



Master Franchise

Frequently Asked Questions

We know what you're thinking and so we have tried and addressed the most common questions we get

1. Yes you're running your locations profitably but why do you think you are ready to sell franchisees? Why should I choose your franchise model over others?

The American Joint was created to become India's global food chain. When we started off with our pilot location, we knew the end goal but lacked a clear path to get there. Less than 20 months and 3 locations later, we have now armed ourselves with powerful backing, industry experts and a specialized franchise team whose sole job is to ensure the success of our franchisees. Not only that, we have invested a lot of resources to centralize our operations by building a strong physical and technological infrastructure. This comes in the shape of central kitchens, delivery trucks and ERP software that will ensure a seamless process for the franchisee in everything from ordering of food and managing inventory to daily accounting and access to over a hundred business intelligence reports available 24x7. Our confidential operating manual is written by an experienced group of franchising professionals who know very well how to beat the difficulties that arise with the running of a successful restaurant chain.

Other than all of the above reasons, the one thing we believe is crucial to a successful franchising partnership is clear and open communication. So, we're not afraid to admit that we're a relatively younger brand but that is one of our greatest strengths. We do not rely on old school methods of running a restaurant business. We rely on smart intuitive thinking, data driven customer oriented decisions, teamwork, our unique but extremely effective marketing strategies and long lasting fruitful partnerships to take us closer to our goal of becoming India's global food chain. Our franchise model is built by experts for the long-term success of both the brand as well as our Franchisees. We understand that we rely on our franchisees for the success of the brand and as a result the management and our franchise team are always committed to the success of our franchisees.

2. Alright I'm sold, will I get exclusivity for the territory that I am interested in?

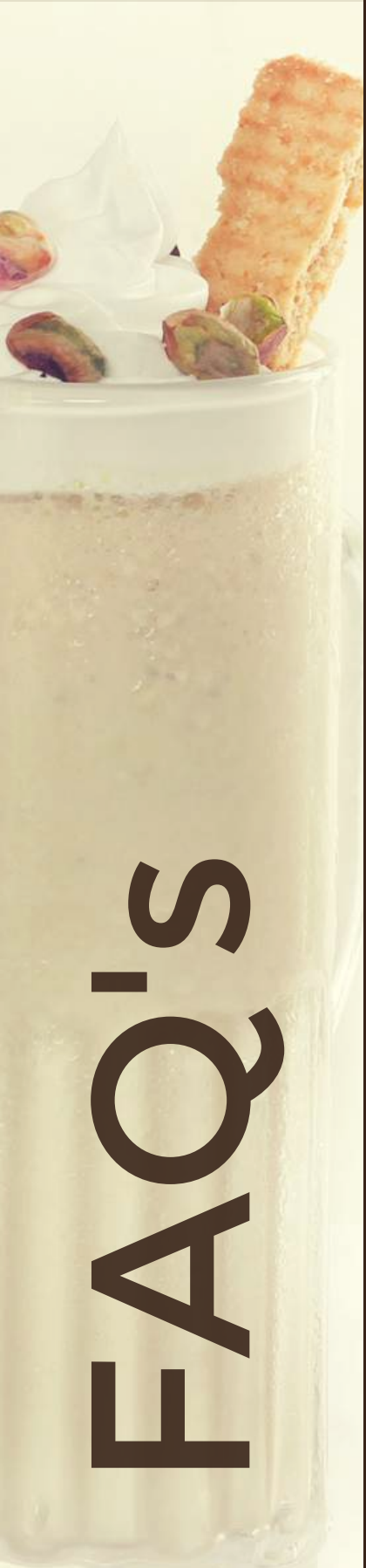
Absolutely, all master franchisees will have exclusive rights to sell or open themselves all franchised locations in their territory

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3. How long is the master franchise agreement?

The Master Franchise agreement is for a period of 12 years from signing of the contract i.e. the master franchisee will have sole rights to their territories for a period for 10 years

4. Explain the master franchise fee and royalty that you are charging me?

All of our master franchise deals are custom designed depending upon the size and area of the market. Our entire franchise model is built on the premise of being fair and equal partners with our master franchisee. As you will notice, we split the franchise fee and royalty % evenly between us and our master franchisees. For example, if a master franchisee sells a franchise for a fee of 18,00,000, the franchisor will get 9,00,000 and the master franchisee will get 9,00,000. The same goes with royalty. The master franchisee will collect 10% royalty each month and will pass on 5% to the franchisor for every sub-franchised location. We share the revenues 50-50, with no operational cost to the master franchisee.

5. What other costs do I have to bear?

Unless you decide to open and operate a unit yourself, there are no other costs that you have to bear. All costs related to franchise design, training and support team will be borne by us.

6. What kind of cooperation and support can I expect from you?

As we've said before, our success depends on how well our franchisees do. There are a lot of brands out there that wouldn't be too affected by a franchisee closing down or performing poorly but we believe each and every franchisee is extremely important to our model and to the growth of the brand and so you will not only have access to some of the best people for your support but also stay ahead of the curve as we spend over 70% of our resources on ensure our franchise model is packed with everything a franchisee needs to succeed

7. Do Franchisees get protected territories?

Yes, Stand-alone units enjoy a protected territory of 3km while express units get a protected territory of 2km



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8. Explain the marketing and advertising fee?

Any restaurant incurs marketing expenses as part of its operational costs. We undoubtedly rely on our unique and creative marketing strategies to grow the brand at this rate. From being featured in almost every major newspaper, radio and online blogs, our ability to reach out directly to our customer base keeps us constantly relevant in the eyes of our customers. Our goal is to use the full power of the brand for the benefit of each and every location whether it is a company owned or franchise location. This fee will cover all brand wide campaigns and promotions that we do

9. Which markets are you looking to expand into?

Our expansion plan is divided into two phases. Phase 1 includes expansion into Tier I metropolitan cities – Mumbai, Pune, Surat, Ahmedabad, Jaipur, Kolkata, Bangalore, New Delhi. Phase 2 includes Tier II cities capitalizing on the advent of urbanization in upcoming cities.

10. This all sounds great, what are the next steps?

Congratulations! You're already on Step 2. If you feel like you would like to be a part of our brand, the next step would be to send us your availability via email so we may schedule a face to face meeting with our executives.

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