



**Boston Pizza**

RESTAURANT & SPORTS BAR

450

Boston  
Pizza

SERVING SUCCESS SINCE 1964

We're just missing  
one ingredient – you.

**The “Three Pillars” strategy is the backdrop of all decision making that has underpinned the development and success of Boston Pizza.**



# 1 Brand.

With close to 50 years of casual dining experience, Boston Pizza is a strong and recognizable brand that consumers trust across Canada.

## **Canada’s no. 1 Casual Dining Brand**

The Boston Pizza concept has more locations, serving more customers annually than any other casual dining concept in the country. **Over 40 million customers are served annually at over 351 locations in Canada.**

### **TWICE THE EXPERIENCE – SAME GREAT FOOD**

The Boston Pizza concept offers what many restaurants don’t – two experiences under one roof – a casual dining restaurant and a sports bar. Our restaurants offer a casual dining atmosphere and a menu with over 100 items that are perfect for families, teams and groups of all ages. Our Restaurants focus on being “Dad’s happy place” by providing energetic sports bar featuring regional sports memorabilia and big screen TV’s in a contemporary setting. These are the attributes that keep our Guests coming back again and again

### **BUSINESS STRATEGY**

Boston Pizza uses a formula that has worked since our inception. “Think like a customer, deliver outstanding food value and work closely with your partners.” Our growth strategy is built on steady, carefully managed expansion and a commitment to develop the Boston Pizza brand.

### **MARKETING INITIATIVES**

National promotions are the key tool that drives the marketing calendar. These programs focus on various areas of the menu and are designed to create excitement within our restaurants throughout the year. Promotions focus on low food cost and high margin items such as pizza and pasta. These promotions are supported with an extensive national communications plan including television, radio and social networking. Our system acknowledges regional differences across Canada and incorporates regional new ideas and marketing initiatives.

### **OUR UNIQUE RENOVATION PROGRAM**

To remain competitive in this evolving industry, Boston Pizza requires Franchisees to renovate the interior and exterior of their restaurants to the current prototype standards every seven years.

### **“DOUGH RAISING” ISN’T STRICTLY KEPT IN THE KITCHEN AT BOSTON PIZZA**

Since Boston Pizza first opened its doors in Edmonton, Alberta in 1964, a spirit of giving back to the communities in which we operate has been a philosophy and value we hold dear. In 1990, to formalize our charitable activity, Boston Pizza established the Boston Pizza Foundation, a public foundation focused on raising funds to help people in need throughout Canada. Since its inception, the Boston Pizza Foundation has raised over \$14 million for local, regional and national charities across Canada, through both Franchisee and corporate initiatives.





# 2

## Profitability.

Boston Pizza's business model is highly dependent on Franchisee profitability. Our core strength continues to be supporting the success of our Franchisees.

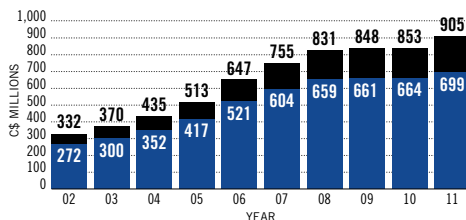
We have more locations and serve more customers annually than any other casual dining concept in the country.

There are two factors contributing to the growth of the Boston Pizza system – increasing sales at the store level, and the opening of new restaurants in both established and new markets.

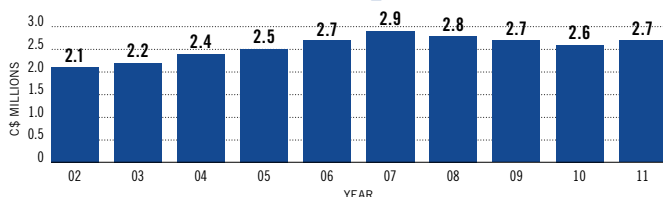
### System-wide Gross Sales & Franchise Sales

Compound annual growth of system-wide gross sales over the last 10 years **10.6%**

**SYSTEM-WIDE GROSS SALES IN 2011: \$905 million**  
**FRANCHISE SALES IN 2011: \$699 million**



### Annual Gross Revenue per Location



### LOW FOOD COSTS

Our food cost advantage is a key component of Boston Pizza's success. Boston Pizza uses a formula that has worked since our inception. Think like a customer, deliver outstanding food value, quality and work closely with your partners. The Boston Pizza menu features pizza and pasta on an extensive menu of over 100 items. These signature menu items are low cost, high return food items relative to high cost items such as steak, seafood or poultry. The corporate target is to maintain pizza and pasta sales at 45% to 50% of food sales, in order to achieve food cost targets. Our food costs as a percentage of sales, are approximately 25%, which are lower than the average for licensed restaurants in Canada.

### BROAD CUSTOMER APPEAL

Boston Pizza believes that the success of the brand is driven by the following factors:

- Broad demographic appeal due to the restaurant and sports bar combination under one roof, appealing to both families and young adults.
- Boston Pizza is open for lunch, dinner, late nights and offering take out and delivery ensuring maximum access to the brand for all Guests.
- The ability of the concept to be adapt in both large urban centers and smaller rural markets.
- A low average cheque relative to many other casual dining concepts.
- A growing number of franchises, allowing Boston Pizza to increase purchasing efficiencies and to reduce unit cost overhead.



# 3

## Support.

Our winning team of highly qualified experts provide all the services, advice and expertise that our Franchisees need to build and operate a successful business.

**MARKETING:** With the focus on a singular brand, the Boston Pizza marketing team creates award winning national campaigns with the emphasis on creativity and driving sales to your restaurant. Our team works hard to ensure you get the best advertising for your dollars.

**OPERATIONS:** The number one goal for our operations team is to have happy and profitable Franchisees. Each store is assigned a Regional Business Manager who collaborates with the Franchisees and their teams to help them understand the Boston Pizza systems, standards and programs including: Guest service and satisfaction, cost control and local marketing initiatives.

**TRAINING:** Training is the key to the success of every Boston Pizza franchise. Franchisees and managers undergo a seven-week training program split between one of our training restaurants and a corporate office in Richmond, British Columbia; Mississauga, Ontario or Laval, Quebec. This training program provides an unparalleled level of support to franchise operators. Our trainers will also assist in the training all of your staff two weeks before opening, and will stay at your location for two weeks after opening to ensure everything is running smoothly.

**PURCHASING:** The purchasing team negotiates contracts with suppliers to ensure our Franchisees receive the highest quality ingredients at the best possible prices.

**FINANCE:** The Boston Pizza finance team works behind the scenes to develop a sound franchise finance program with major lenders

across Canada. They also work to negotiate the best possible rates and insurance coverage for Boston Pizza Franchisees.

**FRANCHISING:** Franchising professionals play a critical role in our new business development program by identifying new market opportunities and qualified Franchisee candidates for these new restaurants.

**REAL ESTATE:** This team consists of in-house professionals who look for free-standing and non-traditional building development opportunities in high traffic areas to ensure that each Franchisee gets the best site available at the lowest cost.

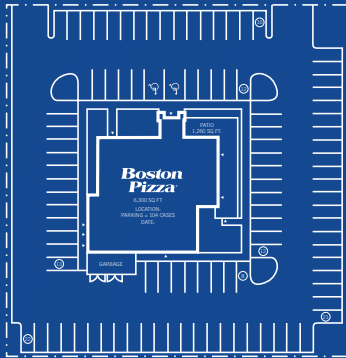
**CONSTRUCTION AND DEVELOPMENT:** All projects are assigned a Construction Project Manager who reviews and supports the Franchisee during the store opening process. Included are: the tender review and award, construction start-up meeting, development process, site review and final inspection.

**NEW MENU DEVELOPMENT:** Ongoing menu development is a key priority. Our in-house chef constantly strives to create craveable menu items that our Guests love and our Franchisees find cost effective and efficient to produce.

**INFORMATION TECHNOLOGIES:** Labour cost and inventory modules within the system provide valuable solutions for managing prime costs and increasing our competitive edge.

# Find the right Boston Pizza to fit your community!

## MULTI-CHANNEL DEVELOPMENT OPPORTUNITIES:



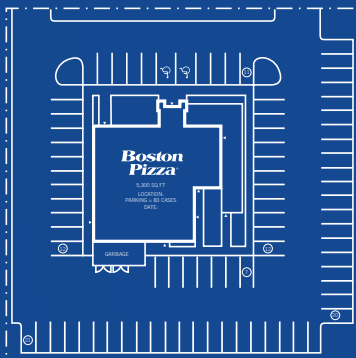
### **Traditional** (approximately 5,900 sq ft)

90 parking stalls

192 seats + 64 seat patio

\$750,000 – \$850,000 unencumbered cash

\$2.1 – \$2.4 million total investment\*



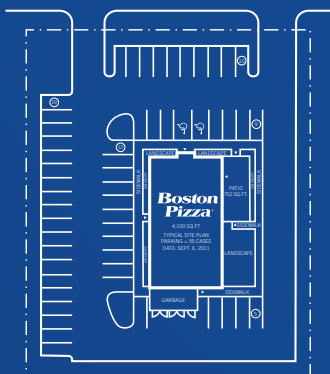
### **Mid-Size** (approximately 5,300 sq ft)

Ideal for medium sized markets

161 seats + 56 seat patio

\$600,000 – \$800,000 unencumbered cash

\$1.9 – \$2.1 million total investment\*



### **Small Market** (approximately 4,100 sq ft)

55 – 60 parking stalls

140 seats + 44 seat patio

\$530,000 – \$650,000 unencumbered cash

\$1.4 – \$1.8 million total investment\*

\*This is not an offer for a Boston Pizza franchise and the costs to establish a Boston Pizza restaurant at a particular location may differ from the estimates provided above. Please contact us for more information.

# Success Stories:

## SEE WHAT OUR FRANCHISEES HAVE TO SAY:

We love to come to work every day, we love to inspire people, we love to listen to people, we love to talk to people. We are really living the brand, "You're Among Friends".

*– Samira, Nash, Naheed and Faisal Shariff  
Edmonton, Alberta*

We are proud of the Boston Pizza brand in Quebec. The keys to our success are the tools and support that Boston Pizza International provides.

*– Joe Rahal and André Poitras  
St. Bruno, Quebec*

Corporately, Boston Pizza's support is unparalleled in the industry. It is a key factor to our success as a Franchisee.

*– Bob and Barb Tuttle  
2007 Franchisee of the Year*

To learn more from our Franchisees, please visit us at [bostonpizza.com](http://bostonpizza.com)

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## Contact us for your opportunity today.

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# **Boston Pizza**<sup>®</sup>

**Here to make you happy.**<sup>™</sup>

[bostonpizza.com](http://bostonpizza.com)



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