



Häagen-Dazs®

shops

Have your dessert
and own it too.

FAQ



Q: How much does a Häagen-Dazs® Franchise cost?

A: Our initial franchise fee is \$30,000. The investment range detailed in our Franchise Disclosure Document (FDD) has a midpoint investment cost of about \$353,000. However, the total initial investment varies based on a number of site-specific factors, like the degree of improvements necessary to ready the Shop premises for build out and the size of the Shop.

Q: What are the average sales of a typical Häagen-Dazs Shop?

A: The average gross sales for a Häagen-Dazs shop, as stated in Item 19 of our FDD, is \$497,189.24. This data is reflective of historical top-line sales information, based on the performance of a subset of Häagen-Dazs Shops during the 2015 calendar year. The subset of Shops used to compile this information consists of traditional Häagen-Dazs Shops that: (1) were in operation during all of the 2015 calendar year; and (2) with respect to which we received sales information for all of the 2015 calendar year. Please see page 54 of our Franchise Disclosure Document (Item 19 – Financial Performance Representations) for complete information.

Q: What is the average net operating profit for a Häagen-Dazs Shop?

A: Other than the gross sales information stated above and contained within Item 19 of our FDD, we do not disclose this information to you. However, our goal is to facilitate your due diligence process so that you can independently develop an understanding of store level economics to determine whether or not this is the proper investment for you. We ultimately place the burden on you to project your own sales and bottom-line performance.

Q: What will my average operating expenses be?

A: Franchisees must purchase their ice cream from an affiliate of Shoppe Company, which we estimate will account for approximately 20-25% percent of your total cost to operate your shop. Other major expenses will include rent and labor, as is typical of other retail business. As part of your independent analysis, we will encourage you to contact existing franchisees as well as other business owners in your area to gather information so you can independently derive a range of possible operating costs.



OPENING A HÄAGEN-DAZS® SHOP

TIMELINE

1. Application Process

Applicant contacts the Shoppe Company for a franchise application and submits the application with third party documentation of assets.

2. Applicant Interview

Upon approval of the application, applicant will be invited to an interview at Häagen-Dazs Shoppe Company headquarters in Minneapolis, MN.

3. Franchise Agreement

A non-location specific Franchise Agreement will be issued upon completion of a successful interview.

Steps 1-3 typically range from eight to twelve weeks for completion.

4. Site Review

Franchisee identifies and analyzes a proposed Shop site then seeks Shoppe Company's consent to develop.

5. Construction

Construction begins after Shoppe Company approves the final plans.

6. Training

Nine-day Häagen-Dazs Shop training class held in Minneapolis, MN.

7. Shop Opens

Start scooping and have fun!

Steps 4-7 vary greatly. While some projects can take six months to complete, other projects may take up to five years for completion.

FINANCIAL QUALIFICATIONS

- Minimum of \$200,000 net worth (exclusive of primary residence, personal automobile, or personal property)
- Minimum of \$80,000 liquid assets

INITIAL INVESTMENT:

	RANGE
Initial Franchise Fee	\$30,000
Travel & Living Expenses for Application Interview	\$1,159
Travel & Living Expenses During Training	\$2,749
Leasehold Improvements	\$55,000 - \$300,000
Deposits & Licenses	\$7,500 - \$17,500
Equipment, Fixtures & Furnishings	\$50,000 - \$115,000
Opening Inventory	\$6,000 - \$10,000
Insurance	\$1,500 - \$2,500
Additional Funds - 3 months	\$10,250 - \$63,500
TOTAL	\$164,158 - \$542,408

Note: The amount of your initial investment will vary depending upon a number of factors, including square footage and configuration (e.g., in-line, kiosk, etc.). A detailed explanation of the information presented here is contained in the Häagen-Dazs Franchise Disclosure Document (FDD).

OTHER FEES:

Royalty Fee	4% of Gross Sales
General Marketing Contribution* (for a full year; paid in monthly installments)	\$4,980
<i>* can be adjusted in proportion to changes in the U.S. Consumer Price Index under a formula stated in the Franchise Agreement.</i>	
Local Marketing Contribution	1% of Gross Sales

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