

Quiznos Sub
Franchise Information



About Quiznos Sub:

The first Quiznos Sub restaurant opened in Denver in 1981. In 1987, after overhearing a comment by a customer; "This is the best sandwich I ever ate!", Rick Schaden opened the first franchise in Boulder, Colorado. In 1991, Schaden and his father purchased the entire franchise operation. Today, with more than 5,000 restaurants open worldwide and a further 2,000 under construction, Quiznos is one of the fastest growing quick service restaurant chains in the world. It is estimated that a new Quiznos location opens every 16 hours somewhere in the world. Kylemore are proud to introduce this exciting brand to the Irish Market. The first Irish Quiznos Sub was launched in November 2004 and there are now ten restaurants in the Republic of Ireland, with a number of additional units in the design phase or the build phase.



Quiznos Subs are made to order with the highest quality ingredients, and are toasted to bring out the unique flavour combinations. Quiznos stands above the ordinary sub sandwich because the Quiznos sub is toasted on special, proprietary breads. These artisan breads are made from the finest quality ingredients and are carefully designed not only to add extraordinary flavour to the sandwich, but also to make the perfect recipe for toasting. But the great taste doesn't come from its

speciality breads alone, the same quality ingredients go into Quiznos signature sauces, such as the classic red wine vinaigrette, honey-bourbon mustard and roasted bell pepper sauces.

Quiznos Sub quick service Italian-styled sub sandwich restaurants meet all the expectations of consumers looking for a quality healthy alternative to traditional fast food. However, unlike typical fast food, Quiznos Sub products are fresher and tastier. The menu also includes a selection of fresh salads and hearty soups. In addition, Quiznos offers box lunches for corporate catering, as well subs for home or office parties. Quiznos delivers uncompromising quality for today's busy consumers who are looking for a tasty, fresher alternative to traditional fast food restaurants. Using premium quality ingredients, Quiznos offers better-tasting food through creative, chef-inspired recipes to give you an experience that's truly **"a cut above"** all the others.



No matter what your food mood, there's a chef-inspired selection that's just right for the moment. Our subs come in three sizes so you'll always leave happy, but never hungry. And when you're looking for a change of pace, choose one of our Craveable Salads, or enjoy a soup and sandwich combo. We think our recipes are pretty great just the way they are, but go ahead and change things up- we won't tell the chefs! At Quiznos, nothing is made until you order it so you always get exactly what you want, and it's always fresh and delicious.





About Kylemore:

Quiznos is a wholly owned subsidiary of Kylemore Foods Group Ltd. Kylemore enjoys over 90% brand recognition in Ireland. Leading food innovation continues to be one of our key objectives. This can be evidenced by our launch of some high profile brands such as; the "Pure" juice bar concept, "Coffee Cuisine", a premium coffee bar and more recently, "Quiznos", the American submarine sandwich franchise.

The Hogan family founded Kylemore Foods Group in 1920. Today, Kylemore is 50% owned by DCC plc and 50% still remains in the ownership of the Hogan family. Kylemore still retains today a successful manufacturing plant in Finglas, which supplies bread to Cuisine de France. In addition to this operation, Kylemore has developed a very successful retail restaurant business and today serves over seven million meals per annum in its restaurants throughout the island of Ireland. In 2002, the contract catering division was launched. This has become a real growth opportunity for the organisation.

Foodlife is an exciting new dining experience developed by the Kylemore Group to secure the foundations for further development for the Group in foodcourt environments. The following concepts can all be experienced in our Foodlife foodcourt in the St. Stephens Green Shopping Centre in Dublin:

 Restaurant offering, with a speciality and healthy option menu, developed by our award-winning team

 Premium speciality coffee and teas, extensive range of paninis and sandwiches



Offering freshly made juices and smoothies



Quiznos 'Italian styled' toasted submarine sandwich



Quiznos Brand:

Uncompromising, inspired tastes made easy, every day.

This fundamental statement defines what Quiznos is today and what Quiznos will be in the future. It is the core of what we do and how we do it. We are over achievers who are *uncompromising* in our drive to be the best. Our *uncompromising* focus on meeting consumers' needs and delivering an excellent consumer experience is unparalleled. Our original recipes are inspired by our *uncompromising* commitment to solving consumers' needs and using only premium quality, real ingredients.

Quiznos believes that everyone deserves great taste and convenience at a reasonable price and that the consumer ***should not have to compromise.***

Quiznos is better tasting than fast food and more accessible than casual dining. In a competitive marketplace, Quiznos allows consumers to manage time, expense and pleasure without sacrificing taste or quality.



Quiznos Target Market:

Our customers are aged from 18 to 50. Market research throughout Quiznos Sub restaurants in Ireland has shown that clients are two thirds male and one third female. The clientele has a disposable income and welcome a better quality and healthier product. With a great deal of lunchtime trading our customers are busy people who appreciate a quality product delivered efficiently without sacrificing class and excellent taste.

Quiznos Franchise:

Are you hungry to be an Entrepreneur?

If you love our Subs, try a whole store!

Quiznos have successfully franchised the Italian-style restaurant concept both in the United States and throughout the world and Kylemore are pleased to offer franchise opportunities to the Irish Market. We'll be right there with you when you're ready to start, we won't make you face those first hungry customers on your own.

Our on-site support team will help you open your restaurant in areas such as:

- Assistance in staff hiring & training.
- Placing your first food order.
- Implementing systems to manage your inventory.
- Our Grand Opening in a Box kit provides you with easy-to-implement promotional items.
- On-going operational support, marketing support & training.

We have the support systems in place to help you build your Quiznos Sub business and we will be right there with you when you are ready to start. We are looking for solid, entrepreneurial individuals who are interested in owning and operating their own Quiznos Sub restaurant. Owners can come from all walks of life, but ideally they are hands-on individuals who take pride in building their own business and serving a quality product to their customers. Some knowledge of the food or catering industry is preferable but not essential, we can teach you all you need to know. We want to be partnered with franchisees who take pride in their companies and who are willing and prepared



to build and manage a successful business. Our franchisees must be excited by the Quiznos product and have a keen interest in the Quick Service Restaurant business. Once you open your first Quiznos Sub restaurant the possibilities are endless. Would you like to become a multiple chain owner? So, if you are interested, motivated and ready to accept the rewarding challenge of opening your own business, you are the franchisee for us.

We are committed to providing the best possible support services to our Franchise Owners. As an independent business owner, you are responsible for building your own successful Quiznos restaurant business. However, our role is to support you by giving you the tools and knowledge to do so.

Steps to becoming a Franchise Owner:

- New Franchisee approved by Quiznos Ireland
- Contract signed and franchise purchase fee paid
- Purchaser will propose site for Quiznos franchise location to Quiznos Ireland for approval
- Complete training program as required by Quiznos Ireland
- Purchaser will receive a copy of detailed unit operations manual
- Quiznos Ireland provide advice and guidance on unit fit-out, promotions, signage and approved suppliers
- Fully dedicated and experienced Quiznos operations personnel based in Ireland available to support the new Franchisee
- On sit initial opening support from Quiznos Ireland operations personnel
- Ongoing advertising and promotions support from Quiznos Ireland
- Ongoing operational reviews and audits



Quiznos Sub
MMMM...TOASTY!

Want to be your own boss?

FRANCHISEES REQUIRED

PRIME LOCATIONS IN IRELAND
Typical capital requirement circa €150K (funding facilities available)

Quiznos Sub was ranked 'Best Quick Service Restaurant Chain' in Nations Restaurant News 2006.

Take a bite out of the sandwich revolution! Over 5,000 Restaurants in 21 countries. 11 restaurants now open in Ireland, more restaurants currently in design & build phase.

Contact Simon

to get more information and arrange a one to one meeting.

01 8140646
simon.povall@kylemore.ie
www.quiznos.ie

Site Fundamentals:

The prospective Franchisees/Owners locate sites for new Quiznos Sub Restaurants. The ideal location will have a high footfall area with customers from the target market present. The typical size of the establishment would be 500 sq. ft. to 1,200 sq. ft. with a seating requirement for ten to twenty-five customers.

The site will be surveyed and rated for suitability for the intended purpose and a final decision is made by joint agreement between Kylemore Foods Group and the Franchisee. It is required that the Franchisee employs the services of a solicitor to review and approve the property lease prior to signing.

Restaurant Fit-Out:

Restaurant fit-out and design is specific to all Quiznos establishments worldwide. For this reason, drawing specifications by Douglas Wallace must be followed.

The key component of the restaurant, and Quiznos signature sandwich toasting facility, the Rotating Oven, must be imported from the US and is standard in all Quiznos restaurants. Kylemore will also provide the Franchisee with specifications for signage, furniture, food compartments and colouring to be used in the restaurant.

The typical capital build and fit-out cost is roughly €140K → €170K. These figures are estimations based on an average Quiznos Sub facility and actual cost will be site specific and dependent on the size of the establishment.



Operating Costs:

The franchise to be purchased from Kylemore Foods Group costs €10,000 on signing of the franchise agreement and a further €10,000 on signing of the lease for the restaurant premises. Royalty to be paid to Kylemore is calculated as 7% of net of VAT sales and the marketing cost is 3.5% of net of VAT sales. This money is used for marketing and promotions throughout Ireland. Please see the marketing section below for further details.

Once your business is up and running lunchtime trading will be of utmost importance, with 75% of the daily transactions occurring in a 2.5-hour timeframe. Takeaway accounts for roughly 20% of all sales, but this figure will vary depending on restaurant location and customer profile. The average transaction spend will be €6 → €6.50. The hourly max transaction capacity is roughly 100 with a minimum target of 1,200 transactions per week. These figures are based on business model reviews and Kylemore store experience.

Marketing/Promotions:

The marketing fund mentioned above provides for all printed materials. Signage for Limited Time Offers and all related supporting materials. It also provides for store specific promotions such as student promotions. Frequency programs such as loyalty cards where a card is stamped each time you purchase an item, a cup of coffee for example, and with eight stamps a free cup of coffee can be redeemed. Store launch strategy and execution signage and materials are provided, as is ongoing marketing support once your Quiznos Sub is open. The marketing fund is also used to raise Quiznos brand awareness nationwide and worldwide. Local store marketing is carried out by each individual store with the support of the Quiznos Marketing Executive.



Quiznos in Ireland:

Quiznos Sub Sandwich Restaurants Now Open:

- St. Stephens Green Shopping Centre Level One, Dublin
- St. James's Hospital Concourse Building, Dublin 8
- Merchants Quay Shopping Centre, Cork
- North Earl Street, Dublin 1
- Fairgreen Shopping Centre, Carlow
- Institute of Technology, Tallaght, Dublin 24
- Powerscourt Centre, Dublin
- Wexford Street Dublin
- Dame Street, Dublin
- 11 Thomas Street, Limerick
- Liffey Valley Shopping Centre, Dublin

Stores Opening During 2007:

- Dublin City Centre

Available Locations:

- Dublin City Centre
- Temple Bar
- Baggot St.
- Ballsbridge
- Rathmines
- Navan
- Athlone
- Castlebar
- Kilkenny
- Gorey
- Galway
- Wexford
- Cork City Centre



Quiznos Limerick

Frequently Asked Questions:

Q1. Why should I buy a Quiznos franchise?

A) Starting a franchise with Quiznos allows you to capitalize on a proven economic model, which has brought more than 5,000 stores worldwide into business. Quiznos Sub USA, year after year, has received top rankings by highly regarded industry publications like *Entrepreneur Magazine*, *Restaurant Business* and *Nation's Restaurant News*.

The training program offered by Kylemore makes starting a franchise a better and easier experience. Also, after you buy a franchise you will receive ongoing local support once your store is open.

Q2. What is the franchise fee?

A) €10,000 to be paid upon signing of the Franchise Licence Agreement and €10,000 upon signing of the property lease.

Q3. What are the Quiznos Sub royalties to be paid to Kylemore?

A) 7% of Net of Vat sales.

Q4. What are the Marketing costs?

A) 3.5% of Net of Vat Sales.

Q5. What is the term of the Franchise Agreement?

A) 10 years, with an option for a 2nd ten years.

Q6. What is the average size of a Quiznos Sub Facility?

A) Typical size 500 sq ft to 1,200 sq ft. Restaurant sizes will vary depending on location parameters.

- Q7. Once I buy a franchise, how do I learn how to run my store?
A) Franchisee Training – Franchisees will attend two weeks on site training in the Kylemore Quiznos training unit.
Franchisee & Staff Training – 1 week on site prior to franchisee opening (all staff will spend some time in a Quiznos training unit and gain live experience)
- Q8. What happens once my store opens?
A) Kylemore provides ongoing support in training, operations, and marketing through store visits, newsletters, regional and national meetings.
- Q9. What are the steps in applying for a Quiznos Franchise?

Starting a Franchise



Quiznos Unit- Projected Capital Expenditure:

Item	Estimated Spend (€)
Store fit-out	45,000
→ Oven, counters, worktops, storage	
Signage, boards, displays, bulkhead etc.	7,500
Fridge, freezers, food storage	12,500
Chairs / seating	5,000
Tills, computer, software	10,500
Customer trays, food compartments, finishing	3,500
Total Fixtures Expenditure:	84,000
Builders work projection	60,000
→ Tiling, walls, partitions, toilets, ceilings, doors, shutters, equipment fitting, painting, mechanical & electrical installations- circuit boards/extraction hoods.	
Other general expenditure	3,500
Franchise Fee	20,000
Total Projected Capital Expenditure	167,500

This is a guide cost estimate for an average store size and each location will have different actual costing.

Quiznos Franchise Information,
Kylemore Foods Group



Quiznos Sub Franchisee Application Form

Each owner, partner, member and shareholder associated with the purchase of the franchise must complete a Franchisee Application.

Contact Information:

Surname: _____ First name: _____

Address: _____

Is this accommodation owned?

Rented?

Being purchased?

Other? (Please specify) _____

How many years have you been at this address? _____

Previous Address: _____

Phone: _____ Mobile: _____ Email: _____

Business Phone number: _____ Fax: _____

Personal Information:

Date of Birth: ____/____/____

Nationality: _____

Residential Status in Ireland: _____

Marital Status: _____

Will your partner be active in the business? _____

Are you?:

Self-employed

Employed

Unemployed

Retired



Do you propose to operate your franchise as: (please tick)

Sole proprietor:

Legal Partnership:

Corporation:

Name of proposed shareholders and their percentage (if applicable):

Have you ever?

Gone bankrupt:

Been convicted of a crime:

Been involved in litigation or are you currently?

If yes, please give details: _____

Native language: _____

Other languages (Include level; speaking, reading, writing): _____

Education:

Secondary school (Include level completed): _____

Other qualifications (Specify awarding body): _____

Have you any training in sales, retailing, management or areas relevant to the franchise? (Please specify) _____

Employment record: (Most recent first)

1) Company name: _____
Address: _____

Telephone number: _____
Type of business: _____
Position held: _____
Duties/Responsibilities: _____

From (mm/yy) _____ To (mm/yy) _____
Immediate supervisor/manager: _____
Reason for leaving: _____

2) Company name: _____
Address: _____

Telephone number: _____
Type of business: _____
Position held: _____
Duties/Responsibilities: _____

From (mm/yy) _____ To (mm/yy) _____
Immediate supervisor/manager: _____
Reason for leaving: _____

Have you ever owned a business? Yes No
If yes, what was the outcome of this business? _____

Have you ever been self-employed? Yes No



Financial Information:

Present income/year		Present fixed outgoings	
Salary after tax	€	Mortgage	€
Bonus/ Commission	€	Loan repayments	€
Dividends	€	Other (describe)	€
Other income (describe)	€		
Total:	€	Total:	€

Your Assets		Your Liabilities	
Cash on hand	€	Overdrafts	€
Cash in bank/savings institutions	€	Creditors	€
Bank Branch		Lease Finance	€
Type of account		Hire Purchase	€
Securities-shares, bonds, other (describe)	€	Personal Loans	€
Money due to you (describe)	€	Other loans/loans guaranteed for others	€
Property (market value)	€	Outstanding mortgage balance	€
Your business (if applicable)	€	Other debts (describe)	€
Vehicles (market value)	€		
Other assets (describe)	€		
Total Assets:	€	Total Liabilities:	€
Net worth (assets-liabilities)	€		

Our acceptance of this Franchisee Application should not be considered as a grant of franchise. We grant franchises ONLY by executing a written franchise agreement. By signing below, I authorise Quiznos Franchising Company LLC and its respective assigns (collectively "Quiznos") to start an investigative consumer report (including information as to my character, general reputation, personal characteristics and mode of living) and credit investigation based on the information voluntarily provided by me and warrant that all information provided is true and accurate. I understand that I have a right to request that Quiznos make a complete and accurate disclosure of the nature and scope of such an investigation.

I understand that Quiznos may, at any time, require that I sign an updated application or provide updated information.

I understand that if financing is required to open my Quiznos Restaurant it is my sole responsibility to obtain the financing.

Date	Print name	Signature
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Please return completed applications to:

Simon Povall,
Kylemore Foods Group,
McKee Avenue,
Finglas,
Dublin 11.

