



Franchise Program Fact Sheet

Company: Kudo Society Franchising, LLC.

Phone: 201-242-0001

Address: 96 Linwood Plaza, #279

Fort Lee, NJ 07024

Contact: Cherie Ryu, founder

Web site: www.kudosociety.com

E-mail: franchise@kudosociety.com

Company Description: Kudo Society serves up the ultimate coffee experience. Kudo Society locations are a perfect blend of excellent brewed coffees and teas, gourmet fare, delectable desserts, and more -- all served up in an atmosphere that is cool and hip, and inviting to just about anyone.

Answers to some frequently-asked questions

What will I receive when I join the Kudo Society system?

You will complete training at our headquarters, plus you'll get pre-opening help at your own location. You'll have access to all the exclusive Kudo Society products and procedures, marketing techniques, and our professional, trained support staff. You'll receive detailed operating manuals and the rights to use our trademarks, too.

Do I need experience in running a restaurant or coffee house?

Foodservice experience is a plus. We certainly expect franchise owners to have good business sense. However, we will provide the training and tools you need to operate your own Kudo Society franchise. What we do expect is a positive attitude, solid business management skills, and adequate financing to purchase a franchise.

What is the initial franchise fee?

The franchise fee is \$40,000. This fee funds our pre-opening support of your operation, including your initial headquarters-based training and on-site assistance.

How much is the initial investment?

The estimated initial equity investment is between \$520,346 to \$743,478 for a café with a kitchen. As with any new business venture, it's important that you have the capital needed to adequately fund your new business.

What is the term of the franchise agreement?

The initial term of your Kudo Society agreement is 8 years, with three subsequent 5-year renewal terms.

What ongoing fees are paid to Kudo Society Franchising, LLC.?

Franchisees will be required to pay a royalty of up to 6%. These royalties allow us to fund our ongoing support services and the continued development of new products and procedures, marketing materials, and training programs.

Are there any advertising fees?

Franchisees may be required to spend up to 3% of revenues on local marketing. Franchisees will also be required to contribute up to 3% of revenues toward a system marketing fund. Advertising funds are used to develop marketing strategies to promote the Kudo Society brand and fund the creative costs to develop local franchise marketing materials.

What training will I receive?

Kudo Society will provide up to three weeks of training to you and your key staff before you start operating. Plus, we'll provide onsite assistance as you initiate operations. There is no additional charge for these training services, but you must pay any travel and living expenses while attending the training at our headquarters.

What about ongoing support?

We will provide ongoing support services to you by phone, email, and periodic on-site visits to your location. Plus, we regularly update our operations manual with new processes and other information designed to improve operations for all franchisees.