

# JOIN THE CLUB

## *Process to becoming a Franchisee with The Coffee Club*

The steps to becoming a franchisee with The Coffee Club and opening your café/restaurant are simple and streamlined, and are detailed over the following pages. It is important to note that each individual step is a significant part of the overall process.

### **1. Determine your compatibility**

The Coffee Club offers a proven business model and a market-leading brand. To maintain the integrity of our brand and to continue our growth, it is important to make sure the opportunity is right for you and us. We encourage you to read up about The Coffee Club (including this booklet) and ensure you feel strongly about our business proposition.

### **2. Register your interest**

The next step to becoming a Franchisee is to complete the franchise application form and confidentiality agreement, and submit these to us by email and/or post. These are included in the franchise information booklet, or can be downloaded from our website. By completing these forms you give us an insight into your business goals and experience so we can assess your options.

### **3. First meeting**

Once we've received and read through your franchise application form, we will arrange a time to meet with you in person. This first meeting is a good opportunity for us to get to know you better, talk about The Coffee Club opportunity in more detail, and answer any questions you may have.

During this first meeting we will also discuss your compatibility to become a franchisee with The Coffee Club, the location/s of interest, financing options and the process of becoming a franchisee. Most importantly though we will discuss in depth your expectations in owning a business within The Coffee Club franchise system, and the roles and responsibilities you will need to accept as a franchisee within our group.

### **4. Financial Information and Disclosure Document**

If we are both comfortable with the first meeting and happy to proceed to the next step, we will provide you with a range of financial information and send you our Disclosure Document. The Disclosure Document will provide you with in-depth information about The Coffee Club franchise system and our franchisees. Our Franchise Association of New Zealand membership requires that you have the disclosure document for a period of seven (7) days prior to purchasing a franchise. This is also a good time to visit existing The Coffee Club stores and talk to existing franchisees. We encourage you to ask questions and get a real perspective on what's life like as a franchisee with The Coffee Club. At this point in time you will also need to consider enlisting a solicitor and accountant who can provide you with independent legal and accounting advice and review the documents provided by us.

### **5. Second Meeting**

After the first meeting you will have gone away and researched The Coffee Club in more depth, and come up with a list of questions. This second meeting is another opportunity to ask these questions and discuss the opportunity in more detail.

### **6. Business Plan**

The next step is for you to put together a formal business plan and present this to us in a second meeting. Your business plan will be required to incorporate a range of aspects, all of which we will outline to you at the time. The key objective of the business plan is to demonstrate to us that you are competent to operate a café/restaurant with The Coffee Club franchise system. If you require financial funding, your business plan will also need to be presented to a major bank for their consideration and approval at the same time.

### **7. Third Meeting**

The third meeting is an opportunity for you to present your business plan to both directors of The Coffee Club Franchising (NZ) Limited. It will also provide us with a better insight into your capabilities and where we see your strengths and weaknesses. In a formal but open discussion we will talk through the opportunity, your business plan, and ask a range of questions to ensure we are comfortable with your ability to operate a café/restaurant with The Coffee Club franchise.

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### 8. Franchisee approval with The Coffee Club

Franchisee approval will be made based on the information provided in the franchise application form, information obtained in the various meetings, and the business plan presented. After we have reviewed all this information we will advise if your application to become a franchisee with The Coffee Club has been approved, and a formal letter advising our decision will be sent to you. Information to allow us to prepare franchise documents will be requested, and you will be required to confirm that necessary finance is approved, and pay a pre-payment towards training and legal fees.

### 9. Franchise documents

After franchisee approval has been given, we will arrange for legal documents to be prepared, including the franchise agreement (written contract listing both parties' obligations and responsibilities) and premises license agreement (written contract regarding the lease of the premises where your café/restaurant will be operated from). This step can often take up to several weeks as you will need to obtain independent legal advice and review all the legal documents provided by us.

### 10. Training

Training is not only an important part of our franchise recruitment process, it's the on-going lifeblood of our business. At The Coffee Club we believe that skills are only part of the equation, and your positive attitude and approach to achieving success is absolutely key. That's why in your initial training we will train and assess your competence across three areas: Skills, Knowledge and Attitude.

During a meeting with our training and operations manager you will be provided with a comprehensive training programme which incorporates a dynamic mix of theory and hands on learning. All franchisees are required to complete The Coffee Club's corporate education induction, and in-store training, both explained in further detail below. The training period will be an opportunity to learn basic operations, selling techniques, marketing strategies and get an overall sense of what the day-to-day operations involve.

**In-Store Training** (minimum four weeks). This provides you with operational skills and knowledge across all aspects of store operations. You will be required to spend 160 hours in-store over a four week period. This is supported by a Training Booklet where competencies are assessed and signed off by the trainers once achieved. We appreciate that you probably won't learn everything in just four weeks, but we do require you to be available for the full four weeks so that you can learn as much as you can. Where possible, we also recommend inviting key team members to participate in the training programme. (TCC training programme for new franchisees allows for up to two people to complete training at no extra cost)

**Corporate Education.** This will give you knowledge of our support systems and compliance requirements. This is a one day training seminar and takes place at our support office in Auckland.

### 11. Open your café/restaurant

Congratulations, you are embarking on a new life as a franchisee with The Coffee Club. During the store opening stage, our training team will be by your side most of the time, guiding you through this new and exciting journey. Our training team will stay with you for a further two weeks after the store opens. During this time we will continue your franchisee training, but most importantly we will be in store to train all the new team members as well.

### 12. Ongoing Support

One of the benefits of being a franchisee with The Coffee Club is the high level of support we provide. Even once your store has opened and the training team leave, you are not alone. You will have access to a dedicated Business Development Manager (BDM) who is your main point of contact. Our BDM's have assisted many franchisees through the start-up phase and will continue to work with you on all aspects of the business. As both mentor and coach, your Business Development Manager will work with you to develop a business plan which will help you achieve growth and success.

The rest of The Coffee Club support team will also provide ongoing support in the specific areas that you may need, including local store marketing, operations, training and IT Support.