

# **Frequently Asked Questions**

## Q. What type of franchise is available?

A. This is a home grown story. It started 15 years ago an adoring family man and passionate coffee drinker tried the 'best coffee' on his travels. He had been on a mission, a search, for the be all and end all of coffee; finally, finding it in the exotic escapes of Thailand. Upon discovering this hidden gem of a café, his visits to Thailand became increasingly frequent and the experience was well worth the travels. The sweet aroma and distinct scent of the café was all together breath-taking. To top it, the hospitality and friendliness of the staff made sure that he would not miss a chance to visit the place. He described it as the ultimate coffee drinkers' getaway and wanted to bring this heavenly rich scented coffee to the Middle East. He could not leave this amazing discovery hidden in one place. He wanted to share the sweet joy of the café with the world and so Coffeol was born.

Dubai, the ever growing cosmopolitan city was his starting point. Prior to this, Coffeol has been expanding internationally as well as within the UAE. With 10 branches in Dubai, 8 in Thailand, and 2 in Romania so far, Coffeol is moving towards its goal.

We are a niche coffee shop serving organic coffee. In addition to this, we offer healthy food options to promote a healthy lifestyle. The quality of the food and drinks are our top priority. To ensure high standards and quality, we prepare everything in our own kitchen, meaning everything is under our control. We strive to give every visitor the same amazing experience, so we train and educate our staff regularly. This way, both the customers and staff enjoy learning about the vast exquisite products available in Coffeol. We believe that this experience can bring a better and brighter chapter to a person's life with every sip.



Coffeol serves multicultural middle to high-end income customers. The size of a typical Coffeol outlet is between 800 sq.ft and 1500 sq.ft with a customer flow of 450 checks per day.

#### Q. How much does the franchise cost?

**A.** The initial investment for the franchise varies according to the concept, space, location....etc, full costing study will be provided by Coffeol.

#### Q. How much does the franchise Fee cost?

A. The franchise fees vary according to the franchising type (Unit, Area, Master).

#### Q. How much is the fee for continuing support services?

A. The continuing services, or "royalty fee," is 6% of your gross sales and is paid monthly. This fee entitles you to use the COFFEOL service mark, use of distinctive system, marketing assistance, ongoing business development and counseling, and other benefits that come with being a COFFEOL franchisee.

#### Q. Will I have an exclusive territory?

**A.** COFFEOL grants an exclusive territory for a minimum of 4 units and agreed upon on a case-by-case basis.

#### Q. What about advertising?

**A.** COFFEOL name and reputation is an important part of our business. You will spend at least 2% of your gross sales per month on local advertising. In



addition, if we should establish fees for a Marketing Fund, you will be expected to make Marketing Fund contributions of up to 2% of your monthly gross sales.

### Q. How much training is provided in the COFFEOL system?

A. Phase I -- Training provided at a location designated by COFFEOL: It is expected that COFFEOL Management will provide franchisees with approximately 14 to 30 days of initial training at COFFEOL headquarters or at a location designated by the COFFEOL Management, beginning approximately 6 to 9 weeks before the franchisee is scheduled to open for business. Phase I instruction will pertain to administrative, operational, and sales/marketing matters; it will also include a liberal amount of on-the-job training. This training will be provided for the franchisee and one (1) to three (3) designated attendees.

**Phase II -- Training provided at the franchisee's location:** On-site training typically takes place when the franchisee commences operations. Experienced trainers from COFFEOL will provide on-site training for a period of 7 to 10 days to assist the franchisee in the commencement of operations.

#### Q. What is the term of the COFFEOL Franchise Systems Franchise Agreement?

A. The initial term of the Franchise Agreement is five years from the date the Franchise Agreement is signed. The franchise is renewable for five additional terms of five years each with no renewal cost from the initial franchise fee, providing you have complied with the provisions of the Franchise Agreement.



## Q. What is the support provided by COFFEOL?

- **A.** In addition to field support, members of COFFEOL organization should provide the services listed below:
  - Operational Support -- COFFEOL Management should provide ongoing training and support in many areas critical to the success of the franchisee's business, including unit operations and maintenance, customer-service techniques, product ordering, suggested pricing guidelines, and administrative procedures.
  - Site Selection -- Prior to approving a site for COFFEOL outlet, COFFEOL
    Management should provide franchisees with clear guidelines for a suitable
    location. COFFEOL will require franchisees to follow these instructions to
    ensure that an appropriate site is located.
  - Marketing Support -- COFFEOL Management should coordinate
    development of advertising materials and strategies for the benefit of all
    members of the franchise network. It should also supply franchisees with
    consumer marketing plans and materials for use at the local or regional level,
    and retains the right to approve all local advertising materials that the
    franchisee chooses to develop.
  - **Purchasing** -- COFFEOL Management or its affiliate should negotiate quantity discounts on behalf of all of its members, passing some or all of these savings on to the franchisees.
  - **Accounting/Audit/Legal** -- Reporting directly to administration, this department is responsible for the financial and legal oversight of franchisees.

Coffeol COFFEE FOR ALL

• Internal Support -- The functional areas of training, purchasing, franchisee

communications, and research and development are typically included in such

a department.

Ongoing Research and Development -- COFFEOL Management should

continue to research methods and techniques for franchise operations

(including purchasing and promotional schemes) that enhance unit-level

profitability.

• Overall Program Oversight -- COFFEOL Management should provide the

overall coordination and planning for the COFFEOL franchise system.

Q. What is my next step?

**A.** Simply complete the Franchise Application Form and return it to us. Upon

receiving the form we will contact you. If you have any questions, in the

meantime, please feel free to call us at:

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