VOCELLI®
PIZZA
Delivering Classic Italian Quality

MY VOCELLI PIZZA

Franchise Brochure
(800) Vocelli

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Our Philosophy!

Do we need to say more! We are in business to support you! In fact, we do not consider ourselves in the pizza business. We consider ourselves in the Customer Service and Franchise Support Business. That's why we call our corporate headquarters our "Franchise Support Center." Our culture centers around the internal Support Team always recognizing that we are there to motivate, support and help each Vocelli Store be more successful…as part of the Franchise Support Center.

What is Vocelli Pizza?

Vocelli Pizza is a 25-year old franchise company that has withstood the test of time serving high-quality artisan pizzas and classic Italian dishes. With over 100 stores serving our award-winning pizza, people have come to know us as the "standard."

Our stores are neighborhood shops that use the finest ingredients to prepare favorite family recipes. We aren't just another pizza chain; we're part of the community.

Our franchise system has had over 20 years proving itself in the highly competitive $40 billion per year U.S. Pizza segment. Varol Ablak, the Chairman & Founder, felt that our artisan products could be delivered to your door in 30 minutes without sacrificing quality. As a result, Vocelli has been consistently ranked in the top 30, 40 or 50 of all the top pizza chains in the U.S.

The Ablak Family knows that in order to keep customers coming back you must have a "superior" product and customer service…not just be satisfied with "excellent" or "good."

At Vocelli Pizza, we believe that our dough is of the absolute highest quality and one of the most consistent in the industry. This certainly affords our customers the comfort that when they order…they get the same superior quality product all the time. Great dough made from a proprietary blend of flour; sauce made from a blend of tomatoes that are fresh-packed within 6 hours of picking from the vine and a never-frozen 100% real cheese…are main stays that support the stringent requirements we maintain throughout menu development.

There's so much more to Vocelli than just superior pizza. Our Vocelli Rolls are to die for…say customers over and over again! The house-baked subs are made with premium rolls and fresh-cut vegetables and the salads from crisp greens prepped daily.

Have it delivered or carry-out…quite frankly…you'll consider it affordable luxury! We never compete on price! We would rather give you a superior product for a little more money than a cheaper product that does nothing to earn your return business. Count the pepperoni on each of our large pizzas. You get 65 pieces of our special-blended pepperoni on top of each large pizza. Go ahead…count the pepperoni on other pizzas from popular chains throughout the industry. We want you to savor every bite! So doesn't it make sense to have enough pepperoni for each bite you take? Our focus is clear…the best…or we do not put our name on it!

As a franchise system, we are extraordinarily proud that our stores have been opened and operating for an average 12.73 years each. In fact in Pittsburgh alone, are average tenure is 18.84 years. Think about that! Our Western Pennsylvania customers have come to know that Vocelli Pizza will be there when their hunger abounds! For over 18 years our stores in this region have been there to provide quality product and service.

The food is only part of who we are. We make sure our stores reflect a contemporary feel…one that is inviting, fresh and clean. We want you to feel comfortable entering our stores as if it was our home! You mean so much to us! That is why we give back to the community that has supported us for 25 years. We are proud partners of non-profit organizations, support local sports teams and donate volumes of product each year for various community events.

VOCELLI PIZZA
Delivering Classic Italian Quality

Responsibility

Did you know that extra virgin olive oil is baked right into our dough, or that our pizzas are made with 100% Real Wisconsin mozzarella cheese? We also have our own private-labeled sauce. If that weren't enough, Vocelli Pizza's entire menu is responsibly Trans Fat Free!

Accountability

SUSTAINABLE FORESTRY INITIATIVE
SFI-01441

Vocelli Pizza uses only Sustainable Forestry Initiative® (SFI®) certified sourcing paperboard for our pizza boxes. The SFI works with local organizations, land owners, and loggers to provide leadership and best practices to improve forest management.

Community

As a family-owned business, we know that the community is just a part of our extended family. We are involved with everything from little league teams, to school programs and non-profit organizations to make a positive impact on the communities we serve. In one word, we are your "neighbors," Call us any time to see what we can do together to make someone smile in our neighborhood.

For more info visit: vocellipizza.com/about

The 25-Year Vocelli Story

The Vocelli Story begins in a mining town in Zonguldak, Turkey where founder Varol Ablak was born. His father was a mining engineer, and much of Varol's childhood was spent moving from one mining town to another as his dad followed the work. This journey took the Ablak family around the world and, in 1969, brought them to the United States. The family eventually settled in Pittsburgh, Pennsylvania.

Varol knew from a young age that he wanted a life that offered more freedom, security, and control – one that didn't leave him at the mercy of a job transfer or a company layoff. Eager to start his own business and fueled by an entrepreneurial spirit, he left college in search of a more rewarding path. That search led him to a job washing dishes for a local pizza restaurant in Biloxi, Mississippi. It was there that Varol fell in love with the pizza business and the fun of succeeding with a hard working team.

At 24 years old, Varol opened his first business: an all-you-can-eat pizza buffet franchise in Chalmette, Louisiana, a suburb of New Orleans. Inspired by Varol's success, Varol's father, Harry, and the family moved from Pittsburgh to New Orleans to learn the pizza business. Within 6 months, Varol expanded the family business and opened a second store with his father in Covington, Louisiana.

The father-son team loved working and building their businesses together, but with the pizza delivery industry skyrocketing, they sought to go back to Pittsburgh to launch a new business focusing on delivery and a much higher quality pizza. Varol and Harry sold their two stores in Louisiana and headed back to Pittsburgh, taking with them the lessons they had learned as franchisees.

Challenged with developing his own quality recipes, Varol created his new products from the finest ingredients available. The pizza recipes begin with a signature pizza sauce that is fresh-packed, never from concentrate. The tomatoes are rushed from the farm fields of California and canned within 6 hours after they are picked and preservatives are never used. The dough is made with the best spring wheat available and mixed with extra virgin olive oil. The 100% mozzarella is a fresh, never frozen, all natural Wisconsin cheese. And all of the award-winning, artisan pizzas, are crafted from family recipes.

On January 30th, 1988, Varol and his family opened the first store in Mt. Lebanon, a suburb of Pittsburgh. That same year they opened a second location in McMurray, and a third location in Oakland came just four months later. Over the next four years, there would be 20 restaurants open in the Pittsburgh area. The focus on a high quality pizza delivered and an aggressive marketing plan quickly put the small company on a path to success.

Varol began to receive requests from some of his team members who, much like he had a decade earlier, saw the potential for profit and freedom as business owners. They wanted to partner with Varol and learn from his successes. He couldn't resist the opportunity to work with fellow entrepreneurs.

In 1993, the first franchise was sold. The rest, as they say, is history.
Today, Vocelli Pizza has approximately 2,000 employees and over 100 stores open and in development. Varol has built a winning support team at the Franchise Support Center and a team of successful franchisees. "For us to succeed, the franchisees must succeed" says Varol.

Varol began his entrepreneurial dream with a wish for something better. Today, he offers franchisees a chance to make their own business dreams come true by sharing his proven recipe for success.

Our "Quality" Focus

Much of Vocelli Pizza's success comes from a commitment to a high quality product. Our recipes are designed with color, texture and taste in mind. We utilize fresh ingredients instead of frozen and choose hand crafted over off-the-shelf products. The result is a consistently better customer experience that keeps people coming back for more.

Your Perfect Dough

The Vocelli dough is the start of many of our customers' favorite products, including our artisan pizzas. All the ingredients used are the finest available. Our recipe includes spring wheat and extra virgin olive oil placed right into the dough. The water is filtered so nothing but the purest water is used to formulate the dough. Think about it! The base of any product is the key to its final outcome!

That's why we take such great care making sure the dough is perfect for our creations. You see…every pizza maker knows the secret to a great pizza is great crust. Yes…we know that all ingredients must work in harmony with each other! Great crust starts with great dough. Our world-class dough means a perfect crust every time no matter what sauce, cheese or other toppings you add.

Your Perfect Sauce

We use our own private-label sauce that's made from freshly packed, vine-ripened tomatoes. Our customers love it on pizzas, in their favorite Stromboli and as the perfect dipping sauce for delicious appetizers. Our sauce is packed without any citric acid and steam is used to peel the skins from the tomatoes.

Our sauce uses a specific group of tomatoes known for its balance of color, flavor, consistency and natural soluble solids. The results show. Better tomatoes equal better sauce. We have not deviated from our original focus that a "perfect" crust needs a "perfect" sauce.
We have followed these principles from the beginning and know that our customers deserve nothing less.

Whether it's our traditional red or marinara sauces… you will get a consistent flavor profile day in and day out! Maybe this is why we serve so many side orders of our sauce.

Your Perfect Cheese

Each of our award-winning pizzas are topped with real cheese, including 100% Wisconsin cheese that's never frozen. Yes we offer many cheeses as part of our varied menu. They include a rich moisture mozzarella and aged cheddar, parmesan and imported Pecorino Romano cheeses.

A rich and quality mozzarella starts with fresh cheese curds made by adding rennet to lightly fermented cow or water buffalo milk. The curds are then allowed to rest and sour a bit more until a desirable flavor is achieved, whereupon they're placed in hot water until the firm protein structure begins to loosen up a bit. Then the cheese curds go through a gentle kneading process that causes proteins to link together, creating the long, stretchy strands that mozzarella is known for.

Our mozzarella is denser and aged at the right temperature so that it acquires some of the tangy characteristics of aged cheeses. You can say that our cheese has pure meltability!
You will notice immediately that our high quality low-moisture mozzarella stretches and stretches, yet still remains dry enough that the pizza crust remains intact. This attention to detail is not by accident. Our Franchise Partners and patrons deserve to be supported in this manner…using our strict quality control practices for all items purchased for our menu.

Our Top Rankings and Awards

Vocelli's proven track record of success has not come easy! Our pizzas have been voted the "Best Pizza in Pittsburgh" by readers of Pittsburgh Magazine 13 different times, and we've been invited to serve at the city's "Best Restaurants" party. Vocelli Pizza was also ranked among the Top 50 of Pizza Today's Hot 100 Pizza Companies.

Year after year we have been blessed with new Franchise Partners and customers. We feel you have to "give" before you "get." We believe that our attention to detail is one of many reasons we have been graced by hundreds of awards spanning two and a half decades.

But perhaps our most prestigious award is our renowned customer loyalty. Repeat customers make up the majority of our business, and we're proud to be voted a family favorite.

Our Franchise

You can't judge a great Franchise by just looking at the numbers! We understand that we must help our franchisees be successful. We know that building a solid long-term relationship with our Franchisees…no matter how good our business model…is the foundation by which all else is built upon!

Communication is also paramount! The best Franchisors are transparent and the best communicators! We have used technology to build a back end Team Member website with a communication portal to ensure timely and consistent communication that is archived for future reference.

Our Franchisees deserve a strong brand that creates a clear picture in the minds of consumers. Protecting our brand is key to lasting success of our Franchise Partners.

You must be trained thoroughly and throughout your tenure with Vocelli. Our Training Director alone has numerous years of experience in the pizza industry and knows that it is crucial to get you up to speed rapidly and to prepare you properly to launch your store successfully.

We believe that in order to replicate the success of a single unit, where the owner is passionate and very hands-on with the business, that we must have proven systems in writing that can be taught to our Franchisees.

Successful businesses must have systems in place to ensure the consistency of their offering and the management of their operations. Vocelli has operational tools and systems needed to run a successful business. These include systems and forms for recruiting, training, marketing, operations, finances, purchasing, and virtually every other aspect of running the business.

At some point you may want to talk to our franchisees as part of your due diligence process. We pride ourselves as having a community of Franchisees with an average tenure of over 12 years and whose positive feedback has helped other Franchisees select Vocelli Pizza as their career choice in available franchises.

Of the 43 stores in Western Pennsylvania…the stores have been opened and operating for an average of over 18 years! We know it is important to gain appropriate validation and advocate you check out our Franchisees comments later in this brochure and to research others opinions prior to making your decision.

You can't be in business for as long as our Franchisees without success. A proven and strong economic model with a good ROI is what we strive for with all of our Franchisees. Yes, it is hard work to achieve great numbers! However, our long-tenured Franchisees know that the rewards well exceed the investment of hard work and sacrifice.

We must do everything in our power to keep our Franchisees' total investment low and to help reduce expenditures wherever possible. One way we do this is by making sure that equipment and build-out costs are evaluated continuously…value engineering our models to keep the cost of entry low. It's simple math! The lower the cost of your initial investment…the sooner you will maximize the ROI.

We know we have to compete with over 3,500 franchise systems…especially those in the food segment! So we better be good in product and offering. We have consistently been ranked in the Top 50 Pizza Chains in the United States. From our humble beginnings… we feel a sense of accomplishment knowing that we have made a difference in the lives of so many people.

Vocelli Pizza has withstood the "test of time" and it is clearly represented by our franchise standings.

The Vocelli Pizza Menu

Vocelli's offers an extensive menu that goes far beyond a list of pizza toppings. Developed from 25 years of experience and research, our menu features multiple product categories and flavor options that tickle the taste buds and inspire customer loyalty.
Start your meal with one of our delicious appetizers. Choose from oven-baked wings, Vocelli Rolls with your choice of filling, baked bruschetta, classic breadsticks, or our delicious cheesesticks made with three different types of cheese. Of course the best appetizers call for dipping, for which our private-label sauce is perfect!

If you're craving something fresh from the garden, you'll want to try one of our award-winning salads. Our salads feature fresh-cut produce, fine cheeses, and a variety of dressings.

An Italian classic you won't see on most pizza-chain menus, the Stromboli is a hearty choice when you're ready for the main course. Vocelli's signature dough envelopes your favorite ingredients, then we bake it to perfection, brush with white garlic sauce, and sprinkle with aged Pecorino Romano cheese.

Our customers also come back for our house baked gourmet subs. Choose from one of our artisan breads and top with your favorite meats, fresh veggies, and gourmet sauces. Fresh… fresh…fresh and nothing but fresh! We date stamp everything that enters our refrigerated coolers and freezers so we know when vegetables are cut and salads prepared and when the dough is proofed to perfection.

At anytime…ask to see our kitchen and you will find food preparation charts on the wall above our make line enabling our Team Members to get the preparation of every product right the first time. The right amount of meat and vegetables… the right amount of cheese…and the right quantity of sauce means the same consistent flavorful meal over and over again! It's all about customer satisfaction… and to our Franchisees it means profits of loyal and returning customers they can count on for repeat business.

Of course, at the heart of our menu are our artisan pizzas. Each pie starts with the perfect Vocelli dough and then is hand-crafted with fresh-cut produce, gourmet toppings, and real cheeses. We offer a dozen different artisan pizzas, each one a family recipe created with quality and customer satisfaction in mind.

Take a look at the toppings! Each artisan pizza is blanketed with more than sufficient toppings. These are not enhanced pictures here! These are actual complete products based on our current and required specifications.

Imagine everyone in your community knowing that the same high quality products are available for catering. Our Express Catering Program is terrific for tailgating, perfect for parties, sports events, church and school functions and wonderful for work meetings – we'll make any occasion feel like an Italian feast with platters of wholesome, home-style food that's meant for sharing among friends and family. Just let your local Express Catering by Vocelli Pizza take care of everything! If the Express Catering Program is important to you it will become a vital profit center for your business. Here's to growing your business!

Our Challenge to You

Go ahead! Ask anyone one of our Franchisees who has the best product on the market today! Each one will resoundingly state "Vocelli Pizza" without hesitation. Again ask our Franchisees what their customers say about the quality of our products. Again, they will indicate the level of customer loyalty they have as a result of the premium quality and taste.

Lastly, ask our Franchisees what is one of the main reasons why they chose Vocelli Pizza as their franchise of choice. And they will declare with absolute certainty…after trying all other popular brands…that Vocelli Pizza's quality and taste was far superior. Go ahead... we dare you to ask them!

Our Affiliations & Partnerships

Quality ingredients are an essential element of Vocelli Pizza's success. Thanks to decades of experience in the industry, we can provide our franchisees with leveraged buying power and partnerships with the best suppliers.

At close to the half century mark, Reinhart Foodservice has grown from its first 8,000 square foot distribution center in La Crosse, Wisconsin to become the 5th largest foodservice distributor in the country. They expanded rapidly because the quality of the products and commitment of their employees inspires the loyalty of the customers. They also credit the dedication of their suppliers… working closely with them to help provide the best value to all customers so that they give an experience they return for again and again.

Saputo Foodservice is among the nation's largest providers of cheese. Our passion for perfecting the art of cheesemaking, driven by generations of expert cheese makers and artisans, enables us to deliver just the right premium and authentic cheese to meet your customers' particular needs.

Since the founding in 1891, Hormel Foods has been a recognized leader in the processing and marketing of pork. Today, thanks to extensive expertise, balanced business model, commitment to innovation and rigorous adherence to quality standards, the products are highly regarded for taste, nutrition, convenience and value.

PepsiCo began in 1965 with the merger of Pepsi-Cola and Frito-Lay. Today, it's a global food and beverage leader. PepsiCo has been recognized for leadership and performance, diversity and inclusion, environmental stewardship, and supporting the communities where they live and work.

Founded in 1944 by Cristoforo & Emma Colombo, Italian immigrants Escalon began operations by packing several different fruits and vegetables. Escalon Premier Brands has come to be known as a world-wide leader across many brands. Producing the world's most premium brands of fresh-pack tomatoes and tomato sauces is no accident. It's a process. And the Escalon process results in products so tantalizing in color, and so true to the sweet taste of fresh tomatoes, you will think they were just plucked from the vine.

Above All, A Better Tomato.

Our Affiliations & Partnerships

Mike Omahne created WPP Dough in 1978 with far more than a business in mind. He founded a company dedicated to providing the highest-quality dough products available in the United States. And they succeeded, deliciously. It's not by accident that over 30 years of experience is able to produce such consistent and extraordinary results day in and day out! Using refined processes and added technology over many years of trial and error, has enabled the company to offer dough perfection.

Cheney Brothers began as a family affair and has become one of the largest food service distributors in the South by always treating customers like family. In 1925, Joe Cheney and his brother started a small business selling milk and eggs. Success soon followed as their exceptional service, steadfast dedication to quality and responsiveness to customers' needs led to increasing sales and a reputation for reliability. Today, Cheney Brothers has emerged as a broad line distributor supplying Southern hospitality 24 hours a day, seven days a week, and always with a smile.

Valassis is a leader in intelligent media delivery, providing over 15,000 advertisers proven and innovative media solutions to influence consumers wherever they plan, shop, buy and share. By integrating online and offline data combined with powerful insights, Valassis precisely targets its clients' most valuable shoppers, offering unparalleled reach and scale.

Store Tour

Each Vocelli store is designed to reflect our brand personality: a locally-owned, neighborhood shop that serves artisan pizzas and favorite family recipes. Our goal is to welcome each guest into a stylish, cool, comfortable space that hints at Italian craftsmanship in an authentic and modern way.

Our Traditional Vocelli store will be 1600-2400 square feet and feature five stations: customer order/pick-up, stretch area, make table, center cut table, and dispatch rack. Our design is streamlined to maximize efficiency, while the small size allows for a lower cost of entry for new franchise owners.

When you step into a Vocelli store, you know you're welcome to relax and hangout with friends from the neighborhood.

Our newest model presents photographs and other decor to tell the story of artisan recipes and hand-crafted preparation techniques. Flat screen televisions magnify menu items while the floating pizza peel suspended from the ceiling transcends traditional pizza store designs and becomes a source of conversation especially among the kids!

Artisan food items and tools of the trade are on display and available for sale. Guests are invited to enjoy their fare from stools at high-top tables, side-rail seating or at community table in the center of the dining area. This 1600 to 2400 square foot design serves both dine-in and delivery customers and provides the customer order/pick-up, stretch area, make table, center cut table, and dispatch rack in the back. The front of the house is complimented by bench, traditional and communal tables providing a varied seating arrangement to appeal to customers of all ages.

Your customers will enjoy the background of music while dining and, as an option, each Franchisee may elect with appropriate licensure, to serve craft beer and select wines to appeal to a broader customer base. This will extend your afternoon and evening dayparts and provide an additional profit center. Additional seating is built into this model to accommodate extended customer stays.

It's all about the experience! How many times have you heard that and felt that yourself? Well, your location will become a destination! Your customers will experience a warm comforting ambiance while dining on the best menu…all in an environment that promotes superior customer service. Eat-in or take-out…you will be given priority service and the same quality products.

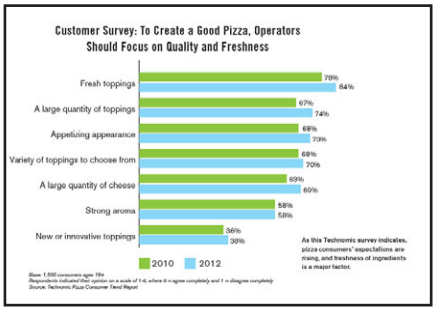
The Vocelli Customer

Who doesn't like pizza! Vocelli customers come from all walks of life…at all ages and ethnicities! Vocelli Pizza focuses on both residential and business customers. Our residential customers choose Vocelli to meet their regular delivery and dine-in needs and for family gatherings. Our business customers rely on us for lunch and early dinner along with our Catering Express for hosting events.

One of the things that make Vocelli Pizza stores so successful is repeat business. Our customers love our superior product and keep coming back for more. Some facts about the pizza industry that you may find interesting:

- 94% of America's population eats pizza.
- Each man, woman and child in America eats an average of 46 slices (23 pounds) of pizza a year
- 93% of all Americans eat at least one pizza a month
- 37% of kids say pizza is their favorite food
- Children between the ages of 3 and 11 prefer pizza over all other food groups for lunch and dinner
- Americans eat approximately 100 acres of pizza each day, or about 350 slices per second

The graph to the right shows the expectations of pizza customers when making their choice to order. Each year customer expectations grow… and so do ours! So what did we do – we made sure that we exceeded all quality demands noted in the graph. That's right! If the survey shows it…we are all about it! If our customers think this way…so do we!!!



The Franchise Disclosure & Award Process

We will walk you through a thorough evaluation to see if a mutual partnership exists. The evaluation consists of initial discussions over the telephone or in person. Once the framework has been established and collectively there is a comfort level to proceed, we will request you submit a Franchise Application. This will help us to understand your background and financial qualifications.

Once approved, we will issue to you a Franchise Disclosure Document (FDD). While we pride ourselves on being transparent…the Federal Trade Commission requires all Franchisors to disclose critical information to aid in your decision-making process. This is done through the FDD.

Our next step is to be absolutely certain that you fully understand all information contained in the FDD. We request an hour-long telephone conference with you to answer any questions and to ensure complete disclosure.

We then prepare a day-long event for you at our Franchise Support Center here in Pittsburgh. This is called our Partner Visit. This special day is your day. A day when you will meet our 24 member support team and get any additional questions answered. You will meet our Founder and other Executive Team Members along with department managers for Operations, Training, Marketing, Accounting, Real Estate, Construction, Human Resources, IT, Financing and many others who are responsible for supporting you in your store development and ongoing operations after your store is opened.

Also…bring your appetite!!! We feed you a buffet of our premium quality foods and schedule a tour of several local stores. Here you can speak to our Franchisee Partners, tour the store and witness live operations.

Once you commit to move forward with Vocelli…the agreements are executed and we begin to seek store locations. Once a 1600 sqft to 2400 sqft store location is found it usually takes approximately 120 to 180 days to build-out your store.

Approximately 60 days prior to opening your store, we will train you and several of your personnel at our corporate headquarters and at your store location.

As your opening day approaches, our Marketing Department will assist you in developing a successful Grand Opening event. On the big day when you finally open your doors,

Vocelli will have a team of people at your store to ensure all goes well. There will be a line of people waiting to taste your superior quality products. You will gain customers for life just from this single event!

Your Due Diligence

When you invest in a franchise, you must invest your time, passion, and hard work as well. It is imperative you have a complete understanding of the franchise opportunity. A prospective franchise candidate must look at the total cost, the training programs and if they would accept the corporate culture of the company. It's essential that prospective franchisees ensure that the franchise is a good fit for them before making a commitment.

Consider that you would be obligated to follow the franchise business model. Can you adapt in a structured environment? Remember that the franchise system you bought into is a proven model. Even though most franchise systems give you some latitude to apply your entrepreneurial spirit, it would not be wise to deviate from the model unless you could prove to the Franchisor that your system worked better.

Think about your lifestyle, family, work preferences, financial situation, skills, experience and passions. Appropriate interaction between a prospective franchisee and the Franchisor should include the Franchisor helping you to identify whether the system is a good fit for your skills, experience, interests, financial capacity, and lifestyle. Beware of Franchisors that are there simply to accept your investment without appropriately evaluating this information! Submitting a completed franchisee application form to the system in which you are interested is typically the next step. Good Franchisors will perform a thorough background check. This actually helps both parties. This enables the Franchisor to evaluate you properly. A good Franchise company will be direct with you and let you know if they feel you qualify as a good fit for the system.

You initial meetings/interviews with franchise representatives should layout the franchise development process and the expectations of both parties. Once a comfort level is reached, you should receive for review a Franchise Disclosure Document (FDD).

This lengthy document is a requirement of the Federal Trade Commission (FTC) and must be issued to you at least 14 business days in advance and prior to any form of transaction taking place between you and the Franchisor.

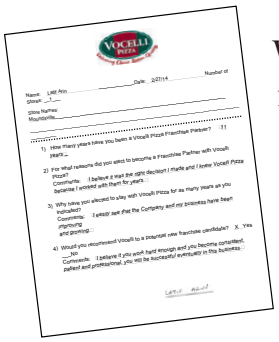
In other words…by law… you cannot do business with the Franchisor unless you have taken time to evaluate the FDD properly and/or consulted with professionals with expertise in franchising, such as a lawyer, accountant and banker. The Franchisor will likely be interviewing you and will want to see that you have been making your own inquiries and are being proactive about finding out as much as you can from your professional sources.

Examine Franchisee validation from every angle during a proper due diligence process. Review documentation, conduct meetings and interviews, and participate in hands-on learning. This will help prospective Franchisees go into their franchise business with as much essential information as possible.

Finally, know what resources are available in the form of training, manuals and online tools to assist in all phases of your franchise business.

Our Franchisee Validation

Now the rest of the story as they say!



Without franchisee validation…you might as well pack your bags and head for the hills! We know that our franchisees are the best in business. We want you to know that! They have been around the Vocelli system for an average 12.73 years. Think about that! How many franchise companies can say they have over 100 franchises with an average tenure of over 12 years.

Yes, we have had stores close and then the same stores reopened again! We have had franchisees leave our system…just like all other franchise companies. But, our foundation has remained tried and true! We like to think of it as our measure of success. Our barometer of sorts…permitting us to gauge the who, what, where when and how's of our franchise company.

Our Franchise Partners tell us when they think we're doing wrong! We just tell them we're never wrong! How about that for an answer?! Of course, we make bad decisions at times! However, we are not so full of ourselves that we can't change course to achieve the common goal. Isn't that a sign of good communication…when a partner can tell you you're doing something wrong and you can accept it?

We believe in being transparent, admitting when we're wrong and immediately taking the path of mutual understanding. These are not just words! This message resonates throughout Vocelli. Ask our Franchise Partners and they will share with you some of the reasons why Vocelli has been ranked in the Top 50 Pizza Chains in the U.S. consistently throughout its 25-year history.

Franchise Report

Name: Jim Percy Date: ___3/10/14_____Number of Stores: __1___

Store Names: Pleasant Hills

1) How many years have you been a Vocelli Pizza Franchise Partner? "16 years"
2) For what reasons did you elect to become a Franchise Partner with Vocelli Pizza?
Comments: "Worked for the company since 1992 from cook to manager to maintenance helping build new stores. I got some investors, and at that time the company was growing and I wanted to own my own business in a brand that was successful."

3) Why have you elected to stay with Vocelli Pizza for as many years as you indicated?
Comments: "I have had this business for almost 16 years and I am not one to give up and quit, even in tough times. The Vocelli brand is well known and continues to stay vibrant in this tough economy. We have customers that come from outside our area to have our product. We may not be the biggest company but we offer a unique taste that no one else has and that is something that separates us from all the others. I don't care what the competition is doing because we will never be like them which is another thing that makes the Vocelli Brand stand apart."

4) Would you recommend Vocelli to a potential new franchise candidate? X__Yes ___No
Comments: "If you are someone who wants to own your own business and want to work hard at it, this is a brand for you. You have to go into it and build your Vocelli in your neighborhood to be a respectable trusted brand that will last. Personally, I like giving back to the community and that has helped us greatly."

Franchise Report

Name: Latif Arin Date: 2/27/14 Number of Stores: __1___

Store Names: Moundsville

1) How many years have you been a Vocelli Pizza Franchise Partner? "11 years"

2) For what reasons did you elect to become a Franchise Partner with Vocelli Pizza?
Comments: "I believe it was the right decision I made and I knew Vocelli Pizza because I worked with them for years."

3) Why have you elected to stay with Vocelli Pizza for as many years as you indicated?
Comments: "I easily see that the company and my business have been improving and growing."

4) Would you recommend Vocelli to a potential new franchise candidate? X Yes ___ No
Comments: "I believe if you work hard enough and you become consistent, patient and professional, you will be successful eventually in this business."

LATIF ARIN

Franchise Report

Name: Naveed Javed Date: 3/4/14 Number of Stores: ___1____

Store Names: Salem Fields/Fredericksburg

1) How many years have you been a Vocelli Pizza Franchise Partner? "5 years"

2) For what reasons did you elect to become a Franchise Partner with Vocelli Pizza?
Comments: "Vocelli Pizza has a product that surpasses any other competitor out there. We simply make the best pie around and that was one of the biggest reasons that I chose to partner with Vocelli Pizza. It is much more satisfying to serve your customers if you can truly stand behind the product that you sell and Vocelli provides you that opportunity to do so. Support team at corporate head office is very helpful and friendly and treats you as family. Even though it's a franchise business model, but it feels like you are part of one big family!"

3) Why have you elected to stay with Vocelli Pizza for as many years as you indicated?
Comments: "I don't know about the others but I am a diehard fan and advocate of our product. I don't think any other pizza franchise even comes close to when it's the matter of quality and taste. Vocelli Pizza has truly developed the pizza recipe that can satisfy the taste buds for years to come which it has been doing for many years."

4) Would you recommend Vocelli to a potential new franchise candidate? X_Yes __No

Your Authorization (Please Sign)

The Ideal Franchise Owner

We would love to tell you that we have the "perfect" franchisee model for the ideal franchise owner. Fortunately…we're close but not perfect.

We receive many calls from customers inquiring about our franchise opportunity! Most of our franchisees that are now with us first tasted the superior quality of our pizza and wanted to know how to get involved in the business. Yes, we request you submit a Franchise Application to show the minimum capital requirements of $250,000 networth and $100,000 in liquidity …but our main focus is that you have a great attitude, be very customer service oriented, have some prior background in the food industry and be very community-minded.

Quite frankly, the more people that taste our food the more loyal customers you will gain. Think about that for minute…how many ways could you sample Vocelli foods if you owned a Vocelli Pizza store? What about local schools, businesses, sports teams, churches and social clubs and residential community centers for a start. Much like yourself…once they taste the food they will come!!!

You see we have successful franchisees in all walks of life…across many different ethnicities and among all age groups! We are very proud of our diverse community of Franchise Partners. In fact, some our Franchise Partners have selected us through our E-2 Investor Immigration Visa Program. More on this later!

We could certainly profile our "ideal franchise partner" much more closely. Sarcastically, let's see how this could help! Ok then…we want a person or persons that are married with 2.2 children, own their own home, has lived in their community for more than five years, has a minimum one-year background in the food segment, is currently employed, has a second income coming into the household (to pay for your living expenses while you run the business), a minimum 680 credit score with no past bankruptcies, judgments or liens…and we can go on and on and on!

While all of this is important, we have found that success comes in all sizes, shapes and in all walks of life. Quite frankly, we have had individuals that met all the above criteria only to find out the business was just not for them. On the other hand, we have current Franchisees who came to Vocelli Pizza with the right attitude, passion and capitalization and succeeded well beyond those that match the ideal profile.

So, what are we trying to say!? If you bring the right attitude, passion and financials we will most likely give your Franchise Application very serious consideration!

OUR "PLAYBOOKS"

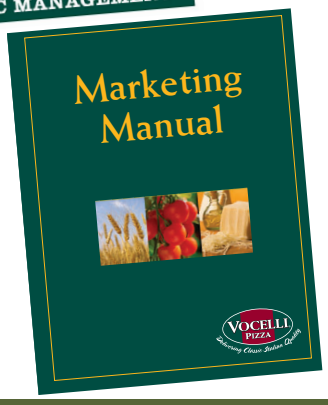
As a Vocelli Franchise Owner, you'll have the benefit of more than two decades of experience on your side. Our "playbooks" will show you how to turn a brand new pizza store into a successful business and neighborhood staple.

Our playbook selection includes:

A COMPLETE GUIDE TO STORE OPERATIONS, PROCEDURES AND PROTOCOL

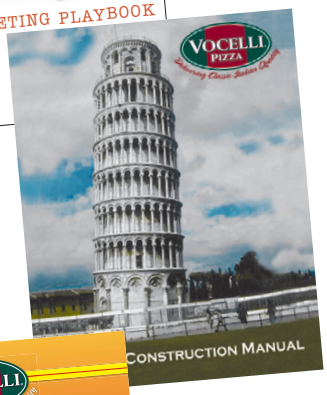
THE WHO, WHAT, WHERE, WHEN AND WHY'S OF OPENING YOUR STORE

WHAT IS NEEDED TO EFFECTIVELY MANAGE YOUR STORE AND PERSONNEL

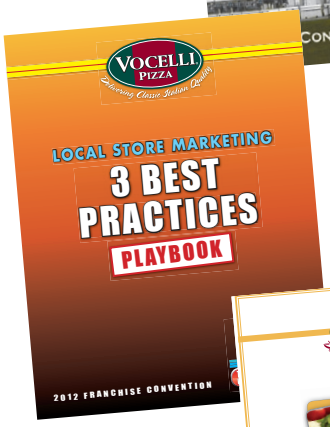


MARKETING 101, 102 AND 103 TO ASSIST IN GROWING YOUR BUSINESS

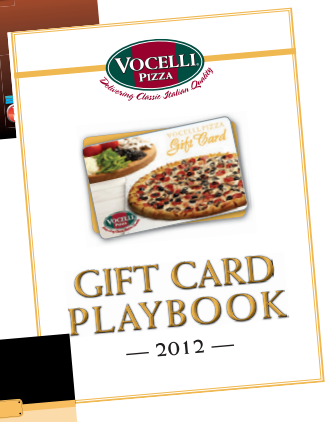
STRATEGIC PLAYS TO SYSTEMATICALLY SUCCEED MARKETING YOUR STORE



COMPREHENSIVE GUIDE TO ASSIST EVERY PHASE OF STORE DEVELOPMENT

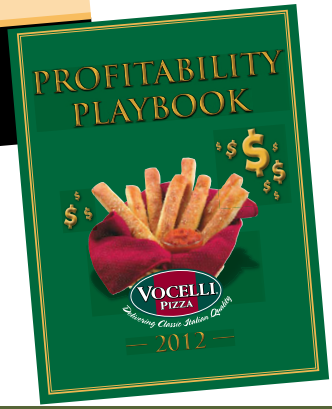


A CONCENTRATED LOCAL STORE MARKETING (LSM) SCORECARD



A SUCCESS FOCUS SUPPORTING THE LOYALTY AND GIFT CARD PROGRAM

READY…SET…! YOU NEED TO BE WHERE YOUR CUSTOMER IS PLAYING



A GAME PLAN STRATEGY ON PROFITABILITY. A DEFINITE GAME WINNER

What are my start-up costs?

The investment to open a Vocelli Pizza store ranges from $156,000 to $330,900. This amount varies greatly based on the square footage of the location you lease. You can also reduce your initial out-of-pocket expense by purchasing the equipment used or through leasing…an option that Vocelli assists you in securing and providing the lowest out-of-pocket expense.

Leasehold Improvements will vary based on the number of seats, bathroom and ADA requirements, HVAC, electrical and plumbing requirements and to what degree we can use the existing walls and the current build-out to accommodate our design. Rest assured there will be experts assessing each location to exploit any efficiency we can gain.

The example below gives a breakdown of start-up costs for opening a new franchise:

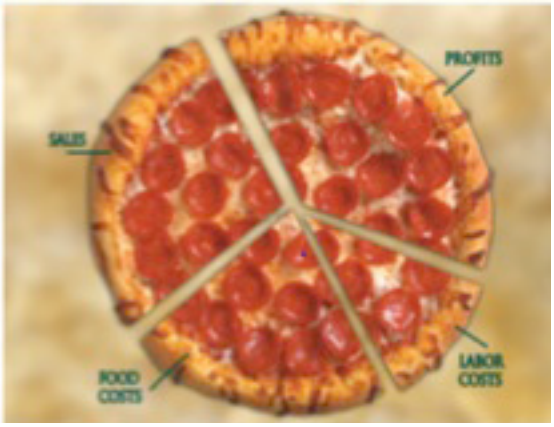
TYPE OF EXPENDITURE	AMOUNT
Initial Franchise Fee	$30,000
Leasehold Improvements	$50,000 - $114,700
Equipment	$50,000 - $123,200
Signage	$5,000 - $10,000
Opening Inventory	$3,000 - $9,000
Grand Opening Advertising	$5,000 - $8,000
Training Expenses	$1,000 - $5,000
Miscellaneous Opening Costs	$2,000 - $6,000
Additional Funds (payroll, working capital)	$10,000 - $25,000
TOTAL	$156,000 - $330,900

The amount of Additional Funds vary based on your industry-specific experience, management skills, business acumen, local economic and competitive conditions and how quickly break-even is achieved. This money is your reserved fund that is used while your store is ramping up towards cash flowing itself.

How Much Can I Make?

The success of your franchise store is dependent on many factors including your business acumen, prior experience in a related industry, your willingness to follow a proven system, the "sweat equity" applied to your business, and your ability to manage the financial aspects of your business and personal life.

Discussions with our franchise partners will be very beneficial. Judge for yourself!! There must be good reasons why our Franchisees have been with the Vocelli System for an average 12.73 years each.



Let's Talk Financing

You're really excited and have communicated you're interest to the Franchisor. You've done your homework and now after performing significant levels of due diligence you want to move forward. So…what's next!

Do you ask the Franchisor for assistance? Of course you do!!! After all…if you're like most people…you need money to finance the franchise, royalty fees, inventory and working capital?

First, create a personal balance sheet to list your assets and liabilities. Under assets, list all your holdings--cash on hand, checking accounts, savings accounts, real estate, automobiles, bonds, securities, insurance cash values and other assets. Make a complete list of all your assets.

Then make a list of your liabilities. List your current bills, all your charges, your home mortgage, auto loans, finance company loans and so on. Subtract your liabilities from your assets. Once you've completed this worksheet, find out your credit rating. There are three common denominators all potential lenders look for in a credit rating: stability, income and track record.

Most lenders will want to know how long you've been at a certain job and lived in the same location. If you have bounced around from job to job or from house to house be prepared with good explanations. Your income level is important… but more importantly is your ability to live within that income.

You have to show that you can manage your income well. If you can't manage your personal finances, a red flag will be raised in the lender's mind! The lenders will apply logic here by determining if you can't handle your personal finances then how can you handle a business loan.

A third major factor a lender will view is your track record. In other words, how successful have you been in paying off past debt. If you have a record of past due amounts, judgments, liens and so on, you should get these squared away before asking for a loan.

Contact your credit bureau to get a copy of your credit history and FICO Score. Under the law, credit bureaus are required to give you your credit history. Correct any wrong information or at least make sure your side of the story is on record. If being laid off or any illness caused some of the negative credit history, then request that comments be placed on your file representing the reason for delinquency.

Your FICO Score needs to be a minimum of 650 and, more often than not, above 680 or more to be considered for a loan. To help improve your credit rating, consider paying off your credit card each month. Use one credit card monthly but make sure you are paying off the entire amount each and every month.

Now you need a business plan. I know…few want to engage in this aspect of due diligence. However, a well written business plan will go a long way to securing a loan. The SBA requires that a business plan be completed before obtaining approval. A well-thought-out business plan can make the difference between having your loan application accepted or rejected. Your business plan should include pro formas, projections and cost analysis; estimates of working capital; an indication of your "people skills"; a study of the competitive landscape and the marketing plan.

Always ask the franchisor first if they provide any form of financing. Financing may be available for the franchise fee, equipment or operations. As well, franchisors can often point you to leasing companies. Leasing companies are a great approach to financing equipment and other start-up costs.

Some types of financing companies may also provide asset-based lending to finance franchisees' furniture, equipment, signs and fixtures, and will allow franchisees to purchase the equipment at the end of the lease.

If you have a good credit record and pass all the financial requirements, we will do everything we can to assist you. This includes assistance with business plans and introductions to lending sources.

Make a working list of all other available sources of capital. Most capital comes from friends and relatives first, then home mortgages, veterans' loans, bank loans, SBA loans and finance companies.

Many times… banks that aren't willing to work with you based on your financial profile and credit history may suggest working with an SBA loan guarantee. These loans are guaranteed up to 90 percent by the SBA. Make sure you work with a franchisor that is approved by the SBA that includes expeditious loan processing. Vocelli is approved by the Franchise Registry and has an established FRUNS Number that permits financial institutions to validate its approval.

Small businesses simply submit a loan application to the lender for initial review, and if the lender finds the application acceptable, it forwards the application and its credit analysis to the nearest SBA office. After SBA approval, the lender closes the loan and disburses the funds; the borrower makes loan payments to the lender.

Other options would be to take out a home-equity line of credit or a second mortgage on your home. Be careful when utilizing this type of financing, however. The home-equity line of credit and a second mortgage are secured by your home. If you can't repay the amount you finance using this source, you risk losing your home.

You can also use assets such as stocks, bonds, and mutual funds to secure a loan as long as they're not part of a qualified plan like an IRA profit-sharing plan. Also, if you are over age 59 and have a lot of money tied up in an IRA, you could use it for part of your financing requirements. Although you'll have to pay taxes on the amount used, not to mention suffer the loss of income from interest, it can be a good financing tool.

If you are under age 59 and your IRA is one of your largest assets, you still may be able to take advantage of this option without accruing the 10-percent penalty associated with early withdrawal. By taking Substantial Equal Periodic Payments spread over a minimum of five years, based on your life expectancy, and a set of annuity tables published by the IRS, you can eliminate the 10-percent penalty, although the money is still taxable.

There can be many sources of financing available to help you launch the franchise of your dreams. However, you will need working capital for the first three to six months of store operations. Always keep 25% of your cash reserves as a basis for working capital. For example…if between borrowing and your liquidity you have $200,000… keep $50,000 of that capital as a base for working capital. If the remaining $150,000 is not sufficient to pay for the business opportunity…then reconsider your investment or reposition your loan strategy.

Financing will be the most critical step in acquiring your dream. Keep debts and expenses to a minimum. Many business owners take on too much debt, forgetting that cash flow must pay that debt. Avoid dipping into your retirement money or your kids' college funds. All start-up businesses are a risk! Work with a franchisor with an established proven model and that has withstood the test of time. A well thought out plan is critical and can provide the advantage you need in maximizing the financial reward for you and your family!

SUMMARY

The criteria we use when deciding whether or not to finance a new store is similar to what a bank uses. We want to do everything possible to ensure the success of our partners, and part of that means making sure you are in the right position financially to get started.

In order to qualify for a Vocelli Pizza Franchise, you will need:

- Minimum $100,000 Liquidity - Cash, Stocks, Bonds, Insurance, Equity Credit Lines etc.
- 1 yr. Food Experience or Operating Partner with the experience
- A good FICO Score and credit history
- A great attitude with passion

Additional Items you may want to consider:

1. The most common source of start-up capital is friends and family.
2. Seek out lenders that understand franchising.
3. Be totally honest and up front with lenders. Hide nothing. Be prepared to explain everything.
4. Don't exhaust your liquidity by paying off outstanding debts before filing a loan application. Lenders want you to have capital available.
5. If you lack liquidity, find a partner who has the capital needed and is willing to invest.
6. Consider equipment leasing to conserve start-up capital and improve the appearance of your balance sheet.
7. Consider buying used equipment, furniture, vehicles, etc.
8. Don't overlook angel investors and venture capitalists.
9. Don't give up.

Site Selection Process

At Vocelli…we value the franchise relationship and feel it's vitally important the territory be appropriately evaluated prior to it being allocated to the franchisee.

The reason for this pain-staking effort is to ensure there won't be unnecessary competition for the franchisee from the sales of products or services by another outlet using the same brand and/or operating system.

We have found this to be a source of conflict in the franchise industry. The goal of both parties--the franchisor and the franchisee--is generally to maximize the sales and profit performance of the units in their franchise system. What makes this issue so difficult is that there are two conflicting schools of thought in terms of how best to accomplish this goal.

One argument is that this goal is best met when the protected territory size is large enough to ensure there's virtually no chance that another outlet operating under the same brand or system will "cannibalize" any of the possible sales that might be achieved by another operating unit. The counter argument is based on the concept of maximizing total market share for the brand, in order to maximize the aggregate performance of all the units in the franchise system.

Either argument, taken to its extreme, becomes self-defeating. The challenge in achieving balance between these arguments is to reach a decision about the relative importance of brand awareness and consumer convenience in terms of driving sales and profits.

Most new franchisees (and many existing ones as well) intuitively believe in the merits of the first argument. The belief is that the elimination of any chance of cannibalizing sales would result in maximizing sales and profits from each existing unit, which is typically their goal.

If we carried this argument to its extreme, there would only be one McDonald's in all of Chicago, since any additional units might potentially cut into some sales that the one unit could have otherwise attained. Of course, if there were only one McDonald's in all of Chicago, most consumers wouldn't accept the inconvenience of traveling to it and most would also never have heard of the McDonald's brand, since the advertising budget of only one unit wouldn't allow for the level of advertising we have come to experience from this brand.

So what's the right answer?

The answer is that a balance must be struck. This is no easy task, but it's a balance that creates the best overall situation for both the franchisees and the franchisor. Maximizing total aggregate sales volume, while at the same time protecting individual unit profitability, creates a rising tide that lifts all boats in the franchise system. Good franchisors are trying to achieve the highest market share and gross revenue possible, while also maintaining individual unit profitability at levels high enough to sufficiently compensate franchisees so they are willing to stay in business and continue building the brand with further units.

When a mistake happens where territories are too large, it often results in slow growth of the brand and slow growth results for the franchisees.

As a general rule, you'll find that the larger and more successful a franchise system is, the smaller the territories are. That's not to say there are no large territories in these systems, just that the territories are no larger than they have to be to create the proper balance for growing the system with a minimum of conflict. In fact, most franchisees' customer base comes from a small percentage of the actual population. A smaller territory allows you to advertise at less expense while gaining greater exposure to your potential customers. A smaller more concentrated market provides the efficiencies you need to accomplish your advertising goals.

If you are considering becoming a franchisee in any system, make sure to carefully investigate this issue before deciding to get the franchise. If the franchise does not have territory evaluation procedures… ask lots of questions before making a decision.

Look at the Franchise Disclosure Document (FDD) to determine what territory is commonly granted to a franchisee. Also pay close attention to any rules you see in the FDD concerning geographical restrictions on marketing or sales in the business, since these types of restrictions often provide as much or even more protection than the territory definition.

Give some careful thought to the business model of the franchise to determine what seems fair to you in terms of protecting your business if you become a franchisee. Consider how you will be marketing the business to attract customers. Will you have enough potential customers protected from marketing efforts of your fellow franchisees to be successful?

Finally, and most important, call a number of the existing franchisees and ask them what their opinion is about the balance being struck by the franchisor in relation to this critical issue. Forewarned is forearmed--take advantage of the franchisees who've gone down this path before you to find out if this critical issue is being handled properly by the franchise prior to investing in the franchise. If you take the time to make sure that the issue of territory size is being addressed to your satisfaction prior to becoming a franchisee, you'll be a long way down the road to success in your new business.

Vocelli Pizza looks at several different factors to help find the right location for your store. We first do a demographic analysis of the area. Then, you'll work with our in-house team and commercial real estate brokers to help you identify and access available sites. You will be looking for locations that have:

- 30,000 Households
- Great visibility from the roadway
- Adjacent parking for 3-5 cars
- A minimum 20-foot frontage
- 1600-2400 square-feet of building space
- 10-feet high clearance for ventilation

When you've found a location that seems like a good fit, you'll complete a Site Evaluation Plan to help determine if this is the best spot for your new business. Completing the Site Evaluation Plan is an important part of the decision-making process, and we want you, as the franchise owner, to be involved. Ultimately, selecting a site is a mutual decision between you and Vocelli Pizza.

Once a site has been chosen, our Real Estate & Construction Dept will guide you through the steps of permitting, store design and layout, architectural and local government requirements to have your store ready for Grand Opening within 12 to 16 weeks after you've signed your lease.

Opening a Store - From Start to Finish

Even though we have a 12-week checklist that encompasses every facet of your store development from beginning to end…there are numerous variables that affect the timeline of store openings.

For starters it may take longer to find quality real estate available, the permits and inspections may extend beyond initial expectations, additional financing may need considered and hiring employees may all contribute to extended periods of time. On top of that, add timely installation of equipment including signage, procuring insurances and system training at Vocelli Pizza's Franchise Support Center.

You see…our methods and systems take all of the components necessary to opening a store and put it into a checklist format that encompasses hundreds of items needing completed by all parties involved.

Imagine each week knowing in advance what exactly needs completed! This will be the norm! Please see below our Store Development Process with many items and the dates removed to protect the confidentiality of our proprietary systems:

THEN THE COUNTDOWN BEGINS:

12-10 WEEKS BEFORE OPENING

PURCHASING — Set up Food Vendor Account (Submit food service credit application and tax exempt certificate to distributor)
REAL ESTATE — Submit Executed Approved Lease to Director of Real Estate & Construction
MAPPING — Obtain Most Current Street Map From Local Government
CONSTRUCTION — Contract should be awarded to General Contractor.

- Architect/Contractor Submits Approved Plans for Permitting (Department of Health and Building)
- Contact utility companies (phone, electric, gas, water/sewer) and set up accounts. You may have to pay a deposit, depending on the company.
- Begin construction. General Contractor will pick up building permit and begin construction. Verify time frame of construction to project an opening date.

TRAINING –Schedule Franchisee Training Program 8 Weeks Prior to Your Store Opening

11-9 WEEKS BEFORE OPENING

FRANCHISE OPERATIONS — Determine Official Store Name with VP of Operations
CONSTRUCTION — Verify the actual address of the unit with the Post Office and confirm with the Director of Real Estate and Construction.

10-8 WEEKS BEFORE OPENING

HUMAN RESOURCES —Begin Management Selection
INFORMATION SYSTEMS — Order POS System & Office Computer
MAPPING — Receive Test Map From 3rd Party Mapping
TRAINING — Begin New Franchise Training
CONSTRUCTION — Begin obtaining kitchen equipment quotes from VOCELLI PIZZA approved vendor list.

9-7 WEEKS BEFORE OPENING

INFORMATION SYSTEMS — Order Phone Service & High Speed Internet Access
MAPPING — Create Street List (compare test map with local government map)
PURCHASING — Order Smallwares Package
CONSTRUCTION — Review kitchen equipment and oven quotes and award contract.

8-6 WEEKS BEFORE OPENING

HUMAN RESOURCES — Order Federal and State Required Posters
INFORMATION SYSTEMS — Order Phones & Schedule Wiring Installation
MAPPING — Provide Missing Street Data to 3rd Party Mapping Company
CONSTRUCTION - Review exterior signage quotes and award contract. The sign company should be familiar with local sign codes and permitting.
MARKETING — Confirm store name and address (US Postal Service

- Conduct Market Research
- Confirm the telephone listing with your telephone utility company

7-5 WEEKS BEFORE OPENING

CONSTRUCTION — Order security system. Approved security provider can be found in Section 6 of the Design and Construction Manual. Schedule installation for the last week of construction.

- Confirm Utility Service Dates
- Order safe.
- Review projected opening date and schedule training and advertising.

MARKETING — Hang “Coming Soon” and “Now Hiring” Signage

- Begin the recruiting process
- Recruiting / Coming Soon direct mail begins

MAPPING —Receive, Review & Approve Delivery Map Street List

6-4 WEEKS BEFORE OPENING

FINANCE — Establish Credit Card Authorization Service, Merchant Account Number & Card Processor
FRANCHISE OPERATIONS — Develop Initial Food Order
HUMAN RESOURCES —Set up Payroll Processing
- Hire Management

INFORMATION SYSTEMS — Complete Telephone and Data Cable Wiring
MAPPING — Proof Map Border and Street Detail (pod or grid) Approved
MARKETING — Continue the recruiting process
CONSTRUCTION —Order customer bench. Approved vendor can be found in Section 6 of the Design and Construction Manual.
- Confirm equipment delivery dates. Double check with equipment suppliers to assure that they are on schedule for delivery to arrive next week, early Monday or Tuesday.

5-3 WEEKS BEFORE OPENING

HUMAN RESOURCES — Place Help Wanted Ads (cooks, drivers, etc,)
INFORMATION SYSTEMS — Confirm POS System Installation Date
MAPPING — Proof map (if any changes were requested)
MARKETING — Review Grand Opening Procedures
CONSTRUCTION – Install all equipment.
OPERATIONS — Fax Department of Health License, Certificate of Occupancy, Business License, General Liability Insurance, Worker's Compensation Insurance & Non-Owned Auto Insurance to Vocelli Pizza Franchise Support Center.
- Operations will Assign an Opening Date

TRAINING — Unpack, Clean and Prep Smallwares Package
- Staffing Levels Update

4-2 WEEKS BEFORE OPENING

CUSTOMER SERVICE CENTER
- Menu Pricing Sign Off – Menu Pricing Delivered to Online Support Center
- Coupon Pricing Delivered to Online Support Center
- Confirm all Store-Specific Information to Online Support Center

FINANCE —Completed Automatic Transfer (ACH) Forms
HUMAN RESOURCES —Post Required Federal and State Posters
INFORMATION SYSTEMS —Install Phones
- Verify Phone Service

MARKETING — Schedule door hanging crew and begin door hanging process
- Make arrangements with Franchise Consultant for use of Vocelli tent, inflatable, prize wheel, etc. (where applicable / shipping additional)
- Continue the recruiting process

PURCHASING — Place Initial Food Order (coordinate with Franchise Consultant)
CONSTRUCTION — Confirm Security System was Ordered and Installation Date
- Confirm that Permits have been Received and Faxed to Vice President of Operations

TRAINING — Update on Staffing Level

3-1 WEEK(S) BEFORE OPENING

CUSTOMER SERVICE CENTER — Communicate Mock Rush Details
- Test all Connectivity and Store Data-Base (Tuesday before Opening)

FINANCE — Test Credit Card Authorization Process (Monday before Opening)
HUMAN RESOURCES — Copies of GL, Non-Owned Auto, Workers Comp Certificates
INFORMATION SYSTEMS — Install POS and Computer System
MARKETING —Continue door hanging process every day until opening
- Continue to prepare for the Grand Opening
- Continue the recruiting process

PURCHASING — Receive Initial Food Order
CONSTRUCTION — Complete Punch List Items
TRAINING — Submit Staffing Sign-Off
- Completed Training Schedule for all Team Members Submitted

COMPLETE THE STORE PRE-OPENING FINAL CHECKLIST

*The Vocelli Pizza Store Development Process noted above is a significantly abbreviated version of the Design and Construction Checklist…with many items and dates removed to protect the confidentiality of our proprietary systems.

Our Mock Rush - Soft Opening

You heard of the old saying "you never get a second chance to make a first impression". We believe whole heartedly in that statement! Let us just say that we test all systems before Grand Opening! Vocelli sends a team of people to your store to ensure your employees are trained thoroughly. Now it's time to test them to make sure that all cylinders are firing correctly.

We also exhaustively ensure that all systems are in place…functional and operating before Grand Opening. Some franchise companies say they do this…we put our money where our mouth is by applying the necessary resources to support you in this most important day towards your successful business venture.

You will have people waiting to order and to be served a delectable Vocelli Pizza. Most franchisees here at Vocelli elect to give away hundreds of free pizzas that day.

Much like yourself…once you tasted the food you were sold! For the cost of a pizza… your cost…you will attract many loyal customers from that day alone! So many of our franchisees state" I would pay the cost of giving away a free pizza all day long for gaining a new loyal customer". So would most people!

At the end of the Mock Rush, a thorough review is conducted concerning all staff, systems and operations! It is then that the necessary changes are made before embarking on the perfect day of reckoning…the Grand Opening Day!

GRAND OPENING DAY!

Would you believe, we have another manual for that also? OK…we don't exactly have a separate manual. But, we could! We just incorporated all the information for a perfect Grand Opening in our Marketing Manual Playbook!

In Section 3, we discuss the Grand Opening Process and breakdown your advertising expenses. It then spells out your Grand Opening procedures and how to executate them.

A potential Schedule of "YOUR" Grand Opening Day may consist of:

11:00 AM – 2:00 PM (Before Store Opens)
- Set up props (where applicable)

3:00 PM (1 Hour Before Opening)
- Have radio station set up broadcast station with tent (where applicable)

3:30 PM (1/2 Hour Before Opening)
- Begin handing out free slices of Gourmet Pizzas and menus to customers standing in line for free pizzas
- Conduct an official ribbon-cutting ceremony with local officials and team members
- Have radio station begin on-air promos (where applicable)
- Create a photo opportunity for local media

4:00 PM (Store Opens)
- Hand out menus to customers
- Continue to take pictures for Vocelli Voice and local newspapers
- Begin to hand out 100 free pepperoni pizzas
- Thank each customer for coming in
- Hand out New Customer Kits to customers
- Hand helium balloons to kids
- Begin games and give-aways at Vocelli Tent to Radio Remote Tent

5:30 PM (1 ½ Hours After Opening)
- Radio station concludes two-hour promo period and packs up equipment (where applicable)

Do you want us to tell you that we have it all down to a science? Well almost! We provide you a "Pre-Opening Marketing Timeline" starting with 6-weeks prior to Grand Opening. The countdown begins with us working on a delivery grid for the postal service to deliver your pre-opening advertising pieces.

Then we work on every item necessary for your customer to have the ultimate "Grand Opening" experience. Your Grand Opening Day experience starts with a bouquet of flowers from Vocelli commemorating your launch!

Why the Pizza Industry?

Why do Americans choose to eat so much pizza? Americans eat on average 100 acres of pizza daily or 350 slices per second. In addition, 93 percent of Americans eat at least one pizza per month, easily making pizza the number one dinner choice in the United States. With such wide-spread appeal, it is no surprise that this $40 billion industry makes up approximately 17 percent of all restaurants in the nation.

Pizza was first introduced in the early 1900s near Chicago and in New York when Italian immigrants first arrived in the United States. Then in the mid-1900s, GI's from WWII began streaming back from Italy, bringing with them a renewed craving for pizza. Although the pizza industry was highly expansive at this time, all of the pizzerias were still individually owned restaurants. It was not until 1958, when the pizza segment was launched, that this industry truly began to escalate.

During the recent economic recession, the price of key pizza ingredients like cheese and wheat began to skyrocket, elevating the costs of production which impacted the pizza industry. In an attempt to restart sales, pizza franchises offered a variety of promotions, altering their marketing strategies through websites and other forms of social media. For instance, in 2009 Pizza Hut launched a deal which allowed customers to choose any set of toppings and crust for $10 per pizza. Innovative trends like this one soon proliferated across the pizza industry, reviving the industry after its decline during the recession.

Additionally, Americans have started to trend away from dining out and towards take out and fast-delivery foods. These quick-service pizza concepts allow people to take advantage of the new technologies that are available at home, all the while subtracting the extra fees from tips, drinks, and gas.

What could feed a hungry family better than a heaping stack of hearty pepperoni pizzas? Amongst the population of American families with children 18 and under, 68% of their occasions with pizza involve children. In fact, a recent Gallup Poll demonstrates that children of ages 3 -11 claim to prefer pizza over other lunch and dinner selections. However, despite this concentration on American families, pizza has been proven to be popular among people of all ages.

One of the greatest highlights of the pizza industry is its high versatility and customization for consumer preferences. A survey conducted by the PMQ Pizza Magazine indicates that 86% of pizza lovers would choose their own toppings rather than order a pre-customized pizza.

Four BIG Opportunities!

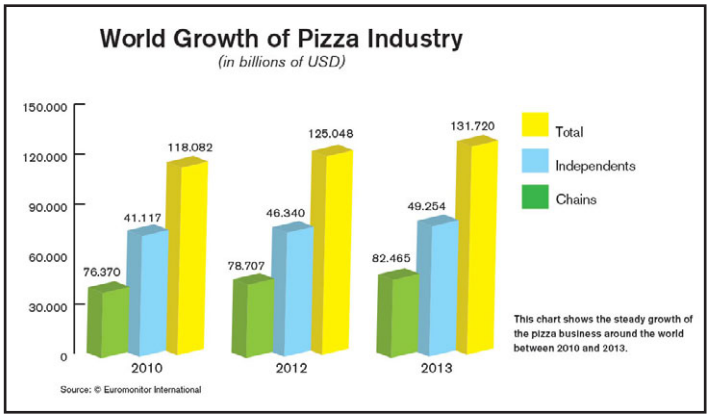
The pizza industry is teaming with opportunities and room for innovation. However, it is nevertheless essential to fully analyze the different segments of the pizza franchise before sprinting into the kitchen. Here are a few options and opportunities to consider before deciding what franchise to pursue.

Sit-Down Fast Casual Dining	What a classic! Sit-down restaurants serve prepared pizza to customers, allowing pizza-lovers to experience the traditional pizzeria feel, but still at a reasonable price. Although most of these establishments are individually operated restaurants, franchises like Pizza Hut also specialize in the sit-down dining concept
Delivery	Pizza delivery services allow customers to call in or place their orders online. This concept is a key service component of some of the most popular pizza franchises. The downside to this service is that costs are highly susceptible to gas prices and climate.
Carry Out	Approximately 45 percent of customer orders are carry out. Carry out services offer the same convenience and quickness as delivery services, minus the extra delivery tip.
Take 'N Bake	Frozen and/or pre-made pizzas are available in certain concepts and local grocery stores. This service allows customers to take the pizza home and bake it at their own convenience.

Innovation

Pizza franchises are always inventing new innovations to the traditional pizza concept, consistently keeping their business up to date with current trends in the food industry. For instance, frozen pizza has become increasingly popular in American households. Approximately two thirds of American households have at least one frozen pizza in their refrigerator's freezer. Overall, sales of frozen pizza increased to $5.3 billion in 2009, as companies like Kraft Food and Schwan Food Co. adapted their products to meet the most popular trends (i.e. breakfast, Mexican, and healthier foods).

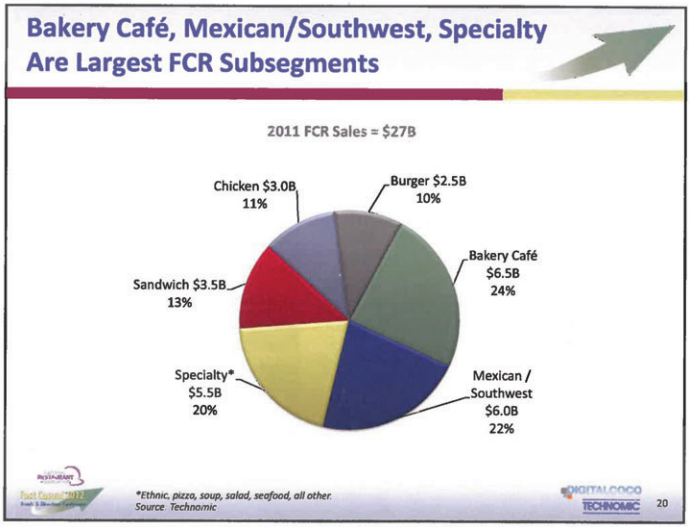
America's social media network is more involved than ever before, and pizza franchises are taking advantage of this recent trend in their marketing strategies. For example, nearly one half of pizza eaters will search for recommendations on blog sites or Twitter before deciding on their purchase. Additionally, ordering online and through text messaging is a youth-targeted trend that is expected to continue to expand in the future. In fact, it is estimated that only sixteen percent of people in the United States have ever placed a pizza order online.



All in all, pizza franchises are constantly on their toes, revamping their business strategy to maintain long-term profitability. As long as this sense of innovation never runs dry (and so far, there is no evidence that it will) the pizza industry will continue its success in the future.

Fast Casual - The Fastest Growth Segment

This concept did not become a popular and common one for restaurants until the early to mid-1990s, and did not truly become mainstream until the beginning of 2010. During the economic downturn beginning in 2007, fast casual dining saw an uptick in sales in the 18–34 age group. Customers with limited discretionary meal spending tend to use it on dining perceived as healthier. Counter service accompanied by food made onsite (often visible via an open kitchen) is typical. Alcohol may be served. Dishes like steak may be offered. The menu is usually limited to an extended over-counter display, and options in the way the food is prepared are emphasized. Health-conscious items have a larger-than-normal portion of the menu. Some restaurants may emphasize high quality ingredients like free range chicken and freshly made salsas. While full table service is not offered, conveniences like non-plastic utensils and plates are common.

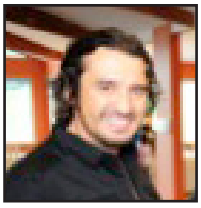


Technomic Information Services defined the term "fast casual restaurants" as meeting the following criteria:

Fresh – Ingredients are perceived as higher in quality
Pay First - Counter Service with some waitstaff at times bringing orders to tables.
Full Grown Appeal – Customers are usually adults with middle to upper incomes
Fine Ingredients – Menu offerings are freshly prepared…often in front of customers.
Fast Service – Food is typically prepared within minutes of ordering.
First-Rate Décor – Reflects upscale décor typically found a casual restaurants.
Friendly Employees – Increased interaction between employees and customers.
Flexible Offerings – Menu items are made to order and can be customized.
Full-View Preparation – Ingredients and preparation in full view of customers.
Fair Price – Check averages are generally above $8.50.

We have incorporated most of these elements into our restaurants and strive to improve upon this criteria with each new initiative. It takes time to refine processes and we'll continually improve our systems for the betterment of our franchisees and customers.

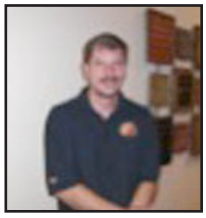
Meet Our Franchise Support Center Team



Founder, Chairman
Varol Ablak
-25 years

CEO:
Dan Wenz
1 year

Franchise Development Coordinator:
Angie Pack-12 years



Operations Manager:
Joe Button - 18 years

Franchise Consultant:
Henry Crusse -
10 years

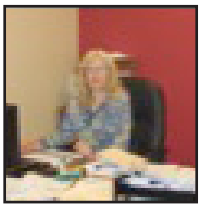
Purchasing Manager:
Justin Neidinger -
1 year

Marketing Manager: Aaron Hutchins -
4 years

Executive Assistant:
Melissa Close -
11 years

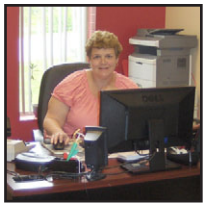
Creative Manager:
Rene O'Brien -
8 years

Graphic Artist:
Amy Myers -
1 year



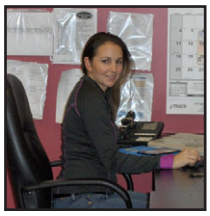
Manager of Accounting:
Laura Sable -
18 years

Franchise Accounts Receivable Coordinator:
Michelle Bushmire
20 years



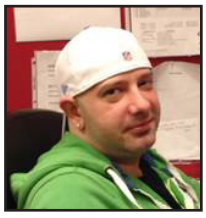
Manager of Human Resources:
Trish Thewes -
16 years

Director of IT:
Steve Macesic -
8 years



Director of Online Support: Selen Ablak -14 years

Asst Manager of Online Support:
Angela McIntyre -
9 years



Customer Service Rep Online Support:
Jason Klingensmith
8 years

FAQ & FACTS

Q. With the rapid growth of Vocelli Pizza, are prime territories still available?
A. We have only begun to tap the national market. Many territories are still available.

Q. How well can I do with a Vocelli Pizza franchise?
A. The success of your franchise store is dependent on many factors including: (1) your business acumen, (2) prior experience in the related industry, (3) your willingness to follow a proven system, (4) the "sweat equity" applied to your business and (5) your ability to manage the financial aspects of your business and personal life.

Q. What are the franchise fees and royalties?
A. Currently the franchise fee for a single unit is $30,000. The royalty fees are 5% of sales.

Q. How much must I spend on marketing?
A. The primary focus of the Marketing Program is to engage in programs that enable us to increase sales measurably, while creating a bond with our local communities and neighborhoods. Vocelli Pizza is committed to supporting franchisees with help to increase their sales and profitability. Stores contribute 1% to Vocelli's National Advertising Group; 1% is used by the National Cooperative for national programs and services with all other marketing expenses focused on local store marketing activities.

Q. Do I have to buy my food and equipment from the Corporate Office?
A. Franchisees secure their inventory and equipment through approved third party distributors. Vocelli works to select the assortment of products and equipment necessary to produce our signature menu items. We negotiate on behalf of the franchise community to secure competitive pricing. This helps insure that the consumer experience is the same regardless of the geographical location of our units and allows our franchisees to focus on delivering great service and fresh products.

How to Evaluate a Quality Franchisor

FRANCHISE EVALUATION CHECKLIST

1. Has the franchisor been in business long enough (5 years or more) to have established a good reputation?
2. Have you checked Better Business Bureaus, Chambers of Commerce, Dun and Bradstreet, or bankers to find out about the franchisor's business reputation and credit rating?
3. Did the above investigations reveal that the franchisor has a good reputation and credit rating?
4. Does the franchising firm appear to be financed adequately so that it can carry out its stated plan of financial assistance and expansion?
5. Have you found out how many franchises are now operating?
6. Have you found out why franchisees have opted out of the system?
7. How many years on average have the stores been opened and operating?
8. Have you checked with some franchisees and found that the franchisor has a reputation for honesty and fair dealing among those who currently hold franchises?
9. Has the franchisor given you a Franchise Disclosure Document (FDD)?
10. Has the franchisor provided audited financial statements?
11. Will the franchisor assist you with:
    _____ A management training program?
    _____ An employee training program?
    _____ A marketing program?
    _____ Obtaining capital?
    _____ Designing store layout and displays?
    _____ Inventory control methods?
    _____ Analyzing financial statements?
12. Does the franchisor provide continuing assistance for franchisees through Franchise Consultants who visit regularly?
13. Does the franchising firm have experienced management?
14. Will the franchisor assist you in finding a good location for your business?
15. Has the franchising company investigated you carefully enough to assure a good basis for developing a partnership with you?
16. Have you determined exactly what the franchisor can do for you that you cannot do for yourself?

THE PRODUCT OR SERVICE

17. Has the product or service been on the market long enough to gain good consumer acceptance?
18. Is it priced competitively?
19. Is it the type of item or service which the same consumer customarily buys more than once?
20. Is it an all-year seller in contrast to a seasonal one?
21. Is it a staple item in contrast to fad?
22. Does it sell well elsewhere?
23. Would you buy it on its merits?
24. Will it be in greater demand five years from now?
25. If it is a product rather than a service:
    _____ Is it packaged attractively?
    _____ Does it stand up well in use?
    _____ Is it easy and safe to use?
    _____ Does it comply with all applicable laws?
    _____ Is it manufactured under certain quality standards?
    _____ Do these standards compare favorably with similar products on the market?
    _____ If the product must be purchased exclusively from the franchisor or a designated supplier, are the prices to you, as the franchisee, competitive?

THE FRANCHISE AGREEMENT

26. Does the franchise fee seem reasonable?
27. Do continuing royalties or percent of gross sales payment appear reasonable?
28. Is the total cash investment required and the terms for financing the balance satisfactory?
29. Does the cash investment include payment for fixtures and equipment?
30. Will you be required to participate in company sponsored promotion and publicity by contributing to an advertising fund?
31. Is the parent company's name, product or service protected by a patent or trademark?

32. Are you free to buy the amount of merchandise you believe you need rather than being required to purchase a certain amount?
33. Can you, as the franchisee, return merchandise for credit?
34. Can you engage in other business activities?
35. If there is an annual sales quota, can you retain your franchise if it is not met?
36. Does the agreement give you a protected territory for the length of the franchise?
37. Is your territory protected?
38. Is the franchise agreement renewable?
39. Can you terminate your agreement if you are not happy for some reason?
40. Is the Franchisor prohibited from selling the franchise out from under you?
41. May you sell the business with approval of the Franchisor?
42. Will the Franchisor help you sell the business?
43. Does the agreement obligate the Franchisor to give you continuing assistance after you are operating the business?
44. Are you permitted a choice in determining whether you will sell any new product or service introduced by the Franchisor after you have opened your business?
45. Is there anything with respect to the franchise or its Operation which would make you ineligible for special financial assistance or other benefits accorded to small business concerns by federal, state, or local government?
46. Did your lawyer approve the franchise agreement after he studied it paragraph by paragraph?
47. Did you consult an attorney to review the FDD and an accountant to review your financial projections?

Next Steps

Step 1: Request More Information.
After researching us and gaining a comfort level, upon request, we will forward you a checklist indicating the next steps along with a Franchise Application. We will contact you shortly thereafter to arrange a convenient time to speak.

Step 2. Receive the Franchise Disclosure Document (FDD).
After our follow-up discussion regarding your application and to answer any remaining questions you may have, we will forward our FDD for your review. We will then establish a time to speak with you to thoroughly review the FDD. We will ask you to sign, date and return the FDD Receipt which is located in the back of the FDD.

Step 3. Establish a Date to Attend our Partner Visit.
We set up a day-long event for you to visit with our 24-member Support Team at our Franchise Support Center in Pittsburgh. These people will be supporting you in the future in every phase of your store development and ongoing operations…so meeting them and discussing every aspect of the opportunity is key to both parties gaining an understanding of the potential for a mutual partnership.

Step 4. Talk to our Franchise Partners.
During the required 14-day waiting period, in which the Federal Trade Commission mandates that no transaction between franchisor and the potential new franchisee candidate can take place, you can call existing franchisees.

Step 5. Execute Agreements.
If you've come this far…it would be our pleasure to host your success.

As a new Vocelli Pizza franchisee, you will have a Franchise Consultant who is trained to provide expert assistance during your new store opening. Your consultant will also give you personal on-going operations support, including quality assurance, marketing, business management, and special help with new promotions and product rollouts.

Join the Vocelli Family

At Vocelli Pizza, we believe in keeping our promises. As we continue to grow into our region as a national leader in the pizza marketplace, we have made promises not only to stay true to our fantastic products, but to:

- Our franchise partners, whom we strive to make successful through our support services
- Our Franchise Support Center Team, who provide the dedication, insight, and hard work necessary to grow our chain
- Our customers, who love our product!

Welcome to our Famiglia!

Franchise Contact:
Angie Pack
Franchise Development Coordinator
1-800-862-3554
412-919-2100 x527 - Local
412-937-9204 - Fax
apack@vocellifsc.com