



### WELCOME!

### THANK YOU FOR YOUR INTEREST IN FRANCHISING WITH COBS BREAD

COBS Bread & Bakers Delight have grown to become one of the world's most successful bakery franchises.

The company's success is due to the quality of our ingredients, our proven systems, ongoing innovation, and a passion to delight customers with superior products and warm service.

We're committed to a mutually rewarding relationship with our franchisees, employees, and suppliers.

Throughout your research process, please take every opportunity to speak with the Franchising team, the regional Operations team, and our franchisees to get all of your questions answered.

We also recommend you seek independent legal and financial advice prior to making a purchase decision.

We invite you to start something good with COBS Bread. It could be one of the best life decisions you ever make!

Roger Gillespie

**Executive Director & Chairman** 

Lesley Gillespie

**Executive Director** 

**Aaron Gillespie** 

President of COBS Bread

### LEADERSHIP

COBS Bread and Bakers Delight is a family run business. Roger and Lesley Gillespie opened the first bakery in 1980 and transformed the organization into the franchisor it is today. Forty years later, their children, Aaron and Elise, lead the organization. They do so alongside the expertise and experience of several industry leaders:

#### Roger Gillespie

Director and Chairman

#### Lesley Gillespie

Director

#### **Dave Christie**

Joint CEO

#### Elise Gillespie

Joint CEO

#### **Aaron Gillespie**

President

#### John Gilson

Vice President of Growth

#### **Tracy Steinwand**

Vice President of Operations & Training

#### Dan Graham

Director of Supply Chain, Quality Assurance & Innovation

#### **Shane Paterson**

**Director of National Operations** 

#### Paul Neill

Regional Director, Operations (BC)

#### Ronen Vilenski

Regional Director, Operations (Eastern Canada)

#### Jennifer Young

Regional Director, Operations (Prairies)

#### Vevette Villahermosa

Director of Marketing



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## PHILOSOPHY GUIDED BY GOODNESS



To be your favourite bakery in every community.



We will develop strong connections with our customers and communities that ignites a passion for bread and the freshest baked treats.





We will empower teammates to cultivate their passions and in turn, find their purpose. The attitude, enthusiasm and motivation that comes from achieving success with purpose is contagious.

#### **OPEN & HONEST COMMUNICATION**

We contribute to an environment which encourages transparent dialogue and open feedback that is constructive and solution-oriented.



#### RAISING THE BAR

Through continuous improvement and innovation we constantly challenge the status quo to be better for our customers, our partners, and our brand. We celebrate success with our teammates when milestones and targets are achieved.

#### **ACCOUNTABILITY**

We hold one another accountable through clarifying expectations, collaborating and committing to delivering upon our goals.

### COMMUNITY

Community involvement is truly a cornerstone of the COBS Bread brand, and this aspect has been a defining decision maker for several franchisees when selecting COBS Bread.

COBS Bread bakeries support a range of health programs, events, community groups, and environmental initiatives.

#### END OF DAY GIVING

After our bakeries close the doors at the end of the day, they open them one more time for the charity arriving to pick up unsold product. Each bakery manages an End of Day pick up schedule with local charities in their community.



I THINK YOU'LL FIND A
LOT OF THE FRANCHISEES
WHO ARE ATTRACTED TO COBS
ARE ALSO ATTRACTED BECAUSE
THEY WANT TO BE PART OF
THEIR COMMUNITY.



Fiona Boylan

Multi-site COBS Bread

Franchisee



Fiona Boylan COBS Bread Franchisee



## RECIPE FOR GROWTH

- THE FIRST BAKERS DELIGHT BAKERY OPENS IN MELBOURNE. AUSTRALIA
- DERATING IN 400 FRANCHISED BAKERIES
  ACROSS AUSTRALIA AND NEW ZEALAND
- THE FIRST COBS BREAD BAKERY IN CANADA OPENS IN NORTH VANCOUVER, BRITISH COLUMBIA
- 2006 COBS EXPANDS INTO ONTARIO AND ALBERTA
- 2014 COBS BREAD OPENS IN SASKATCHEWAN
- 2015 THE FIRST COBS BREAD BAKERY IN THE USA OPENS IN STAMFORD, CONNECTICUT
- 2017 COBS BREAD CELEBRATES THE OPENING OF THE 100TH BAKERY IN CANADA!
- 2018 COBS EXPANDS INTO MANITOBA
- 2020 COBS EXPANDS INTO NOVA SCOTIA
- 2022 COBS BREAD CELEBRATES THE OPENING OF THE 15OTH BAKERY IN CANADA!
- COBS BREAD OPENS ADDITIONAL LOCATIONS IN THE USA. WITH PLANS FOR RAPID EXPANSION IN THE COMING YEARS
- 2027 COBS BREAD PLANS TO EXPAND TO 300 BAKERIES ACROSS CANADA BY 2027!

## JOIN A FAVOURITE SUCCESS STORY

## STORY

### AWARD WINNING FRANCHISE STRUCTURE



Since COBS Bread began franchising in North America, we have been proud recipients of multiple awards from the Canadian Franchise Association (CFA).

These awards recognize a strong partnership between the franchisor and the franchisee, and are based on feedback directly from our franchisees.

Much of the company's success is based on its proven business model and the transparency in sharing ofresults and ideas across the network.

## IT PAYS TO BE WITH THE NUMBER ONE GLOBALLY RECOGNIZED BAKERY BRAND

#### **Know Your Numbers**

COBS Bread and Bakers Delight have experienced endless measurable successes over the many years of being a franchise business model. The franchise has grown at a rapid rate, thanks to endless support, our loyal franchisees, and great team culture.



#### Bakeries in Four Countries

Our network consists of 700+ bakeries in 4 countries spread across Australia, New Zealand, Canada, and the USA.



#### Years as a Franchise Business Model

Bakers Delight converted to a franchise business model in 1988 and has grown to become the largest bakery franchise globally.



#### COBS Bread Bakeries Owned by Multi-Site Franchisees

The strength of our support has enabled over 45% of our bakeries to be owned by a multi-site franchisee.

## THE SECRET TO KYNAN'S SUCCESS

Kynan opened the first COBS Bread bakery in Prince George, BC in early 2019. In the first few months of opening his bakery, he was nominated for several awards of excellence from the Chamber of Commerce and exceeded the expectations for his operating profit by over 100%.

So, what would Kynan say is the secret to his success? In a word: **PREPARATION**.

Find out what Kynan did to prepare through all stages of opening his bakery, from deciding which franchisor to select, to training his staff.

#### Before deciding on COBS Bread

I spent three years researching self-starter and franchise businesses. I grew up in a family that opened another successful franchise in Prince George, so I really wanted to make the right choice. I had heard about COBS Bread from friends and really enjoyed the product when I tried it on my visits to Vancouver. I knew it would do well in PG as we didn't have anything comparable in terms of fresh, healthy bread.

#### After committing to COBS Bread

I spoke to franchisees who had just gone through the opening process because it was really fresh in their mind, having just gone through it recently. They can tell you what it really takes to 'get into it. I recommend that all new franchisees do the same thing. (I'm looking forward to their call!)



#### **During training at COBS Bread**

I was completely invested in my training, which I think has really contributed to the bakery's overall success. I really took my training to heart. You really need to get into the bulk of the training and spend time on each baking station to understand the flow of baking production. Also, I trained all of my staff before the bakery opened- both the baking and the sales team, which took 3-4 weeks- so you want to make sure you know your stuff.

#### Now that you've done it all, do you have any other advice?

It really is dependant on the person. I would emphasize that you need to take the bake seriously. All the hard work at the beginning pays off. Also, know your market and have a realistic budget. Once you've done your research, you will know what you are taking on. Know that the bakery doesn't run itself, but it is very gratifying work. Team work!

#### What's the best part of your day-to-day?

I've become a big bread nerd. I love talking about the product and giving customers meal ideas (since I am also a passionate home cook!



## 8 QUESTIONS WITTERRELL

In Terrell Thurston's past life, he was a contractor, and actor, and served in the military. Terrell opened a COBS Bread bakery in 2018, and hasn't looked back. Find out a little bit more about Terrell's COBS Bread experience:

- 1 What was it like opening your bakery?

  It was really exciting...it was one of those things that you've been thinking about, and dreaming about, and preparing for, so it was just a matter of executing.
- What kind of ongoing support do you receive?

I receive ongoing support all the time. There are lots of visits, emails and even phones calls that are just a "Hey, what's up-- how are you doing, and do you need anything?"

What did you learn during training?

Everything from front of house, to back of house. Learning how to bake, how to do the books, how to do the scheduling... how to make production and figure out your schedule, payroll, and everything that's involved from one end of the bakery to the other!

4 How would you describe the community at COBS?

Oh, it's like a big family. I mean it's fun-there's a lot of comraderie. There's also a lot of fun rivalries going! We like to compete quite a bit, as far as sales, and we have Bread Competitions. You know – just trying to outdo each other. It's a lot of fun, and as far as the management the other franchisees, it's more family than anything else.



5 Did you find the business model easy to adapt to?

Absolutely- that's one of the things that we follow and that's what makes the business so easy. COBS has everything laid out for you. As far what your production should look like, what the sales should look like, the store front- everything is there for you so it's very easy to follow.

- 6 How's your ROI so far?

  The ROI has exceeded our expectations.
- Is your family involved in the business?

  Absolutely. My wife is involved on the financial side she helps me do a lot of the books. I do most of the production for the bakery and run the day-to-day.

My daughter is also working in the bakery with us.

What's the most fulfilling part of your job?

I'd say the most fulfilling part of being a COBS bakery operator is when you get there at 2 o'clock in the morning, and the bakery is cold, its dark – there's nobody around. You fire up the ovens, you turn on the music. Your other bakers show up and you start baking. And then, by about 6 o'clock in the morning, you've got a whole wall of bread. It looks beautiful, the product is great and it's just a great sense of accomplishment.

## YOU AND COBS BREAD

COBS Bread's selection process aims to not only maintain levels of excellence in the network, but to ensure potential franchisees are making a career choice that is right for them.

COBS Bread franchisees come from a range of backgrounds and experience. Although certain qualities are necessary for successful franchise ownership, you do not need to have baking experience to apply to become a franchisee with COBS Bread. We'll teach you!

I WANT TO KNOW THAT EVERYONE
ELSE THAT'S INVESTING INTO THIS
BUSINESS IS GOING TO HAVE THAT
SAME PASSION AND DEDICATION TO THE
BRAND, AND THAT WE'RE ALL MOVING
FORWARD IN THAT SAME DIRECTION.

IT MEANT A LOT TO ME THAT IT WAS MORE OF A PROCESS TO GET A BAKERY WITH COBS.

Steff Steers
Multi-site owner

#### **OUR FRANCHISEES ARE:**

HARD AMBITIOUS PASSIONATE ABOUT THEIR COMMUNITY COMMUNICATORS TRONG COMMUNICATORS

HANDS-ON DISCIPLINED ORGANIZED

EAGER TO LEARN NEW SKILLS



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## THE MOST IMPORTANT INGREDIENT COULT

We take pride in the relationship we foster with our franchisees. The relationship is built on mutual support and respect, and delivering on a commitment to moving our brand and business forward.

#### THE FRANCHISOR PROMISE

- To provide you with the necessary support to ensure the successful launch of your new bakery franchise, and beyond.
- Ongoing training for you and your team in all aspects of the business.
- Robust marketing campaigns, trials and more to keep our brand moving forward.
- Commitment to the development of new products through testing, trialing, and staying on top of industry trends.
- Access to ongoing operational and administrative advice.

#### THE FRANCHISEE PROMISE

 To operate the business according to COBS Bread's promise to customers by providing high quality, delicious product and an exceptional experience.







## YOUR BAKERY PURCHASE

#### YOUR COBS BREAD PURCHASE

COBS Bread site locations are discussed during the franchise application process.

#### A New Site Purchase Includes:

- Head lease negotiated and managed by COBS Bread
- · New equipment at negotiated cost
- Full turnkey design & construction of bakery managed by COBS Bread
- Operational and marketing support for bakery opening

COSTS FOR A NEW SITE		
Bakery Fit-Out, Equipment & Start Up Fee	\$850,000 - \$950,000+*	
10 Year Franchise Fee	\$0.00**	
Training Fee	\$10,000	

Prices above are exclusive of applicable tax.



#### An Existing Site Purchase Includes:

- Fully operational and trading bakery;
- Existing equipment & fit-out;
- Support with business handover and transition;
- Head lease negotiated and managed by COBS Bread;
- Historical sales and profitability information for bakery

COSTS FOR AN EXISTING BAKERY		
Market Prices	\$500,000 - \$1,000,000+*	
10 Year Franchise Fee	\$25,000 (pro-rated)	
Training Fee	\$10,000	

<sup>\*</sup>This is an estimate based on average set-up costs. Optional upgrades, unusual site specifications, locations in new/remote areas, and/or other market factors may increase the initial capital spend. Approximately 30% is required in liquid capital.

<sup>\*\*</sup> Our \$25,000 franchise fee has been reduced to \$0 for new bakery purchases.





## A TRAINING PROGRAM FOR SUCCESS

#### FRANCHISEE TRAINING

To help our franchisees work toward the best business results, we offer a full training program.

#### No Experience Necessary

Our franchisees come from all walks of life, and many have never baked a loaf of bread before. Don't worrythis doesn't faze us in the least! Our training program is designed to teach you everything they need to operate your business—including how to bake from scratch!

#### Your Commitment to Your Future Business

The franchisee training program consists of 16 modules requiring a full-time commitment of an average of 16 weeks. The program covers:

- Baking and sales training in a bakery
- Monitoring and managing business operations and finances
- Campaign marketing
- · Local marketing and community involvement
- Wage and cost control
- · Sales and production planning
- People management and workplace relations

#### **Ongoing Training**

Ongoing training workshops in areas like financial management, production scheduling and staff development are available to franchisees throughout the year.

#### Online Training - Breaducate

COBS Bread's e-learning platform, "Breaducate" provides franchisees with training for current and new team members. This invaluable resource lets franchises track staff training module completion in key areas such as Occupational Health and Safety, marketing campaigns, food handling, and more!

#### **BAKERY CAREERS**

We know it's important to develop the people who bring their best every day to work in our bakeries. We have developed a program to ensure that COBS Bread is seen as an attractive employer, which is a key factor in employee motivation and retention.

#### Bakers and Sales Development Qualification Programs (BDQ and SDQ)

The Baker and Sales Development Qualifications
Programs will provide training for bakers and sales staff
through competency-based learning. These programs
focus on providing an enhanced skill set in customer
service and production. They include components that
are multifunctional and can be used to check the current
competency of existing employees, identify any gaps
in proficiency, and set them up for future success.

#### Career Pathways

#### **Great Place to Work**



COBS Bread has been awarded several Great Place to Work® awards. These awards are earned by feedback obtained directly from employees through third-party surveys.

Some of the awards include:

Best Workplaces<sup>™</sup> for Giving Back

Best Workplaces<sup>™</sup> for Women

Best Workplaces<sup>™</sup> for Professional Development

Best Workplaces<sup>™</sup> for Hybrid Work





### WE ADD A LOT OF SUPPORT

At COBS Bread, we give our franchisees a wide range of valuable support, because we know this is a key ingredient in the success of your business.



#### **OPERATIONS**

Efficient and effective operations are pivotal to business success. Our Regional Directors and Area Managers are business partners to our franchisees, and have a wealth of experience, allowing them to give quality operational support to franchisees.

They are the primary support contact between franchisees and our support office, and provide insight and coaching to help grow bakery sales, meet brand standards and uphold our company values.



#### QUALITY CONTROL

#### **Product Safety & Quality**

Stringent product safety systems, policies, and procedures, are in place to ensure customers always receive delightful product each and every day. COBS Bread continually develops these tools to maintain consistently high product standards.

#### Occupational Health and Safety

COBS Bread maintains high standards for all stakeholders, including employees and customers. Franchisees are trained and kept abreast of new and relevant legislation to ensure a 'best practice' safe workplace.

#### 5-Star Assessments

The COBS Bread '5 Star' program is a bakery and business performance system and measures the compliance of the major areas of bakery and business operations: production, retail, food safety, occupational safey and health, and customer service. The system enables timely measurement of bakery and business performance by identifying our strengths and opportunities, and assists he company and individual bakeries to strive for standards of excellence.



#### MARKETING

Celebrate Fresh. It's what we stand for. In the bakery, and in all aspects of our brand. We provide you with the support and guidelines to continue to deliver on our objective to Celebrate Fresh in innovative and inspiring ways. Strategic marketing support is offered in the areas of advertising, media, design, product development, pricing, PR, sponsorship, digital advertising, merchandising and market research.

#### **Local Marketing**

Franchisees also have the flexibility to conduct local marketing activities with the support of your operations and local marketing team.



#### INTEGRATED POS & DATA ANALYSIS TOOLS

COBS Bread's automated 'point of sale' (POS) system, known as Bready, serves to improve cash control and provide management reports to assist in the efficient running of a bakery.

Reports assist with issues such as fresh baking, production planning, employee rostering, assessing and managing employee performance, wastage and stock control, in addition to custom reports.

The POS system also allows for employee incentive programs and measurement of marketing activities.

COBS Bread also provides franchisees access to an online extranet site, available anywhere, anytime. This extranet site provides franchisees easy access to:

- Live sales and customer count data
- Live sales comparisons to all bakeries across Canada
- → Staff performance
- → Marketing resources
- → Downloadable recipes
- Online training resources
- Operations resources
- → Weekly e-newsletters
- Hourly trends and customer count report
- Bready features
- → Digital signage (personalize your bakery)



#### **PROPERTY**

COBS Bread's property team locates viable retail locations and negotiates leases directly with landlords. The head lease is held by COBS Bread, who then grant franchisees the right to occupy the premises on the same terms and conditions originally negotiated.



#### **PROJECTS**

The COBS Bread projects team manages the construction of a new bakery and delivers it to franchisees as a turnkey business. At handover to the franchisee, they receive a fully operational bakery complete with all equipment.



#### SUPPLY CHAIN

The COBS Bread purchasing team simplifies bakery purchasing, enabling franchisees to concentrate on operating their bakery.

The purchasing team negotiates preferred pricing, manages supply agreements and works through distribution issues to maximise the collective buying power of the network.



#### **HUMAN RESOURCES**

Our Human Resources team drives best practices and policies. Information and recommendations are made available to franchisees in the areas of employee relations and all relevant legislation.

## AN INFORMED DECISION

It's important to us that we are transparent throughout this process. Before making a commitment to purchase a bakery, every prospective franchisee needs to feel that COBS Bread is the right choice for them.

To this end, COBS Bread will provide you with:

- → DEMOGRAPHIC INFO
- → BUDGETING AND BUSINESS PLANNING TOOLS
- TURTHER INFORMATION TO HELP YOU UNDERSTAND THE COST OF YOUR BAKERY
- → SALES AND PROFIT DATA FOR COMPARABLE LOCATIONS







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## THE PATH TO BECOMING OF RANCHISEE

INQUIRE
WITH COBS BREAD
SUBMIT AN
APPLICATION

### APPLICATION STAGE

APPROX. 6-8 WEEKS

#### FIRST INTERVIEW - FRANCHISE RECRUITMENT SPECIALIST

An opportunity for both parties to get to know each other and determine whether there is a mutual fit. Upon successful completion we'll ask you to submit a personal financial statement to fully understand the next steps to opening a bakery.

#### SECOND INTERVIEW - REGIONAL DIRECTOR

Meet with an Operations Leader to learn more about becoming a COBS Bread franchisee.

#### BAKERY DISCOVERY DAY

An opportunity to spend a day in a bakery and gain an understanding of bakery operations.



AT YOUR OWN PACE (USUALLY 2-6 WEEKS)

**STAGE** 

#### CONGRATULATIONS! FRANCHISE APPROVAL

You made it! Congratulations. We look forward to you becoming a franchisee and joining the network.

#### DUE DILIGENCE

You will have full access to COBS Bread franchisees and financials to complete the due diligence required to take the next step.

#### COMMIT TO COBS BREAD

Signed. Sealed. Delivered. It's official! The paperwork is signed, the \$50k deposit has been paid and you've secured your spot. It's time to find you a bakery!



(TIMINGS VARY)

APPROX. 20 WEEKS

#### WE'LL WORK TOGETHER TO FIND AND SECURE A GREAT LOCATION



#### **TRAINING**

Training will be timed to coincide with the projected opening or handover date of your bakery

#### **BAKERY SET-UP**

While you are in training, we will fully construct and fit-out your bakery!

OPEN FOR BUSINESS!

<sup>\*</sup> Each scenario is unique and dependent on many variables including site availability, franchisee readiness and training completion.

# COME JOIN THE FRESHISS REVOLUTION (WE'VE GOT SNACKS)

CLICK HERE

TO START SOMETHING GOOD AND APPLY TO BECOME A COBS BREAD FRANCHISEE TODAY