



pesco

PESCO
INTERNATIONAL
FRANCHISING

HOW TO BECOME ONE OF OUR **FRANCHISEES**



ARE YOU READY TO JOIN PES.CO?

ALL YOU HAVE TO KNOW TO BECOME **FRANCHISEE**.

PES.CO IS LOOKING FOR PARTNERS IN ITS GLOBAL EXPANSION PROGRAM. FROM ITS STARTING LOCATIONS IN VENICE AND VIENNA IT OFFERS A FRESH AND ORIGINAL CONCEPT FOR AN ITALIAN RESTAURANT AND SOCIAL BAR. PES.CO'S OBJECTIVE IS TO TAKE ITS FORMULA WORLDWIDE. LET'S START FROM THE BEGINNING AND SAY A FEW WORDS ABOUT THIS FORMAT.

PES.CO OFFERS A NEW GENERATION OF SPACES THAT BUILD ON THE ORIGINAL IDEA OF THE RESTAURANT AND THE BAR. WHAT IS UNIQUE TO PES.CO IS THE PARTICULAR APTITUDE IT HAS FOR THE SOCIAL EXPERIENCE. THE CONCEPT IS A FUSION OF A WIDE RANGE OF GENUINE AND CONVIVIAL ITALIAN DISHES TO BE SHARED FROM LARGE CENTERPIECES, TOGETHER WITH THE ESSENTIAL FEATURE OF THE BAR EXPERIENCE. THE SPACES THEMSELVES ARE FITTED OUT WITH DESIGNER FURNITURE WITH AN URBAN MOOD AND NATURAL ELEMENTS. THE ROOMS ARE INFUSED WITH VIBRANT, POSITIVE ENERGY AND MUSIC THAT CAN BE BREATHED IN BY ALL THOSE ENJOYING THE ATMOSPHERE OF THESE LOCATIONS. PES.CO IS ALL ABOUT A FRESH AND EXCITING FOOD AND ENTERTAINMENT EXPERIENCE.

DISCOVER MORE ABOUT THE PES.CO WORLD:
WWW.PESCORESTAURANTS.COM

PES.CO FORMAT

THE CONCEPT

Pes.co reinvents the concept of the Italian restaurant bringing to the world the best of the Italian Lifestyle. Pes.co “distinctiveness” is the result of the combination of a number of elements:

- 1) the **Italian Food**, one of the most appreciated “luxury products” worldwide, that can be tasted by everyone in its most authentic interpretation at Pes.co;
- 2) the **Social Restaurant** concept, a different and innovative way to re-read the traditional restaurant as a place to share the best of food & beverage in a more friendly and smart way;
- 3) the **Social Bar**, an even more informal way of sharing Italian food and beverages, at the very heart of every Pes.co location, the core from which the “sparkling” mood of Pes.co originates and diffuses;
- 4) the **Urban Resort Mood** of Pes.co Locations: a fresh, relaxing and international atmosphere, full of music and entertainment, modern “resorts” in the heart of the main world cities.
- 5) the **Friendly Staff**, the main link between Pes.co concept and our guests: the primary source of the Social Attitude that attract Pes.co aficionados;
- 6) the **Global Format** concept, since Pes.co is never the same as itself: in every new city, Pes.co mixes the best of the local features with the Italian Lifestyle, so giving life, every time, to something unique and never-seen.

Many unique elements, but a simple philosophy to keep them together:
GOOD FOOD HAS TO BE SHARED!

THE FORMULA

Pes.co mix of distinctive features creates something never-seen and unique. Get familiar with Pes.co formula!



WHY PES.CO IS A SUCCESSFUL FORMAT

THE FACTORS THAT MAKE THE PES.CO A WORLDWIDE **SUCCESS STORY**.

NOW THAT YOU CAN IMAGINE HOW A PES.CO LOCATION CAN BECOME YOUR VENUE, WE CAN GIVE YOU THE REASONS WHY YOUR NEW RESTAURANT WILL BE A REAL SUCCESS.

PES.CO IS AN INTERNATIONAL FORMAT THAT "WORKS" BECAUSE OF

- THE UNIQUENESS OF ITS FORMAT
- ITS BROAD APPEAL TO A WIDE CUSTOMER RANGE DUE TO THE EXTENSIVE FOOD SELECTION OFFERED
- THE PRESENCE OF THE BAR, EVENTS AND INTERESTING INITIATIVES TOGETHER WITH THE ONLINE AND OFFLINE PROMOTIONAL EXPERIENCE;
- THE CONSTANT, EXPERT AND TRANSPARENT SUPPORT PROVIDED FOR FRANCHISEES;
- THE STRENGTH OF THE ITALIAN BRAND IN AN THE INTERNATIONAL CATERING INDUSTRY;
- THE SOLIDITY OF THE BRAND IMAGE, EXTENDED TO ALL THOSE ELEMENTS THAT REPRESENT THE FORMAT.



WHAT PES.CO WILL DO **FOR YOU**

PES.CO IS COMMITTED AS **FRANCHISOR** TO THE PROVISION OF A WHOLE SERIES OF SUPPORT SERVICES FOR YOUR BUSINESS, WHICH INCLUDE:

- ANALYSIS OF THE CATCHMENT AREA AND ASSIGNMENT OF AN EXCLUSIVITY AREA
- A FEASIBILITY STUDY OF AND THE APPROVAL OF THE FACILITY
- RESTAURANT PLANNING AND TURNKEY START-UP
- AGREEMENTS WITH SUPPLIER PARTNERS
- AGREEMENTS WITH SPONSOR PARTNERS
- A COORDINATED PES.CO IMAGE, AND BRAND FEATURES
- ASSISTANCE WITH BUREAUCRACY
- TRAINING AND ASSISTANCE
- ASSESSMENTS OF PERSONNEL (IF REQUESTED)
- START-UP MARKETING PLAN
- PURCHASE BASE FOR PRODUCTS AND CONSUMER GOODS
- OPERATING MANUAL
- MARKETING ACTIVITIES ASSISTANCE (E.G. SOCIAL NETWORKING)
- PROVISION OF MUSIC PLAYLISTS FOR THE LOCATION
- SOFTWARE MANAGEMENT
- PERFORMANCE MONITORING
- NEW PRODUCT/SERVICES APPRAISAL
- PERIODIC CHECKUP MEETINGS



FRANCHISING FORMULAS

THERE ARE TWO TYPES OF MEMBERSHIP:

STANDARD AND **MASTER**.

A) STANDARD FORMULA

THE STANDARD AFFILIATION FORMULA CONSISTS IN OPENING A SINGLE LOCATION (THOUGH AN AFFILIATE CAN BE THE OWNER OF MORE THAN ONE PES.CO RESTAURANT) WITH TRAINING AND SUPPORT PROVIDED BY THE FRANCHISOR.

THE STANDARD AFFILIATE WITH THE RIGHT PROFILE MAY HAVE FIRST REFUSAL ON AN AREA MASTER POSITION.

B) MASTER FORMULA

THE MASTER MEMBER OPENS A LOCATION AS "PILOT" LOCATION FOR THE AREA AS THE AREA MASTER "PURCHASES" THE TERRITORY WITHIN WHICH A NETWORK AND SUPPORT SYSTEM IS DEVELOPED FOR ITS OWN AFFILIATES.

AREAS MAY VARY IN SIZE AND INVOLVE COSTS PROPORTIONAL TO THE NUMBER OF SUITABLE CITIES FOR POSSIBLE OPENINGS. THE FRANCHISOR WILL TRAIN AND SUPPORT THE MASTER AND ASSIST HIM IN PROVIDING SERVICES FOR THE STANDARD AFFILIATES



REQUIREMENTS FOR THE STANDARD

WHAT **WE REQUIRE** FROM THE PARTNER WHO OPTS FOR THE STANDARD FORMULA

THE FIRST REQUIREMENTS ARE A GOOD BUSINESS ATTITUDE AND STRONG IDENTIFICATION WITH THE PES.CO PROJECT.

THE AFFILIATE ALSO COMMITS HIMSELF TO SETTING UP A PES.CO RESTAURANT WITH 100-150 SEATS IN ACCORDANCE WITH THE FRANCHISOR'S INDICATIONS AS REGARDS THE PLANNING AND SET-UP, THE ATMOSPHERE AND THE MUSIC, THE SERVICE AND THE MENU, AS WELL AS STRUCTURAL AND MANAGEMENT SOFTWARE, PURCHASING POLICY (CONTRACTED SUPPLIERS OF GENUINELY ITALIAN PRODUCTS, EXCEPT FOR FRUIT AND VEGETABLES), THE PRICE LIST TO DINERS, OPENING TIMES AND STAFF COORDINATION (WITH AROUND 15 EMPLOYEES).

LOCATION: THERE MUST 300 TO 400 SQUARE METRES OF AVAILABLE COMMERCIAL SPACE IN A CENTRAL OR SEMI-CENTRAL POSITION OF A CITY OF A POPULATION OF AT LEAST 150,000 TO 200,000 PEOPLE (THE TOURIST POPULATION WILL BE INCLUDED). THE FACILITY MUST BE IN COMPLIANCE THE LAW AND REGULATIONS OF THE COUNTRY IN WHICH IT IS OPENING (E.G. FLUES, VENTILATION AND GAS RECYCLING, THE PRESENCE OF AND THE TYPES OF BATHROOMS ETC.).



ECONOMICS FOR THE STANDARD

WHAT KIND OF **INVESTMENT** ARE WE LOOKING AT?

THE INITIAL FRANCHISE FEE WE REQUEST FROM THE PARTNER IS 30,000 EURO WHICH COVERS ACTIVE PES.CO PARTICIPATION FOR GETTING THE PROJECT OFF THE GROUND. OUR ESTIMATES TELL US THAT THE INITIAL INVESTMENT IS APPROXIMATELY 550,000 EURO, WHICH IS RELATES TO:

- LEGAL, INCORPORATION AND ADMINISTRATIVE FEES;
- PLANNING AND SET-UP;
- EQUIPMENT;
- PRODUCT PURCHASING (FOOD & BEVERAGES);
- MARKETING COSTS FOR THE OPENING;
- INSTALLATION;
- OTHER COSTS.

ROYALTIES: PES.CO IS PAID BY ITS PARTNER 5% OF MONTHLY INCOME.

REVENUES: FORECAST REVENUES WILL GO FROM 1.2 MLN EUROS TO 1.5 MLN EURO, DEPENDING ON THE COUNTRY IN WHICH THE NEW PES.CO LOCATION WILL BE SITED.



REQUIREMENTS FOR THE MASTER

WHAT **WE REQUIRE** FROM THE PARTNER WHO OPTS FOR THE MASTER FORMULA

AS WITH THE STANDARD FORMULA A GOOD BUSINESS ATTITUDE AND STRONG IDENTIFICATION WITH THE PES.CO PROJECT ARE ESSENTIAL REQUIREMENTS.

THE AREA MASTER WILL START THE PILOT PREMISES AS A STANDARD AFFILIATE AND THEN GRADUALLY TAKE CHARGE OF SOME OF THE FRANCHISOR'S TYPICAL FUNCTIONS AS DELEGATED TO HIM ACCORDING TO HIS AREAS OF EXPERTISE.

THESE WILL INCLUDE:

- FIRST LOCATION APPRAISAL;
- SET-UP ASSISTANCE;
- ASSISTANCE WITH BUREAUCRACY;
- TRAINING AND UPDATES;
- MARKETING ASSISTANCE (OPENING AND PERIODIC CHECK-UPS);
- ASSISTANCE IN RESTAURANT MANAGEMENT.

THE ORGANIZATIONAL STRUCTURE WILL INITIALLY BE LIMITED TO A COMMERCIAL FIGURE OR/AND A BROKER AND THEN, WITH SUPPORT FROM THE FRANCHISOR, STAFF DEALING WITH LOGISTICS, ADMINISTRATION AND MANAGEMENT. THERE WILL ALSO BE REPRESENTATIVE FOR THE AFFILIATE NETWORK AND A GENERAL MANAGER (WHO WILL IDEALLY BE THE AFFILIATE HIMSELF OR A PERSON IN HIS TRUST).

ECONOMICS FOR THE MASTER

WHY THE MASTER FORMULA IS SO PROFITABLE

THE MASTER MEMBER'S FINANCIAL COMMITMENT IS TO THE OPENING OF A PES.CO RESTAURANT THAT SERVES AS PILOT PREMISES FOR THE SELECTED AREA AND THE "PURCHASE" OF THAT AREA ITSELF.

THE MASTER HAS 3 INCOME SOURCES:

- PROFITS FROM THE DIRECT OPENINGS
- AFFILIATION FEES
- ROYALTIES FROM AFFILIATED PREMISES

THE AREA MASTER OPERATES AS A FRANCHISOR AND HAS THEREFORE THERE IS IN PLACE THE FINANCIAL STRUCTURE TYPICAL OF FRANCHISING AGREEMENTS, WHICH INVOLVES THE FIRST PHASE INVESTMENTS, THE SECOND PHASE IN EXTENSION OF THE NETWORK (WITH AFFILIATES AS START-UPS), AND A THIRD PHASE WITH INCREASING ANNUAL REVENUES. THE RETURN ON INVESTMENT THUS VARIES WITH TIME, INCREASING AS THE NETWORK EXPANDS. IN A HYPOTHETICAL EXAMPLE (MASTER AREA=POLAND) THERE COULD BE A ROI. OF MORE THAN 100% IN LESS THAN 3 YEARS.



THE 7 STEP TO START YOUR PES.CO RESTAURANT

NOTE ON START-UP TIME SCALES:

The length of the process will vary depending on the variety of possible situations (e.g. the availability of a suitable property). A month is the minimum time needed for the affiliation process (the first 4 steps), as prescribed by Italian law. Much will depend on the location study. It will take two months to draw up the plan and select suppliers and a further 2 months for the setting-up of the restaurant (steps 5 and 6). Our estimate therefore for the completion of the process through to the opening of the new restaurant is about 6 months.

1. FIRST CONTACT

THE FIRST REQUEST FOR INFORMATION ON PES.CO FRANCHISING WILL BE FOLLOWED BY A TELEPHONE MEETING AND THE SENDING OF THE BROCHURE.

2. FIRST MEETING

IF BOTH PARTIES ARE INTERESTED A MEETING IS ARRANGED WITH THE FRANCHISE MANAGEMENT TEAM TO LOOK AT STRATEGIC AND FINANCIAL ASPECTS. ALL BEING WELL, FOLLOWING THIS A STANDARD NETWORK CONTRACT IS DELIVERED OR IT IS INTEGRATED INTO A MASTER CONTRACT.

3. VISIT AND CONTRACT

THEN FOLLOWS A VISIT TO A WORKING PES.CO RESTAURANT IF THIS HAS NOT ALREADY TAKEN PLACE. THE FEASIBILITY OF THE LOCATION AND THE FACILITY IS THEN ASSESSED. THE AFFILIATION REQUEST IS THEN PRESENTED.

4. LOCATION STUDY

ONCE THE AFFILIATION REQUEST IS SIGNED. THE LOCATION AND FACILITY STUDY IS CARRIED OUT ON THE POSITION OF THE NEW PES.CO ESTABLISHMENT.

5. THE PLAN

BASED ON THE CHOSEN LOCATION A RESTAURANT PLAN IS DRAWN UP THAT MUST BE AGREED ON BY THE AFFILIATE.

6. PRE-OPENING

THE SUPPLIERS WILL BE SELECTED AND THE SET-UP PROGRAMMED. THE TIME SCHEDULE WILL BE DETERMINED BY THE FACILITY'S INITIAL CONDITION.

7. OPENING

WHEN EVERYTHING IS IN PLACE THE AGREED MARKETING PLAN IS PUT INTO EFFECT AND FINALLY A NEW PES.CO RESTAURANT IS OPENED.



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