



Pizza Inn
Abunayyan Group
P O box 55447
Riyadh 11534
Kingdom of Saudi Arabia

Pizza Inn Franchise Information (FAQs)

What are the different Restaurant concepts under Pizza Inn?

Buffet/Dine-in

The Pizza Inn Buffet restaurant provides a family-style atmosphere offering dine-in, carry-out and delivery service. Our restaurants offer continuous buffet service featuring our full menu of pizza, pasta, salads, appetizers, desserts, and beverages.

- Buffet restaurants range in size from 3,000 to 5,000 square feet, feature a back-fed buffet bar, with seating capacities of 112 to 185 people.
- May include a party room and/or game room.
- Feature Decor that highlight our 40-year heritage.
- Convenient carryout service is an important component of this concept and targets the broad consumer base preferring "Pizza At Home".

Minimum financial requirements are US\$ 400,000 liquid assets and investment capability of US\$ 480,000.

Express

Pizza Inn Express is ideal for high traffic sites with "customers on-the-go". This "mini" version of the Pizza Inn operation offers a limited menu centered on Pizza Inn's pizzas along with several appetizers, all made with the same quality ingredients found throughout our chain.

- Low initial investment, minimal space (only 200-400 sq ft).
- Simplified menu for lower operating and labor cost.
- Franchisees usually share locations with other retailers; convenience stores, airports, hotels, travel plazas, and college dining halls.
- Eye-catching graphics to draw-in customers.

Minimum financial requirements are in liquid assets and investment capability of up to US\$ 130,000.

Delivery/Carryout

The Pizza Inn Delivery/Carryout (Delco) concept is ideal for the carry-out and delivery demands of today's customer. Like the buffet restaurant, a Delco carries a full menu of pizzas, pasta, salads, appetizers, desserts, and beverages. It also compliments a market area that features our buffet restaurant.

- Square footage for these units typically range from 900 to 1,200 square feet.
- They are usually located in retail strip centers directly adjacent to sufficiently populated areas to ensure a strong delivery base. Naturally, good visibility and high traffic counts are important elements of a successful Delco.

Minimum financial requirements are liquid assets and investment capability of US\$ 130,000 to US\$ 160,000.

Pizza Goes International!

Each day the world seems a little smaller and the extension of American restaurant brands are a significant contributor to that trend. Pizza is a finger food that transcends all cultural boundaries. The flexibility of pizza toppings that fit local tastes compliments the worldwide, universal appeal.

Quality Product

Just as in the United States, consumers around the world expect a quality product at a fair price. Even though your restaurant may be located outside the U.S., Pizza Inn's systems and products will provide the same quality assurance you find in our domestic restaurants.

Quality Franchises

At Pizza Inn we offer our international franchisees expert initial training plus ongoing operations and marketing support. If you are seeking to develop internationally, now is the time!

We offer two types of franchise agreements to our international franchisees, Master License and Development License Agreements. Below are the details of each license agreement.

Master License Agreement: This Agreement offers you the same rights as the Development Agreement, but with the additional right to offer sub-license rights to others to operate restaurants. This allows for greater growth and you will be responsible for providing all approved sub-licenses with basic operational assistance. Of course we will support you with initial training and ongoing support. You will receive a portion of the franchisee fee and royalties for each sub-licensee you develop.

Development Agreement: This Agreement gives you the right to open and operate multiple Pizza Inn restaurants in a specific geographical area. We will mutually agree to a number and development schedule. Typically, you will have a development schedule that requires you to open one or more restaurants per year for the first several years of the Agreement. After that, you must maintain a specified minimum number of operating restaurants through the 20 year term of the Agreement to maintain geographic exclusivity.

Below is a summary of ongoing operational and marketing support you will receive from all levels of the Pizza Inn management team:

Marketing

- Planned quarterly promotions to maximize sales building efforts throughout the year.
- Attractive point of purchase menu photography and other materials designed to increase customer awareness and frequency are made available.
- Marketing Services support for customized advertising planning and implementation.

Estimated initial investment guideline for each Pizza Inn restaurant concept:

	Buffet/Dine-In	Delivery/ Carryout	Express
International Franchise Fee	US\$ 25,000	US\$ 15,000	US\$ 10,000
Royalty	6 %	6 %	6 %
Equipment/Decor/Signage	US\$ 146,000 US\$ 191,000	US\$ 95,000 US\$ 125,000	US\$ 25,000 US\$ 40,000
Small wares	US\$ 11,500 US\$ 15,000	US\$ 10,000 US\$ 11,500	US\$ 3,750 US\$ 4,000
Opening Inventory	US\$ 10,000 US\$ 12,000	US\$ 8,000 US\$ 12,000	US\$ 4,800 US\$ 5,000

Exclusions to the above investment guideline are as follows:

- A. Pre Opening.
- B. Rent / Lease.
- C. Printing Marketing material.
- D. License Fees.
- E. Labor Cost / Management Fees / Project Fees.
- F. Raw Material Cost.
- G. Freight

Other FAQ's

1. Who is Pizza Inn?

Pizza Inn, Inc. is a publicly traded company with its stock listed on the NASDAQ exchange, under the symbol PZZI. Pizza Inn has offered franchises since 1963 and currently operates more than 375 franchised restaurants in 18 states and 10 foreign countries.

Pizza Inn's corporate headquarters, training center, food purchasing and distribution center are located in The Colony, Texas, a suburb of Dallas.

2. Who is United Food Company?

United Food Company a part of the A.Abu Nayyan Group of Companies is the Master Franchise of Pizza Inn & the largest in the Middle East. We started operations in 1991 & today have over 38 outlets in Central, Eastern & Southern regions of Saudi Arabia & approaching 10 outlets in Qatar.

3. What is minimum No of Outlets required to be opened?

First Year - 1 Flagship Diner & 3 Delco's. Thereafter 3 (Three) Delcos per year for 5 Years including Dine-Ins. This number should relate to competitor activity in your area.

4. What are Proprietary Materials:

Should be as per PI operating standards for e.g.

A. Dough

B. Spice blends for Sauces

C. Spice blends for other Toppings

D. Any local sourcing should be thru Pre-approved vendors (for e.g. Premier Foods / Tihan).

5. Equipment specifics will be provided by UFC which can then be procured by yourself.

6. Menu will be as per Pizza Inn Guidelines.

7. No credit on proprietary material – everything Cash basis or L/C, for any material procured from UFC. Also Warehousing/Clearance changes will be payable.

8. **Point of Sales System: Should be** the same as installed by UFC (POS Aloha). MIS Support will be provided for installation.

9. **Décor \ Employee uniforms \ Signage etc. should be as per Pizza Inn guidelines**

10. **Menu Pricing can be as per market situation with PI guidelines.**

11. **Promotion campaigns should be similar & adaptable.**

12. Training/ Franchise Support :

- A. For first 2 openings: Teams Of 3 people will be sent for support / training @ our cost.
- B. At a later stage remainder staff can be sent to us in Riyadh at your cost for Training

13. Recovery Period:

Dine In: Recovery period 3 to 4 months average sale should be USD1800 per day & thereafter profit margin should be 10%.

Delco: Recovery period 60 to 90 days, average sales should be US\$ 800/- per day & thereafter profit margin should be 12 to 26 %.

14. Normal Marketing Cost for new franchise is 6 to 7 % of total cost, but with our support it can remain only 5 %.

15. For New product launches all recipes will be provided Pizza Inn / UFC.

16. New Store Opening Criteria forms will be provided by UFC, to help in compilation of demographics, population studies, habits, location etc.

17. Where should I send my Preliminary Business Plan with Franchise Form & required documents:

Kind Attn: The General Manager,
United Food Company – Pizza Inn
P O Box 55447
Riyadh 11534
Abunayyan Building – 4th Floor
Old Airport Road
Opp Minhal Holiday Inn – Riyadh
Kingdom of Saudi Arabia
Tel: 00966 1 477 9111 Ext 180/282
Fax: 00966 1 4749087
Website: www.pizzainn.com.sa
Email: info@pizzainn.com.sa