



## ANSWERS TO OUR MOST COMMONLY ASKED QUESTIONS

To help you get closer to choosing LaRosa's as your franchise, we've put together a list of questions with answers that you will find of interest. If you have a question not answered here, please call our Franchise Sales Department at 513-347-4772.

### What kind of experience do I need to be considered as a LaRosa's Pizzeria franchise owner?

We're looking for multi-unit foodservice and retail operators, as well as other investors who have a history of business success. While restaurant experience is preferred, franchise candidates with other professional backgrounds are encouraged to apply, but will be required to employ experienced and qualified restaurant operators as a General Manager in each LaRosa's Pizzeria.

### How long does it take to become a LaRosa's Pizzeria Franchise Owner?

We can move at the pace that works for you. Typically, however, the process takes about 4 to 8 months, which allows ample time for careful consideration before making a decision. This timeline is subject to change and may vary significantly depending upon individual circumstances.

### What markets and territories are available?

We have opportunities for both multi-unit agreements and single-unit agreements. For a map showing detailed expansion opportunities, please see the available areas for franchising map.

### What training does LaRosa's offer new Franchise Owners?

We understand the importance of preparing a new Franchise Owner for running a successful pizzeria. Training is mandatory for management staff. The initial franchise fee covers the cost of 8 weeks of training for the management staff. Travel and lodging expenses are separate costs that is the Franchise Owner's responsibility.

### What are the royalties and fees?

Our initial franchise fee is \$35,000 and is non-refundable. This fee is applied towards the costs of training managers and new store opening assistance. We charge a 4% royalty fee. This fee is based on net sales, and is used to support LaRosa's business development and improvement activities. We charge a 4% advertising fee (based on net sales) which helps cover the costs of marketing and advertising for the brand. We also charge a transaction fee for each order processed through our One Number Guest Service Center. This fee covers the cost of supporting One Number and the technology used to transmit orders to your location.

Our LaRosa's Franchise Disclosure Document (FDD) includes more detailed information regarding royalties and fees.

### How much does it cost to open a LaRosa's Pizzeria?

There is a wide range of options for an individual franchise. Your initial investment will vary depending on numerous factors, including the condition of the premises, the amount of construction performed by the landlord, geographic areas and your capabilities. The estimated initial investment for developing a LaRosa's franchise breaks down as follows:

Our initial franchise fee is \$35,000.

Store Construction Approximate Costs (not including real estate costs)\*:  
Building Costs - From \$450,000 for End-Cap or Inline Units  
\$750,000 - \$950,000 for Free-Standing Units

Furniture Fixtures and Equipment - Approximately \$450,000

Smallwares - Approximately \$20,000

\*These figures are approximations which do not represent actual construction costs.

### Does LaRosa's provide support for site selection?

We don't provide direct support for site selection. During the application process you will receive site selection guidelines which reflect market conditions and attributes of the top 25% of our chain for sales performance. Available sites can then be compared to these criteria to make a decision about a specific site. After you choose a site, you'll need our approval before you can begin construction.

### Does LaRosa's provide assistance with lease review and negotiation?

We do not provide direct assistance with lease review and negotiation. Based on our years of experience, we will provide you with a list of contingencies and considerations you need to keep in mind during lease negotiation. Ultimately however, any leases or property purchases are your sole responsibility.

### Must I be involved in the day to day operation of my LaRosa's pizzeria?

If you have restaurant management experience, you may wish to work day to day in the operation of your LaRosa's pizzeria. If you don't have restaurant management experience or choose not to work day to day in the operation of your LaRosa's pizzeria, an experienced restaurant General Manager must be hired to run day to day operations.

### How does LaRosa's promote and advertise my pizzeria?

We'll help you develop and implement an annual marketing plan designed to build awareness and sales for your pizzeria. We charge a 4% advertising fee (based on net sales) which helps cover the costs of marketing and advertising for the brand, which is also the foundation for pizzeria specific advertising. Franchise Owners are expected to spend 1% of net sales to promote their pizzeria by building relationships within the neighborhood it serves, all to equal 5% in total.

Our LaRosa's Franchise Disclosure Document (FDD) includes more detailed information regarding marketing and advertising fees.

### Does LaRosa's assist with design and set up of my pizzeria?

Yes. You will receive a standard set of plans for a LaRosa's Pizzeria which can be stamped by your architect. Any modifications that may be necessary given your particular site or leased space will be worked out by you and the construction team at LaRosa's.

### How much money can I make from my pizzeria?

LaRosa's encourages our prospective Franchise Owners to conduct significant due diligence prior to committing to any new business venture. The amount of profit or loss is dependent upon a number of factors, including the ability of the Franchise Owner to manage the pizzeria, drive sales volume and control operating costs.

Existing LaRosa's Franchise Owners are an excellent source to answer questions regarding operations, marketing fees, finances, sales volumes, etc. We provide names and phone numbers of existing Franchise Owners in our LaRosa's Franchise Disclosure Document (FDD).

### What are the terms of the franchise agreement?

Our Franchise Agreement is a 10 year agreement with an optional 10 year renewal.



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### **What is the Guest Service Center, and do I have to participate?**

One of the things that makes LaRosa's so special is our central ordering and customer service center. Our customer service representatives take carry out and delivery orders placed for your pizzeria and handle them efficiently and professionally. Our Guest Service Center also handles any customer questions or guest assistance issues. All pizzeria franchises are required to enter into an agreement with our Guest Service Center.

Our LaRosa's Franchise Disclosure Document (FDD) includes more detailed information regarding the One Number System, including fees and expenses.

### **What point of sale and reporting software will I have in my LaRosa's pizzeria?**

When you sign a franchise agreement with LaRosa's, you will also sign an agreement with our point of sale and reporting software provider. SLICE, our proprietary point of sale system, will enable you to process orders and communicate with our Guest Service Center.

Our LaRosa's Franchise Disclosure Document (FDD) includes more detailed information regarding SLICE, including fees and expenses.

### **Once I am a franchise owner, how long will it take to get my pizzeria open?**

While many different factors can impact project timing; generally we are able to open your pizzeria in approximately 4 to 8 months after signing your Franchise Agreement. This estimated timeline is subject to change and may vary significantly depending on individual circumstances.

### **Can I invest in a LaRosa's Pizzeria with partners to meet the financial or business experience qualifications?**

Yes. Applicants are welcome to form a partnership with others to meet our financial and business experience requirements. The resources and experience of all partners will be considered during the application review process.

### **What happens after I submit my completed online questionnaire?**

Our Vice President of Franchise Sales will review the confidential franchise questionnaire. Then, we'll contact you to discuss with you further about the possibility of franchising with you. For more information, check out our franchising process.

### **Where can I learn more about franchising in general?**

There are a number of resources available which will provide you with franchise information. Many libraries and book stores carry books about franchising. You can also find franchising information by visiting the International Franchise Association site at [www.franchise.org](http://www.franchise.org).

### **Will I receive a franchise territory?**

Yes. As part of your Franchise Agreement you will be awarded a territory for your pizzeria. We will not open or authorize the opening of another LaRosa's Pizzeria in the territory specified in your Franchise Agreement.

### **Will I receive assistance with opening my LaRosa's pizzeria?**

Yes! The LaRosa's New Store Opening Team will provide you with assistance throughout the process of opening your pizzeria. Our experienced team will work with you and your staff to train and prepare each person for opening, as well as help arrange and organize your pizzeria. After opening, our team will remain in place for two weeks to ensure that LaRosa's operating procedures are firmly in place and that your management staff is prepared to run your pizzeria.

### **How long has LaRosa's been franchising?**

We have been franchising for 45 plus years. Our first franchised pizzeria opened in 1967.

### **Can I visit other LaRosa's pizzerias and speak with LaRosa's franchise owners?**

Yes! We encourage you to visit several LaRosa's Pizzerias and speak with a variety of existing LaRosa's Franchise Owners. After submitting a questionnaire and if we decide to move forward, you'll receive a list of locations and Franchise Owners as part of our FDD. Just let us know who you'd like to meet. We'll contact them to introduce you as a candidate so that they are prepared for your call.

### **Where do I get food and supplies to run my LaRosa's pizzeria?**

We provide you with a list of approved suppliers for all food products and inventory necessary for the operation of your LaRosa's pizzeria. We have negotiated purchasing agreements with the approved suppliers that help manage your costs through our consolidated purchasing efficiencies.