



# Cranita ACOLD, Crystallized COFFEE BEVERAGE SMOOTH IN TEXTURE FULL OF FLAVOR!

AVAILABLE IN CLASSIC, MOCHA & CARAMEL

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### · · · the soul of coffee · · ·

For thousands of years, people have gathered and bonded over food and drink. Around the world, you'll see people gathered at wells, pubs, and, in our neighborhoods, PJ's Coffee shops. People choose PJ's because they recognize that it is not only a superior cup of coffee but also because they know it stands for more than just a cup of coffee.

At the soul of coffee is connection. We provide the space for people to connect with one another as well as for us to connect with our communities. It started with Phyllis only putting her cafés in neighborhoods. It continued with the way we order; you feel like you're truly being cared for rather than shipped down an assembly line. It extends to the fact that the operator of their local PJ's is from their community and further to us extending a helping hand to the people who so graciously support us.

At the soul of coffee is excellence. We believe in going the extra mile. Our roasting process involves the meticulous selection of beans to create single origin roasts that are exemplary. That excellence extends to the way we create blends. Blends of coffee have traditionally been used to cut costs. Our blends are never driven by costs; we only do a blend if we believe it has the opportunity to create new and unique flavors.

Recognizing that we are about the soul of coffee will drive everything that we do going forward. We are going to be more than a great cup of coffee; we're going to be a place for communities to gather and grow together as well.

As long as we focus on the soul of coffee, we will continue to stay a step ahead of the competition.



\$96 BILLION U.S. INDUSTRY and growing

AFTER CRUDE OIL,
COFFEE IS THE
second largest commodity
IN THE WORLD

400 MILLION
CUPS OF COFFEE
ARE CONSUMED
DAILY
in the United States

MEXICO GUATEMAL

COFFEE IS THE SOURCE FOR

75% of America's caffeine

COFFEE BELT

ETHIOPIA

KENYA

VIETNAM

SUMATRA

PAPUA NEW GUINEA

COFFEE IS THE SECOND MOST CONSUMED BEVERAGE in the world

AMERICAN COFFEE DRINKERS AVERAGE 3½ CUPS OF COFFEE

everyday

64% of u.s. consumers drink coffee daily

48% OF MILLENNIALS DRINK GOURMET COFFEE BEVERAGES each day

NICARAGUA

COLOMBIA

BRAZIL

coffee farms are the economic livelihood of over 25 million people

#### **COFFEE IN NEW ORLEANS**

## HISTORY

In founding the city of New Orleans at the mouth of the Mississippi in 1718, France solidified its trade access to the continent. *Coffee craps* would soon follow and become part of the city's culture, even as ownership of the port would switch from French to Spanish to French and finally to the United States over the course of the next 85 years. By 1840, the port of New Orleans was the second largest importer of coffee in the United States.

### LOCATION DVANTAGES

Strategically situated where the Mississippi River meets the Gulf of Mexico, PJ's home of New Orleans, Louisiana has been a key trading post for the past 300 years. Especially for the coffee and cocoa-laden ships entering the United States from the Coffee Belt in South and Central Americas. Some of the world's best coffee is grown and distributed to the rest of the world from this region. New Orleans is regarded as one of the coffee capitals of the world due to its vicinity and deep water port, and is the very first stop for ships coming from Central America.

# CHICORY IS KIND OF OUR THING

New Orleans has had a long love affair with chicory, and for good reason... Chicory, the root of a blue-flowered plant, has been cultivated since ancient Egypt; chicory has been roasted, ground and mixed with coffee in France since the nineteenth century (the term chicory is an anglicized French word, the original being chicoree).

During the American Civil War, Union naval blockades cut off the port of New Orleans halting coffee shipments.

Louisianans looked to adding chicory root to their coffee to stretch out the supply. Though chicory alone is devoid of the alkaloid that gives you a caffeine buzz, the grounds taste similar and can be sold at a lower rate.

Chicory coffee was cheap and for this reason, it's been used in times of coffee shortage or economic crisis, like the Civil War and the Great Depression. But if you ask a New Orleans native, it's all about the tradition. In addition to being delicious, the chicory in a café au lait (chicory coffee with hot milk) is an essential part of the city, s history.



#### WHY INVEST IN THE BEST?

FOUNDED BY PHYLLIS JORDAN IN 1978 as one of the original specialty coffee brands, PJ's Coffee of New Orleans now brings the savory taste and experience of New Orleans coffee to the world. PJ's Coffee utilizes only the TOP 1% OF ARABICA BEANS, sourcing over a dozen origin coffees from Sumatra to Ethiopia, Colombia to Papua New Guinea. This gourmet coffee is SMALL BATCH ROASTED in 300lbs or less by Roastmaster Felton Jones, who alone has over 25 years of experience with PJ's Coffee.

PJ's Coffee strives to deliver a unique coffee experience to all locations, regardless if they are located in the heart of our home city, or far-flung across the world. With one step in the door you are greeted with the scent of our 100% Arabica beans, invoking the soul and unique experience of our ORIGINAL FRENCH QUARTER location.

PJ's Coffee carries a complete line of espresso-based beverages, FLAVORED COFFEES, and award-winning ORIGINAL COLD BREW™ ICED COFFEE, as well as a variety of food options. Fresh baked pastries & desserts are available for multiple day parts. With a focus in SUPPORTING SUSTAINABILITY, PJ's Coffee is the industry leader in sourcing methods; from farm to cup.















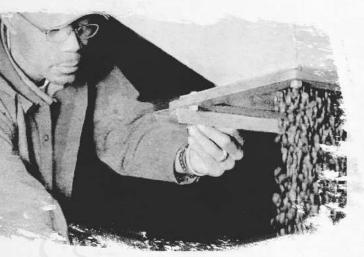




#### ROASTING PERFECTION

There is a science behind coffee roasting and our practices have turned this science into a fine art. Our roasting process transforms finely selected green beans into a truly unique cup of PJ's coffee. We roast our coffee in a small batch process that uses a hot air method. This gives our Roastmaster flexibility, based on the individual qualities of the beans, in order to produce the most flavorful and freshest coffee possible. Each small batch is its own custom roast, not a part of a continuous process. As the beans pop, they double in size and assume the distinctive and rich brown coffee color.





#### TASTE THE DIFFERENCE

We select only the finest coffee beans - from Sumatra to Ethiopia, from Colombia to Brazil - everywhere the best coffee grows.

Plucked by hand at the peak ripeness, the fruits of the Coffee Arabica bush are transported to mills where the beans are expertly removed, dried and hand-sorted before shipping to our Roastmaster.

Coffee is an Aut...not an afterthought



#### MODERN DESIGN & STYLE

The PJ's Coffee operating model & menu is adaptable to any environment. We offer different operating models from kiosks to free standing locations with a drive-thru, ranging from a few hundred square feet up to 2000 square feet.





modern design WITH WELCOMING & APPROACHABLE SERVICE

HOSPITABLE SERVICE CUSTOMERS FEEL IMMEDIATELY UPON ENTERING A PJ'S STORE





#### MENU ARCHITECTURE: THE SCIENCE OF SELLING BEVERAGES

Most customers will spend an AVERAGE OF 109 SECONDS SCANNING A MENU; therefore we took into consideration both the time it takes to read the menu & make a decision.

Our menu is **ENGINEERED USING 'EYE MAGNETS'** to help focus consumers to particular sections.

Font, imagery & colors are used to help make our menu stand out from the rest.

PJ's Coffee used HEATMAP
TECHNOLOGY to determine
customers' visual sequence & determine
the likely path that the human eye will
follow when viewing a menu board.
This has lead to an INCREASE
IN SUGGESTIVE SELLING
& ZONE MARKETING.



#### SUPPORT SYSTEMS

#### SITE EVALUATION & LEASE PROCUREMENT

We offer assistance through a systematic site selection and lease procurement process.

Our internal team of experts coupled with knowledgeable retail real estate brokers in the local market assist with site identification, site evaluation, letter of intent submittal, lease negotiations and lease review. Our goal is to identify the best site in the market that meets specific PJ's criteria while offering a favorable lease structure.



#### **DESIGN & CONSTRUCTION**

We offer assistance through an efficient design and a systematic construction process. Our knowledgeable staff of construction personnel, coupled with a network of professional consultants, will work closely with you to develop creative alterations and design configurations to adapt to opportunity space requirements.

#### **TRAINING & EDUCATION**

We welcome our franchisees and their team with open arms. We pride ourselves in customer service and strict operational standards. That's why we developed a multi-level training program delivered by way of online training, classroom training, as well as on-site, hands-on training at your location. We are committed to spending the necessary amount of time with your team to empower them with our culture, passion and drive to deliver the finest southern hospitality experience.





#### SUPPORT SYSTEMS

#### PRODUCT DISTRIBUTION

Vertically integrated, we are involved in the process of procuring and producing simply the best coffee – from the ground to the cup. We procure green coffee beans from countries around the world harvesting only the finest 1% of Arabica coffee. Strategic partnerships affords us the opportunity to distribute our coffee from our roasting facility in New Orleans to your store in a timely and cost effective manner – all in the best interest of our franchisees.



#### ON-GOING OPERATIONAL CONSULTING

We bring you year-round operational consulting on an individual unit basis to ensure promotional campaigns, new/seasonal product rollouts and new operational procedures are effectively communicated to you and your team. We are also committed to assisting you with regular, on-going P&L analysis to ensure operating expenses are in alignment with your sales.

#### MARKETING & PROMOTIONS

We understand the great importance of developing marketing and promotional campaigns designed to enhance brand awareness and drive consumer traffic. We deliver comprehensive, turn-key promotional campaigns that highlight the true essence of the brand – quality food & beverage, exceptional service and a memorable experience.



## Original COLD BREWT ICED COFFEE

STEEPED FOR 24 HOURS

PROTECTS THE FLAVOR & STRENGTH OF THE BEANS

2/3 LESS ACIDIC

100% SPECIALTY ARABICA COFFEE





#### LICENSE OPTIONS & INITIAL INVESTMENT\*

#### **NON-TRADITIONAL**

A smaller scaled PJ's possibly with a limited menu offering located within another business – College/University Campuses, Healthcare Facilities, Hotels, Airports, Government Facilities, Military Bases, Shopping Malls, Etc.

Size: 250sqft – 1,000sqft
Initial Franchise Fee: \$25k

· Initial Investment: \$192,000 - \$534,500

#### **TRADITIONAL**

A larger scaled PJ's with a full-service menu located within a strip mall, a free-standing building featuring a drive-thru, or our free-standing drive-thru only model.

Size: 650sqft – 2,000sqft
Initial Franchise Fee: \$35k

· Initial Investment: \$406,000 - \$1,131,000

#### **MULTI-UNIT OPTION AGREEMENTS**

PJ's offers opportunities to enter into a Multi-Unit Option Agreement to develop multiple PJ's over a specified development schedule in a designated market.

• Additional Units Fee: \$10k

 Total Investment: Varies depending on the number of PJ's developed

#### **MASTER FRANCHISE AGREEMENTS**

PJ's offers opportunities for International Franchisees under a Master Franchise Agreement to develop multiple PJ's over a specified development schedule in a designated country.

- Initial Master Franchise Fee: \$250k minimum

   Varies depending on size of country or countries
- Total Investment: Upon request, individual country investment overview available



\* ALL PRICING LISTED IN USD. To receive specific International investment and franchising details for a specific country, please contact us directly and request a PJ's Master Franchise Investment Booklet for the country in which you are inquiring.

#### INITIAL INVESTMENT RANGE



HIGH	LOW	TYPE OF EXPENDITURES
\$35,000	\$25,000	Initial Franchise Fee
\$12,500	\$2,000	Real Estate Lease for Premises
\$215,000	\$50,000	Furniture Fixtures & Equipment
\$12,500	\$12,500	Opening Advertising
\$5,000	\$3,500	Travel & Living Expenses while Training
\$5,000	\$2,500	Insurance
\$6,500	\$2,000	Other Prepaid Expenses
\$14,000	\$10,000	Opening Inventory
\$18,000	\$4,000	Signage
\$725,000	\$50,000	Leasehold Improvement
\$12,000	\$9,000	Small Wares
\$5,500	\$2,500	POS & Back Office Computer System
\$5,000	\$2,500	Legal, Accounting & Organizational Costs
\$30,000	\$30,000	Additional Funds
\$30,000	\$1,500	Construction Drawings
\$1,131,000	\$207,000	TOTAL



## Macadam

HONEY MACADAMIA velvet ice

A PJ's Coffee Original

LIGHTLY SWEET & DECADENT





HONEY MACADAMIA SWEET COLD FOAM cold brew



#### FRANCHISEE QUALIFICATION REQUIREMENTS

#### THE PJ's STANDARD

#### FINANCIAL REQUIREMENTS

- Minimum of \$150k in liquid capital for single unit.
   The number increases for multi-unit franchisees depending on the number of units and the development duration
- Minimum of \$500k in net worth for a single unit.
   The number increases for multi-unit franchisees depending on the number of units and the development duration
- Credit worthiness, debt to income, secondary sources of income, etc.

#### FRANCHISEE CHARACTERISTICS

- Desire to start a business that aligns with your financial and lifestyle goals.
- · Passion for gourmet coffee and the PJ's Coffee brand.
- · Motivated to be successful and grow.
- Commitment to be actively involved in the business and the community you serve.
- Understanding of "franchising" and ability to work within the framework of a proven system.



#### FRANCHISE EVALUATION PROCESS

CONTACT ONE OF OUR FRANCHISE DEVELOPMENT COORDINATORS FOR A PRE-QUALIFICATION CONSULTATION

- COMPLETE CONFIDENTIAL QUESTIONNAIRE
- **INTRODUCTION CALL WITH A FRANCHISE EXECUTIVE**
- BEGIN REVIEWING PJ's FRANCHISE DISCLOSURE DOCUMENT
- PARTICIPATE IN A SERIES OF AGENDA SPECIFIC CALLS
- ATTEND JOIN THE TEAM DAY
- **Ø WELCOME TO THE PJ's FAMILY!**







#### PJSFRANCHISE.COM



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