



*Experience the Difference*

**an introduction...**

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## **1. Introduction**

This document has been prepared to brief prospective franchisees seeking to be part of The *Cheesecake Shop* system.

At The Cheesecake Shop we understand that making a decision about purchasing a business can be both stressful and exciting.

It is very important for you as a prospective franchisee to make an informed decision. We will require you to seek independent financial and legal advice before proceeding with the purchase of the business opportunity.

It is important to consider all aspects of the business and to be honest with your self. Owning a business can be a very rewarding experience but will require hard work, commitment and time.

## **2. Corporate Profile**

R & W Traders Pty Ltd (R & W) is our Australian parent company. R & W commenced operations in 1991 with a view to establishing itself as an international force in the food services industry.

The R & W corporate strategy involves the development internationally of an interdependent and focused group of manufacturing, distribution and retail companies that as members of a group contribute to and benefit from a natural synergy.

At the forefront of R & W's strategy is the development of its chosen markets through Mamuska Cheesecake Shop International Pty Ltd (MCSI) - the franchise arm of the Group. Since incorporation in 1995, MCSI has established Master Franchise operations in the United Kingdom, New Zealand & Poland.

In Australia, in its sixth year of operation R & W achieved its ambition to be the dominant franchise system in the Australian retail cake bakery industry.

The phenomenal growth of the franchise system is based on the principles of best business practice systems, local store marketing and operational guidance that maximize the opportunities for growth and sales.

The Franchising Council of Australia recognized the achievements of the Group by awarding both the 1996 & 1997 Franchisor of the Year Award (Retail Category 2) to The Cheesecake Shop Pty Ltd.

With over 230 stores firmly established in Australia, New Zealand, UK and Poland, together with manufacturing and distribution units in these markets, R & W continues to grow and expand globally.

### 3. ***The Cheesecake Shop Business Format***

***The Cheesecake Shop*** system involves the retail (including catering and wholesaling where permitted) of a wide range of appetisers, entrees and desserts at value-for-money prices, in attractive surroundings that generally operate seven days per week.

In varying degrees ***The Cheesecake Shop*** outlets manufacture and prepare the retail products on site. Whilst there is a core range of products that are non-discretionary, there is also a large choice of products that the franchisee selects to suit their particular local market's needs.

Quality is not negotiable and to that extent, products are produced within a food safe environment, whilst incorporating a food safety plan to ensure the satisfaction of our customers.

Core products are validated by an independent laboratory with supporting ingredient and nutritional information available to the Franchisee - information that is made available to our customers. "Freshness guaranteed" is more than just a strap line.

Good management, system compliance, tight controls, effective processes, hard work and the fact that professional bakers and cake decorators are not essential keep costs of production to a minimum.

For the franchise operators, the strength of the concept is based on the absolute simplicity and prescribed system of production and management.

Appropriate training in production, administration and local marketing is provided by the Master Franchisee. Although the Master Franchisee provides a comprehensive range of services and operational information, the success of an individual franchised outlet will depend on the capacity and ability of the Franchisee.

Like any other business, ***The Cheesecake Shop*** requires dedication, commitment, and hard work to achieve results. Unlike any other business ***The Cheesecake Shop*** provides you with a tried and proven system that ensures you are not on your own.

#### 4. **The Business Opportunity**

You are invited to join our team of staff and franchisees in our development and growth.

*The Cheesecake Shop* offers suitable applicants the opportunity to participate in a food franchise system.

Your investment purchases the following:

- An operation, which provides a business format for your store. The business format franchise is documented for managing and operating the business. The documentation provides the guidance and assistance for the business, anticipating the more common management problems.
- Training is provided by the Master Franchisee in various aspects of the Franchise operations, which may include administration, bookkeeping, operational reporting, development, and promotional options and support infrastructure recommendations.
- Guidance and assistance is provided by the Master Franchisee to the Franchisee as part of the store evaluation program, and may include aspects of local store promotions, seasonal promotions, new product launches, operational compliance, and other administrative and operational activities.
- Access to our exclusive *The Cheesecake Shop* Web Support Site, providing you with information and resources aimed at assisting the development and operation of your business.

## 5. **Frequently Asked Questions**

### ***What do I get when I buy a The Cheesecake Shop Franchise?***

A fully equipped turn-key operation including comprehensive web based documentation, initial training, store opening marketing support and ongoing management & operational support.

### ***Do I need to know how to cook and decorate?***

Experience in cooking, baking & decorating is not essential as initial training, documented recipes and procedures are provided. Although we do expect the franchisee to have an interest in, and an appreciation for, their customers “fine food” experience.

### ***Where do I purchase my stock of ingredients and product?***

To ensure our “freshness guaranteed” promise and for reasons of public health and safety, only approved ingredients & products may be made available at outlets. Approved ingredients & stock is purchased from authorized suppliers who meet the franchise systems standards of production.

### ***Can I buy a store and employ a manager to run it?***

***The Cheesecake Shop*** performs best under the control of a “hands on” owner operator who takes an active role in the day to day operations.

### ***What about buying an existing store?***

The purchase price of an existing store is negotiated with the vendor Franchisee, after your Franchise Application has been considered and approved by the Master Franchisee. When you purchase an existing store, you will be required to participate in a training program and to pay a training fee to the Master Franchisee in addition to any agreed price negotiated with the vendor franchisee.

### ***What about ongoing costs?***

The Master Franchisee charges a royalty based on net weekly sales of between 3% and 5%, which is direct debited from your business bank account on a weekly basis. The Master Franchisee also charges an advertising levy of 1% based on weekly net sales which is also direct debited from your business bank account on a weekly basis. Full details of costs are set out in the Disclosure Document available from the Master Franchisee.

### ***What is the term of a Franchise Agreement?***

The minimum term for a new store Franchise Agreement is for an initial term of 10 years (5 years initial term and a renewal term of 5 years). The term of an existing store is dependent on the term remaining under the vendors Franchise Agreement.

### ***How much does a store cost?***

The turn key purchase price for a new store will vary between £ 75,000 and £115,000 depending on the fit out & equipment options selected. (Please be aware these figures do not constitute an offer, are indicative only for a standard 1000 sq. ft. fit out, and make no allowance for working capital requirements, legal fees or any leasehold premium if applicable) Full details may be obtained from the Master Franchisee on application.

### ***Do I own the premises or are they leased?***

Generally, the Master Franchisee leases the site and then provides access to the Franchisee via a Licence to Occupy Premises. However, the Master Franchisee may require a Franchisee to hold the head lease of the premises.

### ***What guarantees do I get that the store will be a success?***

None at all. ***The Cheesecake Shop*** franchise system provides you with the tools to operate a store. How effectively you use those tools is very much in your hands. Like many business ventures, there is an element of risk involved. Buying any business is a major decision and should not be taken lightly. We recommend that you carry out your own research and take legal, financial and business advice before deciding to purchase any business.

### ***How long does it take before I begin to trade?***

Generally three to six months, but depending on site availability, leasing arrangement, store fit-out and training duration.

## **6. Registration of Interest**

Enclosed you will find an Application Form. Please complete this form and forward to the Master Franchisee listed below to register your expression of interest.

**Upon receipt and review of the forms we shall contact you.**

In the meantime, if you require additional information before proceeding with your enquiry you are invited to contact:

### **Corporate Sales**

#### **The Cheesecake Shop Limited**

**Unit A2 Daleside Road  
Colwick  
Nottingham NG2 4DH**

**Telephone: + 0115 985 1161**

**Facsimile: +0115 985 1107**

**Email : [corporatesales@thecheesecakeshop.co.uk](mailto:corporatesales@thecheesecakeshop.co.uk)**