

## Send Leads and Territory Checks to:

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### Referral Fees:

Number Of Units	Franchise Fee	
1	\$ 49,000	
2	\$ 90,000	
3	\$ 125,000	
4	\$ 166,000	
5	\$ 207,000	
10	\$ 330,000	

## Business Basics

Industry: B2B Box Lunch Delivery and Catering

Investment Range: \$288,695 - \$483,895 (1 Territory) \$360,695 - \$749,895 (3 Territories)

Liquidity Req: \$200,000

Net Worth Req: \$600,000

# Of Locations: There are 35 new Apple Spice units plus an additional 16 Apple Spice Junction legacy units which are very similar to the Apple Spice Box Lunch Delivery & Catering model. The difference being that the Apple Spice Junction units have dining rooms and the Apple Spice Box Lunch Delivery & Catering units do not have dining rooms.

Royalty: 6%

National Ad Fund: 1%

Industry Size: \$45.8 Billion

Available In: US only. Might consider development outside the US with a large experienced group that is well capitalized, has local resources and corporate infrastructure.

SBA Registry: Yes

VetFran: \$1,000 towards initial marketing kit

## **Business Features**

### **Company Description**

Apple Spice is a proven B2B Box Lunch Delivery & Catering Company enjoying a piece of the \$45.8 billion dollar industry. We service the corporate & business community as well as educational systems, government offices, sporting events, churches, charities, etc.

Apple Spice Box Lunch Delivery & Catering Company is a newly created company built on 31 years of proven experience and success of our Apple Spice Junction stores. We have taken the best of what we have done with Apple Spice Junction and optimized it into an even stronger and simplified business model - Apple Spice Box Lunch Delivery & Catering Company.

We target small to large businesses with 5+ employees within a 30-minute drive time from each unit. We provide breakfast, lunch, dinner and dessert offerings in the form of Box Lunches and catering. The majority of our business comes from Box Lunches.

### **What makes Apple Spice a great franchise business to own?**

Apple Spice is a great business for someone that wants to be in the food business without all the typical stigmas and headaches usually associated with food business. We also offer many unique advantages compared to most other business opportunities.

- **Balanced Quality of Life!**
  - This is truly a lifestyle brand. No nights, weekends or holidays. Our units are open Monday – Friday and are typically done by 2pm. These hours are attractive to our franchisees and their employees.
- **Very Attractive Economics**
  - High Profits – EBITDA can exceed 20%
  - Average Unit volume is \$1,262,835
  - Cash flow can come quickly
  - Low overhead
  - High volume – higher profitability
- **Limited Competition**
  - Many restaurants try to compete in this space as a Secondary revenue source. Apple Spice is Solely focused on the Box Lunch Delivery & Catering market
  - Our highest volume unit sits in the middle of 17 Panera Breads!
- **Proven Systems**
  - We are experts at what we do. We have developed proprietary proven systems, processes, logistics and technology over 28 years that enables us to outperform our competitors.
- **Superior Food**
- **Clean Business**
  - No deep fryers, hoods, grease, or open-flamed stoves
- **High Employee Retention**
  - Desirable hours they cannot find anywhere else

- Staff can make up to \$20 an hour with tips
- Fewer Employees
- Fun Work Environment
  - Can listen to music, talk and joke around because customers never come to the location
- Simplified Business Model
- Exclusive Territories
  - In dense markets franchisees can purchase multiple territories and service them from one unit. Huge cost savings and earnings potential!
- Inexpensive Real Estate
  - We go into industrial space vs. expensive retail space. Rents range from \$4 - \$15 sq. ft.
  - Industrial space is readily available and easy to find which drastically shortens the timeline to open.
- Limited buildout and construction costs

## **Training**

- Pre-requisite training begins upon signing a franchise agreement and is completed prior to attending Classroom /Hands-On Training
- Classroom / Hands-On Training – 2 weeks at our training facility in Salt Lake City, UT
- On-Site Training – 2 weeks of training provide at the franchisee's location. 3 trainers are on-site for the first week of training and 1 trainer remains for the 2<sup>nd</sup> week.

## **Ideal Candidate**

- The ideal candidate would be someone with food in their DNA with sales and marketing experience. However, we do not require restaurant, retail or sales experience.
- Will be actively involved in the business as a hands-on owner focused on business development
- Strong business acumen and leadership skills
- Experience managing people
- Ability to motivate teams
- Strong communication skills
- Relationship driven and enjoys working with people
- Sales or marketing experience a plus
- Ability to follow our systems
- Passionate about customer service
- Values a franchise system

## Item 19 – Financial Performance Representation

**Average Unit Volume \$1,262,835**

Average Gross Revenues	Median Gross Revenues	High	Low
\$1,262,835	\$1,183,414	\$2,667,313	\$481,089

### Number, type of employees

- Owner Role
  - Focus on business development while managing their Relationship Managers and Inside Sales Representatives. They also manage their Kitchen Manager and the overall business.
- Kitchen Manager
  - Manages the operations of the kitchen
- Marketing Relationship Manager
  - Typically works 10am – 4pm Monday – Friday. Their role is to acquire new customers and build and maintain relationships with existing customers. This is done by conducting office visits and follow-up phone calls. They primarily work with Decision Makers (typically administrative assistants) at local businesses that are responsible for ordering lunches for events, meetings, trainings, etc.
- Inside Sales Representative
  - Typically works 10am – 4pm Monday – Friday. They are 1099 employees who work from home calling businesses to speak with Decision Makers (typically administrative assistants) to schedule free lunch samplings for the Relationship Managers to deliver and to drive business to the unit.
- Sandwich Maker
  - Typically 1 sandwich maker per shift
  - Can do deliveries once all the food has been prepared and packaged
- Salad Maker
  - Typically 1 sandwich maker per shift
  - Can do deliveries once all the food has been prepared and packaged
- Expeditor
  - Typically 1 expeditor per shift
  - Expeditor packs up all the box lunch orders
  - Can do deliveries once all the food has been prepared and packaged
- Delivery Drivers
  - Typically 2-3 drivers per shift but depends on volume and if the other kitchen staff listed above will also be doing deliveries
- Commissary Staff
  - Bakes the bread and does other various kitchen prep work
  - Typically 1 per shift
- Notes
  - All employees are cross-trained

## **Territory Size**

- A single territory consists of 5,500 businesses with 5 or more employees within a 30-minute drive time

## **Hooks and Hangers**

**If you have a candidate with food in their DNA that wants to make a lot of money and have a balanced quality of life without the headaches typically associated with food, then you need to show them Apple Spice!**

- Total Lifestyle Brand! This is a HUGE SELLING POINT! Our units are only open Monday – Friday and typically closed by 2pm. No nights, weekends, or holidays!
- Unique Territories: In dense business markets, our franchisees can purchase multiple territories and serve them from 1 unit. This is a huge economic advantage. Almost all prospective franchisees purchase multi-territory agreements!
- Industry Size & Demand: \$45.8 billion industry
- Limited Competition: Many restaurants try to compete in the market as a SECONDARY revenue source. We are SOLELY focused on Box Lunch Delivery & Catering. Our most successful location sits in the middle of 17 Panera Breads
- Simplified Business Model
- High employee retention
- Inexpensive and readily available real estate. Are units are located in industrial space with average rents of \$9-\$12 per sq. ft.

## **Sales Process**

- Candidates will work with one sales person from start to finish
- We have a very thorough and structured process that takes 4 weeks
- Most calls are set up through GoToMeeting as sales person is walking each candidate through a series of visually appealing and professional presentations. This enables our brand and franchise offering to come to life.
- Call #1: Introductory Call – Live one-on-one webinar
- Call #2: Unit Economics Call – Live one-on-one webinar
- Call #3: Marketing & Operations – Live one-on-one webinar
- Call #4: Territory Review Call - Live one-on-one webinar
- Weekly Franchisee-Hosted Q&A Calls – Group conference calls (Tue & Thu)
- Weekly Leadership Calls – Group conference calls (Wed)
- Call #5: FDD Review Call
- Discovery Day (Monthly)