

A photograph of three people (two women and one man) sitting at a table in a restaurant, pouring beer from a bottle into glasses. In the foreground, there are three bowls of food and a tray of fried fish and fries. The background shows a restaurant interior with blue lighting and a fish-shaped decoration on the wall.

Joey's

FISH SHACK

STREETS

Dual Business Ownership Kit



SEA THE DIFFERENCE GLOBALLY INSPIRED FOOD CAN MAKE.

We have been franchising restaurants in Canada since 1992 and have grown into one of Canada's most reliable restaurant franchisors.

Our food is inspired from the streets, blending flavours and delivering them in surprisingly delicious ways. We do this by using only high-quality ingredients to provide excellence at all times.

We use sustainably sourced seafood because we believe doing good tastes better, which we'll prove it to you with every visit.

We also care about the environment which is why most of our seafood is sustainably sourced, like our eco-friendly take-out packaging.



FAST CASUAL QSR'S ARE GROWING

- Market size of Fast Food Restaurant Industry in Canada is **\$27.6bn** in 2021
- Market size of Fast Food Restaurant Industry has grown in Canada by **6.8%** in 2021
- Market size has **grown on average of 0.8%** per year between 2016 and 2021 in Canada

WE'RE GROWING FAST!

JOEY'S FISH SHACK

63% brand sales growth in 2021

1.25m in yearly sales on average with dual Joeys
Fish Shack & strEATS locations

8 new locations in **2021**

8 projected locations in **2022**

STREATS

75% brand sales growth in 2021

Up to 21% in profitability*

4 new locations in **2021**

12 projected locations in **2022**

*Based on latest submitted Profit and Loss statement
provided by top performing locations.

OUR GROUP

Joey's Franchising Group operates loved and recognized brands like Joey's Seafood Restaurants, strEATS, and Joey's Fish Shack & more for well over 35 years.

Furthermore, Joey's Franchising Group has great buying power which provides lower food cost for our franchise partners.

We believe the next generation does not want to sit inside a typical Quick Service Restaurant. They want to go to their local spot that feels personable which is why **it's our goal to create franchises that curate & offer a sense of belonging.**

200+ Years of Restaurant Experience

150+ Restaurants Opened

35+ Years in Business



ADVANTAGES OF DUAL

- **Less Staff** - Our dual concept requires fewer employees because of our unique operations, menu and facility design meaning more cost savings.
- **Lower Franchise Fees** - Considerably less than many other concepts, especially with two brands.
- **Good Locations** - We fill a market niche with little competition and provide developers & landlords an exciting option compared to “ordinary” concepts in the market today. We also handle all negotiations and real estate hunt for you.
- **Unique** - Mid priced, high quality neighbourhoods, fast and casual with few competitors nationally.
- **Longevity** - Because we've been around for over 35 years, there is a proven history and this provides less risk to you.

THE NUMBERS

- Average location size : **2000 sq/ft**
- Average staff needed : **8 - 12**
- Average food cost* : **26%**
- Average crew labour* : **21%**
- Top performing strEATS locations hit \$900,000 and Joey's Fish Shack hit \$600,000 in revenue

Rent * Based on average location across Canada. Base rent only.

Sales * Based on markets with over 30k population with location in operation over 12 months.

Food Cost * Based on ideal recipe costs on product cost analysis breakdown.

Crew Labor * Based on latest submitted profit and loss statements from top performing locations.

OUR CUSTOMERS

FAMILIES

Primary Target For Locations

AVG. HOUSEHOLD INCOME

\$141,436

AVG. HOUSEHOLD NET WORTH

\$572,677

RESIDENCY

Own

EDUCATION

College/ High School

OCCUPATION

Mixed

FAMILY LIFE

Mixed

FRIENDS & ROOMIES

Secondary Target For Locations

AVG. HOUSEHOLD INCOME

\$68,137

AVG. HOUSEHOLD NET WORTH

\$185,813

RESIDENCY

Rent

EDUCATION

University / High School

OCCUPATION

Service Sector / White Collar

FAMILY LIFE

Younger Singles & Couples

OWNERSHIP QUALIFICATIONS

We love working with passionate and driven partners. Below are think are important to be able to be a successful franchise partner:

When awarding franchises, we look for the following key attributes:

- A positive and ongoing attitude
- Good business acumen and business financial knowledge
- Strong problem-solving skills and the ability to see projects to completion
- Well-rounded people leadership and communication abilities
- Hands-on ownership is preferred but an operating partner should hold a minimum of 20% interest in the business if the majority owner is not a day to day operator
- Food-service experience is a plus, but not a prerequisite.

INVESTMENT

<i>Initial Franchise Fee</i>	<i>\$35,000 - \$35,000</i>
<i>Opening Promotion Fee</i>	<i>\$10,000 - \$10,000</i>
<i>Signage</i>	<i>\$12,000 - \$21,000</i>
<i>Lease Deposit</i>	<i>\$10,000 - \$15,000</i>
<i>Permits, Drawings and Deposits</i>	<i>\$11,500 - \$25,000</i>
<i>Leasehold Improvements & Fixtures</i>	<i>\$190,000 - \$240,000</i>
<i>Furniture, Equipment and Smallwares</i>	<i>\$140,000 - \$180,000</i>
<i>Opening Inventory</i>	<i>\$10,000 - \$15,000</i>
<i>Business Licences and Permits</i>	<i>\$250 - \$2500</i>
<i>Training & Pre-Opening</i>	<i>\$8,000 - \$15,000</i>
<i>Third Party Contracts</i>	<i>\$300 - \$400</i>
<i>Professional Fees (Legal & Accounting)</i>	<i>\$5,000 - \$10,000</i>
<i>Total Estimated Cost</i>	<i>\$432,050 - \$568,900</i>
Recurring Fees	
<i>Monthly Royalty Fee from food sales</i>	<i>5%</i>
<i>Advertising Fee</i>	<i>3%</i>

* Unless expressly stated to the contrary, none of the costs comprising the Estimate are refundable. The Estimate has been prepared on the basis of the square footage noted. Changes in the size of the Location will impact development costs. The estimated cost of leasehold improvements and fixtures assumes a leasehold improvement allowance equal to \$20.00 psf which has been subtracted in the cost of Leasehold Improvements. In the event that the landlord declines to provide an allowance, or provides a lesser allowance, Franchisee's cost of developing the Location will increase commensurately. Leaseholds and Fixtures includes Construction Management Fee. The Estimate does not account for any upgrades/options in respect of equipment, leased equipment (signage, dishwasher, communications equipment), or incidental costs incurred at the option of Franchisee. All amounts listed above are exclusive of GST, PST and HST, where applicable. PST or HST (depending on the province) is payable on most of the above costs, and GST or HST (again depending the province) is generally payable on all of the above costs, but may be recoverable by Franchisee. The Estimate is based, in large part, on Franchisor's historical experience in developing JOEY'S restaurants. Franchisee's actual costs of establishment may vary from the Estimate, based on construction rates in Franchisee's region, the present-day economy and other factors beyond Franchisor's control.

OWNERSHIP PROCESS

Step 1

Send us an inquiry in interest to own a Dual Joey's Fish Shack and strEATS by emailing either dave@joeys.ca or calling 1-800-661-2123 and asking for Dave Mossey.

Step 2

Must have a net worth of at least \$400,000 as well as 40% of the total costs to open in unencumbered funds.

Step 3

Approve pre selected location from Joey's / strEATS team.

Step 4

Agree to conditions negotiated by the Fish Shack Team.

Step 5

Sign off on restaurant plans (the layout, architectural drawings etc)

Step 6

Attend 4 week training program

Step 7

Hire staff & open after marketing push

Step 8

Operate day to day, follow policies and procedures of the restaurant

WE MAKE LIFE EASY!

We know the process of store ownership can be tedious and tough which is why we aim to make the process as easy as possible!

Our perspective Franchise Partners have to do as little to no work as possible during the build other than to simply sign off, get the keys and start selling!

Below are things we handle during the building process:

- Pulling permits
- Architectural drawings
- Finding advantageous locations
- Negotiating lease
- Offer to lease
- Handling quotes from General Contractors
- Interacting & management of General Contractors
- Check ups on the store throughout construction
- Ordering of equipment
- Training for staff & Franchise Partners

OUR 4 WEEK TRAINING PROGRAM

In order to get you ready for ownership, before your Joey's Fish Shack/strEATS franchise is ready to open - we provide you with a 4 week training program that gets your fully ready for the following:

- 1) Day to Day Operations
- 2) Back End Managerial
- 3) Labour Cost Analysis
- 4) Fixed Expenses
- 5) Budgets
- 6) Projections
- 7) Cash Procedures
- 8) Accounting
- 9) Scheduling
- 10) Hiring, Interviews
- 11) How To Cook
- 12) Food Sanitation
- 13) Food Ordering
- 14) Stock Management
- 15) People Management
- 16) Recipes

A hand is shown squeezing a lemon wedge over a plate of food, likely a fish and chips meal. The background is slightly blurred, showing a yellow chair and a table. The text is overlaid on the image.

DAY TO DAY RESPONSIBILITIES

Once your Dual restaurant is open - it will be hard work for the first 3 to 6 months.

We typically recommend Franchise Partners to be in their stores to ensure operations are running smooth & their staff are correctly trained.

Below is a typical work flow of the types of responsibilities you can expect while owning a dual Joey's Fish Shack/strEATS:

- 1) Ensuring food being put out to customers is good
- 2) Protecting product quality
- 3) Handling rush hours
- 4) Closing of store (ensuring finances and cash are done correctly)
- 5) Inventory once a week
- 6) Labour cost analysis to ensure profitability
- 7) Two hours a day with local sales marketing to drive business
- 8) Maintaining customer satisfaction & reviews

OPERATIONS & SUPPLY

We have a centralized purchasing & distribution system to ensure the highest level of quality & lowest price possible for our Franchise Partners.

- 1) A full time buyer on our staff who negotiates volume contracts with vendors all across the world
- 2) Cost analysis on costing & sourcing on items
- 3) Handling of vendor relations for preferred rates

We estimate we pay 20% less than an independent on food cost!





OCEAN SUSTAINABILITY PROJECT

OCEAN SUSTAINABILITY AT OUR VERY CORE

We care a lot about the long term survival of our oceans, so we have deemed it important to follow the recommendations of the world's authority on Ocean Sustainability.

We pride ourselves in sourcing only the highest quality Fish for our Fish Taco. Our fish comes from an Alaska fishery certified to withstand overfishing.

It's a well-managed fishery with a long history of exceptional attention to sustainable practices. They ensure Fish is caught in a way that limits bycatch or any damage to marine environments such a coral reefs.

CUSTOMER REVIEWS

Stephane Gauvreau (Local Guide)

"Saw an article on this new version and location of Joey's seafood. There is parking a couple doors down. The sign outside allows it to blend in with the neighbourhood but does it no justice inside. Place is way bigger then it looked in the pictures. This allowed for comfortable distancing. Service was great. Drink menu may be limited but it isn't meant to be a bar and there was plenty to pick from. The craft eight eighty eight beer was good. Coconut shrimp were delicious as was all of the food. The two price fish special was delicious. Kids menu had a good section as well. It was a bummer to see it so empty when got there but it filled up and there was a steady stream of skip drivers. Worth giving this try! We will be back."

HEAR IT FROM OUR PARTNERS

Robyn and Mauricio, Medicine Hat Owner

"What sets Joey's Fish Shack and strEATS apart is their dedication and commitment. They give us a viable opportunity to live our dreams".

It's a place that employees can come and work and be trained and learn values that can impact both their day-to-day, and maybe impact the rest of their lives.

They build turnkey opportunities based on their growing successes in the business. They roll their positive forward and kindly remind us the reason we (franchisees) need to do things a certain way is because they've done it the other way and have learned from it.

They have an incredible home office staff that's here to support you in every aspect of the business, everything from your initial site selection to build out process to opening to pre-marketing to grand openings. They provide access to training videos and content online that we can retrain our employees with."

FAQ

How much non-borrowed capital must I have initially?

We recommend you have at least 40% of the opening cost in liquid assets to apply toward the purchase of the franchise package. The balance of the franchise package cost can usually be financed through various lending programs of any chartered bank, subject to fulfillment of their usual credit requirements.

Can I be an absentee owner?

Yes but it is desirable that the day-to-day manager hold a 20% or greater interest in the franchise.

Is prior experience necessary?

No, specific restaurant experience is not needed. We look for individuals with an understanding of general business principles, a satisfactory financial rating, and the ability to invest in and support a restaurant.

Must I lease directly from a landlord or may I build my own building?

You may do either of these provided the site plan and building have been approved by Joey's Fish Shack/strEATS.

Will I need a lawyer?

We strongly recommend that you receive legal counselling to completely understand your obligations to owning a business.

May I purchase some of my equipment products from suppliers other than Joey's preferred suppliers?

Yes, but these suppliers must first have the approval of Joey's Fish Shack/strEATS.

FAQ

In addition to the initial franchise fee, what ongoing payments am I required to make during the term of the Franchise Agreement?

You are required to make the following payments on an ongoing basis during the term of the Franchise Agreement:

- a) A monthly royalty fee of 5% of food sales.
- b) A monthly advertising fee of 3% of food sales.

What happens after I am approved as Joey's Fish Shack/strEATS Franchisee?

When an application is approved for a dual franchise, the applicant obtains an available territory and the Franchise Agreement is signed for that territory. Upon approval of the location and building plans, the construction will begin. Equipment purchasing, license agreements and other finishing details will be ongoing during the four-week training program. The last step will be on-site training of your personnel with our qualified support Team.

How do I further pursue a Dual branded Restaurant Franchise?

Please complete the enclosed confidential questionnaire and return it to Joey's Only Franchising Ltd.

We will review your questionnaire and promptly call you to discuss whether you should continue to pursue a dual branded Restaurant Franchise.

DISCLAIMER

Joey's Fish Shack and strEATS, is a franchise system owned and operated by Joey's Franchise Group, which also operates:

strEATS Restaurants
Joey's Urban Restaurants
Joey's Seafood Restaurants

For more information about any other of our Franchise concepts:

Please Contact:

Dave Mossey

Joey's Franchise Group

c/o Joey's Only Franchising Ltd.

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