

red rooster®

it's gotta be red

FRANCHISEES MOST FREQUENTLY ASKED QUESTIONS

Q How many years have Red Rooster been in Business?

A Red Rooster opened its first store in Kelmscott Western Australia in 1972

Q Apart from BBQ Chickens what other products do Red Rooster sell?

A In addition to our Famous BBQ Chicken our innovative menu offers strips, strip subs, Seafood products, wraps and burgers and the best chips available. Thirsty? Why not try one of our Coca Cola products.

Q What about kids meals?

A research indicates that we are the largest provider of Kids Meals after McDonalds.

Q How much is the initial Franchise Fee?

A The Franchise Fee for a single free stander site is \$55,000 AUD (including GST)

Q Do I pay any other fees on an ongoing basis?

A Yes, there is a service fee of 5% of your gross weekly sales. There is also an Advertising Contribution up to 6% of your gross weekly sales.

Q Does the Franchisor supply product to Franchisees?

A The Franchisor has appointed various Foodservice Companies to carry out warehousing, distribution & invoicing of secret and non-secret products.

Q What about Supply of Fresh Chicken?

A The Franchisor has negotiated buying arrangements with Chicken Growers and has approved suppliers who can supply quality product to Red Roosters specifications.

Q What Training will I receive?

A Red Rooster has developed an extensive training program of up to 12 weeks which covers all aspects of our business. After you have signed our Training Agreement this structured program commences to provide training for up to 3 persons. Training will be carried out in a certified training store.

Q Is there a cost for Training?

A The Training Fee for up to 3 persons is \$8,800AUD (Inc.GST). Persons in training will need to ensure they provide capital for their expenses and provide for cost of travel and accommodation where applicable.

Q Who selects the site for my store?

A Red Rooster will approve all sites and will assist with lease negotiations.

Q What about plans and specifications?

A Red Rooster Property Department will provide the Plans & Specifications for the store.

Q Who builds the store?

A In many circumstances Red Rooster provides a turnkey operation. We will contract with the builder and manage the project from construction to fit out completion thus providing a turnkey project. Construction and fit out usually occurs whilst your are training.

Q Does Red Rooster make any money on the Lease / Licence - NO

A Red Rooster charges a Lease / Licence Fee of \$1350AUD per annum which is charged in equal instalments PCM.

Q What is the length of my Franchise Agreement?

A 10 years with an option of a further 10 years for freestanding stores subject to the conditions of the Franchise Agreement.

Q What level of working capital will I need?

A We recommend a minimum working capital requirement (or facility) of \$30,000AUD

Q Can I own more than one Red Rooster outlet?

A Yes you can, provided you have the financial resources and demonstrated management skills. There are already a number of Multi-site Operators in the Red Rooster system.

Q What is the required level of start up Capital to become a Red Rooster Franchisee?

A It will vary and depend on such things as store size and facilities. As a guide under a Lease / Licence the investment level ranges between \$500-\$600,000 AUD.

Q Does Red Rooster provide manuals and procedures on how to operate the business?

A Red Rooster operation manuals are all on our Red Space learning.

Q Who will help with the opening of my store?

A Our Franchise Business Managers will actively participate in planning the opening and after launch promotions. They will of course be there with you before and during your commencement trading.

Q What is an ideal size for a Red Rooster store?

A As a guide a 2000 ^m2 site would be preferred for a Drive-thru store which would incorporate a store around 200 ^m2. Food courts generally occupy around 70^m2.

Q Does Red Rooster require the Franchisee to be actively involved in the store?

A Yes, Red Rooster Franchises are not passive investments. To be successful in a Red Rooster store (or most businesses) you need to have total commitment and involvement.

