



Franchise information
and application pack

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Franchise opportunity

The Smokeys concept has been operating successfully since the inception of its first restaurant in Ealing in 2014. Strong customer feedback and many enquiries about franchising have encouraged the concept owners to develop a franchise system.

This has now been developed to a point where we are looking for the right people to share the owners' vision and drive by becoming foundation franchisees.

Franchising is a key sector of small business and has grown throughout the world over the past 20 years. Franchisees who follow the system provide a high level of service to customers and maintain a better control over operating expenses, leading to greater profitability.

Prospective Franchisees must have a genuine desire to provide the best service to customers, be committed to following the Smokeys system and enjoy being an integral part of a growing, dedicated and dynamic team whilst building their own future.

The Smokeys franchise system provides franchisees with:

- » Brand recognition and prestige
- » Comprehensive initial training and ongoing guidance and support
- » A proven business system and ongoing innovation
- » Market acceptance

Why franchise?

Some key features and the benefits associated with the Smokeys opportunity are:

FEATURES	FRANCHISE OWNER BENEFITS
Industry Expertise <ul style="list-style-type: none"> • Proven and Successful Business System • Specialised Training and Induction • Operational Support 	<ul style="list-style-type: none"> • Reduced risk of failure • Faster start up • Gain the knowledge to run a successful business
Group marketing activities <ul style="list-style-type: none"> • State Wide Marketing • Local Area Marketing • Powerful Website • PR Activity • Social Media 	<ul style="list-style-type: none"> • Customer and business growth • Increased local awareness • Generate 'loyalty' customers • Creates awareness of our unique products • Continual activity on Facebook, Twitter etc.
Intellectual Property <ul style="list-style-type: none"> • Name and Logos • Market Recognition and Goodwill • Business Format Franchise System • Advertising Formats • Business Systems and Market Knowledge 	<ul style="list-style-type: none"> • Stature in community • Instant brand recognition • Valuable business identity • Local marketing ideas provided • Instant feedback on performance
Documentation <ul style="list-style-type: none"> • Franchise Operations Manual • Franchise Audit Programme • Business System 	<ul style="list-style-type: none"> • Documented systems ensuring consistency • Continual improvement • Simple, user-friendly process
Franchisee Support <ul style="list-style-type: none"> • Field Visits • Regular Reviews • Training and Assessment 	<ul style="list-style-type: none"> • A strong network • Access to quality advice • Franchisee and staff development
Exclusive Quality Products	<ul style="list-style-type: none"> • Repeat business • Referrals • High customer satisfaction

Your investment

The initial investment in your Smokeys franchise depends on the location of the franchise that interests you. The potential return will also depend on whether you can fund the business yourself or whether you will need finance.

An estimated start-up cost sheet is included in this information pack, which details the fees and equipment required to establish a Smokeys franchise.

The most significant factor to affect the level of success you can achieve is, of course, you! Franchisees are people and no two people are the same. We can provide you with our proven name and system plus the business tools and support you need, but your reward is ultimately determined by your diligence, and your commitment to your business.

As part of the recruitment process you will be provided with a template for a Business Plan which you should complete in conjunction with your professional adviser/s. We will give you information about the performance of the existing business so that you have a guide for completing the Financial Model.

It is difficult to typecast a 'model' franchisee for our system. There are, however, some important characteristics that you must have, or will commit to developing.

You must have a genuine desire to succeed by adhering to the Smokeys system and being prepared to work long hours to get your business established.

The best system in the world will never optimise opportunities unless everyone recognises the 'commonality' of objectives and contributes to the well-being of each other and the system as a whole. Only when the system is followed does everyone benefit.

Failure to conform to the proven system limits your chance of success and potentially creates negative impact on the Smokeys brand.

Finally, self motivation is an important characteristic for anyone in business. Setting realistic goals and then working to achieve them, is critical.

What to do next

If you believe you possess the right attributes and see yourself thriving in the supportive Smokeys franchise system, contact us to discuss this limited opportunity further.

You should then complete the Expression of Interest form at the back of this document and send to franchising@smokeysrestaurants.com

Frequently Asked Questions

The following fact sheet is designed to provide some answers to some of the more commonly asked initial questions. If you have any further questions please note them down and bring them to our next meeting.

What is franchising?

Franchising is really about being in business for yourself but not by yourself. Generally, franchising is where the franchiser licences the franchise owner the right to distribute and market a product or service, and use the business name and/or trademarks for a fixed period, in return for a fee. Under the Smokeys franchise system, the franchise owner has the opportunity to conduct a business using the Smokeys name, system and products.

Why should I choose a franchise instead of starting my own business?

Starting a new business can be very risky. By purchasing a franchise you can reduce the risk to some extent as you are buying a business with an established, successful business system and brand. In addition, you receive comprehensive initial training and ongoing support, advice and training from us.

Would a Smokeys franchise suit me and what qualifications do I need?

If you love meeting people and giving excellent service then you are most of the way there. You do not need any formal qualifications to run the Smokeys Franchise. Your enthusiasm, passion and energy to run a successful business is paramount.

Why should I become a Smokeys franchise owner?

Smokeys has been successfully operating since 2014 and continues to grow at a healthy rate. The company management is highly experienced and recognised for excellent customer service. We would now like to share our success and knowledge with others through our franchising program.

How do I go about becoming a Smokeys franchise owner?

You have already started the journey. The next thing you must do is complete an Expression of Interest Form and Confidentiality Agreement. This information will assist us in assessing your suitability as a Smokeys franchise owner. Should we decide that you meet our initial criteria we will provide you with a detailed outline of the steps to be completed in order for you to become a franchise owner.

How much will it cost?

The initial investment in your Smokeys franchise depends on the type of location that suits you. Full cost details are included in this information pack.

Am I required to work in the outlet?

Yes. At Smokeys, we believe that the most successful franchises are those which are run by the actual owner. We also believe that the best head-start you can give your business is to commit yourself to it so you can fully understand every aspect of the operation. It is important to Smokeys that you want to pursue an active involvement in the franchise and do not want to obtain the franchise purely as an investment opportunity.

What do I receive for my Initial Fees?

The Initial Franchise Fee is your payment for the grant by us of the right to use the valuable intellectual property, which includes the brand name and the Smokeys business.

The Smokeys Franchise Owner will receive a comprehensive Initial Training Program on all aspects of the Smokeys business from creating and making products, customer service techniques including order transactions, to business resources and hands-on training of the day to day management of the business.

Whilst this training is happening you will also receive an Initial Marketing Program designed to assist you to establish your Smokeys business. You also pay an ongoing Franchise Service Fee and Marketing Contribution.

What is the Franchise Service Fee?

The purpose of the Franchise Service Fee is to remunerate the franchiser for the on-going services we provide to you, such as;

- Use of our Branding
- Training and monitoring;
- Concept and product development;
- Manual updates;
- Access to the Smokeys range of products and services;
- Franchise Performance Reviews aimed at assisting you to make your business more effective and profitable;
- The benefit of group purchasing power;
- Ongoing advice and support;
- Management of the Group;
- Other miscellaneous services

How is the Franchise Service Fee and Marketing Contribution determined?

The Franchise Service Fee is based on a percentage of the net sales turnover of the business so that it is fair and equitable for all franchise owners.

What is the Marketing Contribution?

The purpose of the Marketing Contribution is to pool the contributions of all franchise owners to maximise the promotion of the Smokeys products and services, thus building the brand for the benefit of all partners.

What happens at the end of the first franchise term?

Provided that you have not breached your Franchise Agreement with us during the initial term and notify us of your wish to renew within the required time, you will be able to renew your franchise for a further term. You should be aware there are a number of requirements set out in the Franchise Agreement that need to be met before your franchise can be renewed. In particular, you will have to pay the legal costs of arranging the renewal. You also have to sign a new Franchise Agreement. If you prove to be a successful franchise owner, it is in our interests to have you renew.

What locations are available?

We need to assess your suitability as a Smokeys franchisee, just as you need to do your own assessment of our suitability to you and your lifestyle. When we are both comfortable to progress, you will be given the opportunity to lock in a particular location providing it is still available. The lock in procedure may be discussed in more detail at the interview stage.

When I open for business, will I be left on my own?

No. When you join Smokeys we will guide you until you are comfortable with the way you operate your business. Whilst you are a part of the Smokeys family, support is just a phone call away.

Will I have an opportunity to contribute to the franchise network?

Yes. Our franchise system has been designed to provide all franchise owners with an opportunity to contribute at regular conferences and meetings.

Will I be able to sell my business in the future?

Yes, the franchise is yours to sell to someone who meets our approval just as you did, and who will continue operating the franchise. This is a very important issue which differentiates owning a franchised business from just holding down a job. The more profitable your business is, the greater will be its sale value.

Estimated start up cost for a franchise

Estimated cost franchise	Minimum (£)	Maximum (£)
Franchise fee	20,000	20,000
Training	5,000	5,000
Initial marketing fee	7,500	7,500
Total	32,500	32,500
Equipment (Leasable)	Estimated range (£)	
Equipment	20,000	60,000
Fixtures (including furniture)	40,000	100,000
EPOS system	8,500	10,000
Office equipment	2,000	3,000
Total initial equipment	70,500	173,000
Fit out	Minimum (£)	Maximum (£)
Leasehold improvements	10,000	40,000
Lease fees / Design fees	5,000	6,000
Stock / Store supplies	10,000	15,000
Signage	6,000	15,000
Rent in advance	10,000	50,000
Security deposit	5,000	15,000
Total fit out	46,000	141,000
Other costs	Estimated range (£)	
Accounting fees	1,250	2,000
Legal fees	3,250	4,000
Company formation (optional)	100	100
Other (contingency)	1,400	2,400
Total	5,500	8,500
Working capital	5,000	15,000
Total investment estimate	160,000	370,000

The cost to establish a new franchise ranges from approximately £160,000 to £370,000 and is detailed in the relevant disclosure document. Costs cannot be accurately estimated until a location has been established. Therefore an estimated range has been utilised: items may change depending on the location's needs and requirements: All prices are subject to change without notification and are excluding VAT.

Expression of interest

This is an initial Expression of Interest form for a Franchise. All information supplied will be treated with the utmost confidentiality. The Franchiser may require further information before entering into a Franchise Agreement. However, there is no guarantee made by the Franchiser that the Franchise will be granted.

Note: No contact will be made with any referee provided without the prior permission of the applicant.

PERSONAL INFORMATION

Name:

Current address:

Post code:

Number of years at address:

Previous address (If less than 5 years):

Post code:

Number of years at address:

Land Line:

Mobile:

Email Address:

Marital Status:

No. of Dependents:

BUSINESS INFORMATION

1 Are you self employed? Yes No (if no go to Q8)

2 For how many years have you been self employed?

3 What occupation/industry are you self employed in?

4 If you are employed, who is your current employer?

5 Please state the number of years you have been employed:

6 If employed what is your present occupation?

7 Can you be contacted at work? Yes No

Land Line:

Mobile:

8 Previous employer:

9 Number of years you were employed:

10 What was your occupation?

11 Reason for leaving?

12 Details of any business experience or business interests you have:

13 What is your present business income? £

14 Do you have other income? Please explain your other income:

15 Are you currently involved in or associated with parties who are involved in the provision of similar products or services? Yes No

EDUCATION INFORMATION

1 Last school attended Grade attained

2 Institution attended Grade or degree attained

APPLY

ESTIMATED FINANCIAL INFORMATION

Would the business be your sole source of income?

Do you rent or own your home?

If owned, what is its approximate current value? £

Mortgage amount outstanding £

Total assets £

Total liabilities £

Net worth £

Amount of cash available to invest in your business £

Do you have a source of finance?

If so, how much finance will be provided? £

When do you wish to commence your franchise?

Do you intend to work full time in the business?

If you do not plan to work in the business, who will be responsible for the daily operation of the business?

If other individuals will be involved in financing the business, please provide details:

Have you been insolvent during the last 10 years? If so, please provide details:

Have the applicant(s) been the subject of any court proceedings, past or present? If so, please provide details:

I declare that the information contained in this Expression of Interest is correct

Date:

Signed Applicant 1

Date:

Signed Applicant 2 (if applicable)

Confidentiality agreement

This Confidentiality Agreement is between The Fireplace Group (Smokeys / we / our) and The Enquirer (you / your).

Insert your name/s:

You wish to evaluate the Smokeys business in order to decide whether to apply to become a franchisee. We agree to provide you with confidential information relating to the operation of a franchise.

We and You agree as follows:

- 1 You warrant that you will keep confidential all of the information provided to you by us and that you will not, without our prior written consent, disclose any of that information to any third party (your professional advisors excepted). You acknowledge that this warranty is also given on behalf of any entity or associate under your influence or control.
- 2 Without limiting the general nature and extent of this warranty, the information which you warrant to keep confidential and not disclose to others includes our technology, know-how, trade secrets, documents, files, records, reports, plans, trademarks, feasibility studies, business plans, franchise agreements, operating manuals, franchise disclosure documents and marketing plans.
- 3 You warrant that the sole purpose for which you are seeking access to the information is to decide whether to apply for a franchise. You warrant that you will not use the information for any other purpose or for your own benefit or to improve or create another business.
- 4 We agree to keep confidential information provided by you.
- 5 This agreement will continue in time but will not apply to any information which:
 - (a) is already known to the other party at the time of disclosure;
 - (b) is in the public domain at the time of disclosure;
 - (c) is disclosed to the receiving party by a third party; or
 - (d) enters the public domain after disclosure otherwise than through a breach of this agreement by one of the parties.
- 6 You acknowledge that the execution of this agreement does not oblige us to disclose any particular information to you and we retain absolute discretion as to which information we disclose to you.
- 7 You undertake that you will, upon our request, immediately return to us all information, documents and other materials we supply to you. You further undertake not to retain any copies of any such information, documents or material.
- 8 You agree that you will not rely upon information provided by us in deciding whether to apply for one of our franchises without first obtaining independent financial and legal advice.

Executed as a Deed

Signed on behalf of The Fireplace Group Ltd

Signature:

Date:

Name: Jijan Uddin

Agreement, Acknowledgement and Declaration

AGREE

