONS

- SEARCH FOR AND SELECT A LOCATION FOR THE NEW TAZZA CAFFE FRANCHISE OR ASSIST THE FRANCHISEE IN SELECTING A LOCATION;
- DEVELOP A MANAGEMENT PLAN FOR THE NEW FRANCHISE TO BE BUILT IN THE CHOSEN LOCATION;
- ESTABLISH THE STANDARDS, PLANS AND SPECIFICATIONS FOR CONSTRUCTION, INCLUDING THE REQUIREMENTS CONCERNING THE INTERIOR AND EXTERIOR LAYOUTS, EQUIPMENT, INSTALLATIONS, FURNITURE, SIGNAGE, AND COLOUR SCHEMES;
- PROVIDE A LIST DETAILING ALL OF THE REQUIRED EQUIPMENT;
- PROVIDE A PRELIMINARY ESTIMATE OF CONSTRUCTION-RELATED COSTS;
- APPROVE THE SUPPLIERS;
- OFFER AN INITIAL TRAINING PROGRAM PRIOR TO THE OPENING OF THE FRANCHISE;
- OFFER FURTHER TRAINING AND PROFESSIONAL DEVELOPMENT COURSES AS NEEDED;
- PROVIDE A COPY OF THE OPERATIONS MANUAL;
- DEVELOP AND ADMINISTER ADVERTISING AND SALES PROMOTION CAMPAIGNS;
- PURCHASE A COLLECTIVE INSURANCE POLICY (OR POLICIES) ON AN ANNUAL BASIS TO ENSURE THE PROTECTION OF THE FRANCHISEE.

## FRANCHISEE OBLIGATIONS

- DEVOTE ALL THE NECESSARY TIME, ENERGY AND EFFORTS TO THE MANAGEMENT, ACTIVITIES AND OPERATION OF THE TAZZA CAFFE RESTAURANT FRANCHISE;
- OBTAIN ALL THE CONSTRUCTION PERMITS, LICENSES, APPROVALS, AND ANY OTHER NECESSARY AUTHORIZATIONS FOR THE CONSTRUCTION AND OPERATION OF THE RESTAURANT AS REQUIRED BY LAW;
- BUILD, FURNISH, AND RENOVATE THE RESTAURANT AND ALL ITS EQUIPMENT AND INSTALLATIONS ACCORDING TO THE SPECIFICATIONS RECEIVED FROM THE FRANCHISOR;
- COVER THE EXPENSES INCURRED IN THE PLANNING, THE CONSTRUCTION AND THE MAINTENANCE OF THE FRANCHISE;
- PURCHASE ALL FOOD AND MATERIALS FROM APPROVED SUPPLIERS;
- PARTICIPATE IN AN INITIAL TRAINING PROGRAM PRIOR TO THE OPENING OF THE FRANCHISE;
- TRAIN ALL OF THE FRANCHISE'S EMPLOYEES AND ENSURE THAT THEY RESPECT TAZZA CAFFE'S SPECIFIC OPERATION GUIDELINES AND STANDARDS;
- ACTIVELY PARTICIPATE IN ALL ADVERTISING AND SALES PROMOTION CAMPAIGNS;
- DEVELOP AND ADMINISTER LOCAL PROMOTIONAL CAMPAIGNS;
- SELL ALL OF TAZZA CAFFE PRODUCTS AND ONLY OFFER PRODUCTS THAT HAVE BEEN APPROVED IN WRITING BY THE FRANCHISOR;
- MAINTAIN AN ADEQUATE STOCK OF PRODUCTS AT ALL TIMES;
- ENSURE THAT THE INTERIOR AND EXTERIOR OF THE RESTAURANT REMAINS THOROUGHLY CLEAN, ORDERLY AND SAFE AT ALL TIMES;
- RESPECT THE OPENING DAYS AND HOURS ESTABLISHED BY THE FRANCHISOR;
- MAINTAIN ACCURATE, COMPLETE AND UP-TO-DATE FINANCIAL RECORDS;
- RESPECT THE CONFIDENTIALITY OF TRADE SECRETS

# COSTS and fees



TAZZA CAFFÈ'S INITIAL FRANCHISE FEE IS TWENTY-FIVE THOUSAND DOLLARS (\$ 25 000), PLUS APPLICABLE TAXES. THIS INITIAL FEE IS PAID UPON SIGNING THE CONTRACT AGREEMENT AND IS NON-REFUNDABLE. ADDITIONALLY, AS THE FRANCHISOR WILL COVER ARCHITECT FEES FOR THE FRANCHISE PLANNING, THIS AMOUNT MUST BE REIMBURSED BY THE FRANCHISEE TO THE FRANCHISOR IMMEDIATELY UPON SIGNING THE CONTRACT.

FOR THE ENTIRE DURATION OF THE CONTRACT, THE FRANCHISEE

MUST MAKE MONTHLY PAYMENTS TO THE FRANCHISOR. THIS AMOUNT WILL REPRESENT BETWEEN 2% AND 4% OF THE FRANCHISE GROSS SALES, PLUS APPLICABLE TAXES.

THE FRANCHISEE MUST ALSO COVER HIS OR HER SHARE OF THE DEVELOPMENT OF REGIONAL AND NATIONAL ADVERTISING AND SALES PROMOTION CAMPAIGNS. THIS AMOUNT REPRESENTS 2% OF GROSS SALES AND IS TO BE PAID ON A MONTHLY BASIS, SIMULTANEOUSLY TO THE PREVIOUSLY MENTIONED MONTHLY FEES.

## SUMMARY:

- › FRANCHISE COST:  
\$ 25 000
- › TOTAL COST OF THE PROJECT:  
\$ 300 000 TO \$ 450 000  
(LEASE)
- › \$ 850 000 TO \$ 1 200 000  
(CONSTRUCTION)
- › RECURRING FEES:  
4 % OF GROSS SALES
- › MARKETING CAMPAIGNS:  
2 % OF GROSS SALES

## THE TAZZA CAFFÈ FRANCHISE AGREEMENT INCLUDES:

- › THE PERMISSION TO USE TAZZA CAFFÈ'S TRADEMARKS AND TRADE NAMES;
- › THE USE OF ALL MANUALS AND RECIPES;
- › THE MENU;
- › THE USE OF THE MARKETING PROMOTIONS AND SIGNAGE DEVELOPED BY THE FRANCHISOR;
- › THE SUPPORT OF A HIGHLY EXPERIENCE TEAM THAT POSSESSES A THOROUGH KNOWLEDGE OF THE FOOD SERVICE INDUSTRY;
- › TRAINING OFFERED BY THE TAZZA CAFFÈ TEAM;
- › ADDITIONAL SUPPORT DURING THE OPENING PHASE OF THE FRANCHISE. OPENING TEAM TO ASSIST YOU DURING THE FIRST TWO WEEKS.

## THE TAZZA CAFFÈ FRANCHISE AGREEMENT DOES NOT INCLUDE:

- › THE BUILDING AND INFRASTRUCTURES;
- › THE PROPERTY ON WHICH THE RESTAURANT IS BUILT;
- › THE EQUIPMENT, FURNITURE, AND SUPPLIES.