



WAKABERRY FREQUENTLY ASKED QUESTIONS 2015

Q. What is a Franchise Fee?

A. The franchise fee is made up of two components namely the Initial Franchise Fee also commonly known as a joining fee and secondly the ongoing franchise fee commonly known as Royalties.

The Initial Franchise Fee goes toward design, plans, and drawing up of legal documentation, project management, training, menus and various other items. The ongoing franchise fee (Royalties) is a monthly percentage of turnover contribution, which enables the franchisor to give ongoing service in respect of Franchisee Support.

Q. How much is the initial franchise fee for a Wakaberry

A. The franchise Fee for a Wakaberry is R 75 000-00 excluding VAT.

Q. What is the Royalty and Advertising percentage contribution of turnover for a Wakaberry?

A. Royalty - 7% of the store gross sales (excluding VAT). Advertising – 2% of the store gross sales (excluding VAT).

Q: What is the approximate set-up cost for a Wakaberry?

A: Total approximate set up cost for a Wakaberry is R1 070 000 excluding VAT. Set up cost includes equipment, shopfitting, wet works, furniture and fixtures. This is based on a 70 to 120 sqm Wakaberry store, and with standard Landlord lease terms. This will vary significantly with greater size shops and any special lease issues.

Q. How much working capital is required?

A. We want potential franchisee to have 50% unencumbered cash for the total setup cost in cash. Plus - Rental deposit – generally 2 months rental. Electricity ±R8, 000. Operational Capital R120 000.

Q. How much would be required for stock?

A. Average Stock R25 000 (depends on the size of the store).

Q. What is the approximate size of a Wakaberry?

A. The approximate size of a Wakaberry is between 70sqm to 120sqm

Q. What type of training is given?

A. New Franchisees will spend 3-4 days of initial training at the Wakaberry Head office. Training is provided to Franchisee and key Management. Staff are trained on all aspects of the business 1 day prior to opening. Our Ops and Training team will be with you for the opening day and at least over the first weekend of trade.

Q. What would be my return on investment?

A. Generally earnings before drawings, interest and tax varies between 12% and 22% of the gross turnover excluding VAT. But it must be clearly understood the franchisor provides no guarantees or make any promises in this regard. Site, operational standards, size of the store and trading hours can influence calculations.

Q. How would I apply for a Wakaberry franchise?

A. Step 1. Down Load a Franchise Application form from the web site.
Step 2. Complete the Franchise Application form and forward to Wakaberry via post, fax or e-mail.

Q. What happens after my Franchise Application is received by Famous Brands Limited?

A. The Franchise Application form is processed and should your application be successful a list of existing sites for sale will be forwarded to you should there be no new sites available.

Q. Is the Franchise Application confidential?

A. Your Franchise Application will be treated in the strictest confidence. The completion of the Franchise Application Form is a standard procedure and is in no way binding on either party, however gives us comfort in your commitment in pursuing a Wakaberry

NB. It is to be noted that only applications proposing owner-operated franchises will be considered. Unencumbered (Cash on hand) requirement is 50% of the total set-up cost.

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