

# **Administrative and Operational Support Guidelines**

### Franchised Business Model

Franchised Business Prototype refers to the business arrangement in which a franchisor grants the right to the franchisee operate a business using proprietary business knowledge, processes, and trademarks. In order to aid in the expansion of the business while providing the franchisee with adequate revenue and profits.

Under this arrangement, the franchisor grants the franchisee commercial and legal rights to provide some or all of the following, depending on the dynamics of the targeted area and the franchisee's qualifications.

These elements are for guidance purposes only, and the rights may include other elements depending on each franchisor's business model.

Prepare and provide products and services at the customers' venue (e.g., catering and banquets for off-premises food service).

Display products and services within other store-in-store retail units or within department stores.

Through e-commerce and online purchase orders generated from the franchise area via franchisor's portal.

Retail outlets of various sizes and models.

Duty-free Zones: At airports, through onboard retail sales, or by national airlines in the franchise operating area.

Offer products and services through distribution channels to distributors and retailers pre-approved by the franchisor.

In case of granting a master franchising, the franchisee has the right to grant sub-franchisees to multiple units in the franchise area to individuals and businesses after the prior approval of the franchisor.

## Intellectual Property Rights (IPR)



This refers to copyrights, patents, names, trademarks, service marks, logos, architectural designs, brand identity elements, distinctive colors, operating and sales materials, packaging, uniforms, expertise, and know-how including methods, techniques, procedures, means, management and operation applications, functional knowledge, products, trade secrets, secret formulas, standard recipes, and any associated goodwill and reputation of the business activity, means.

## Know-How

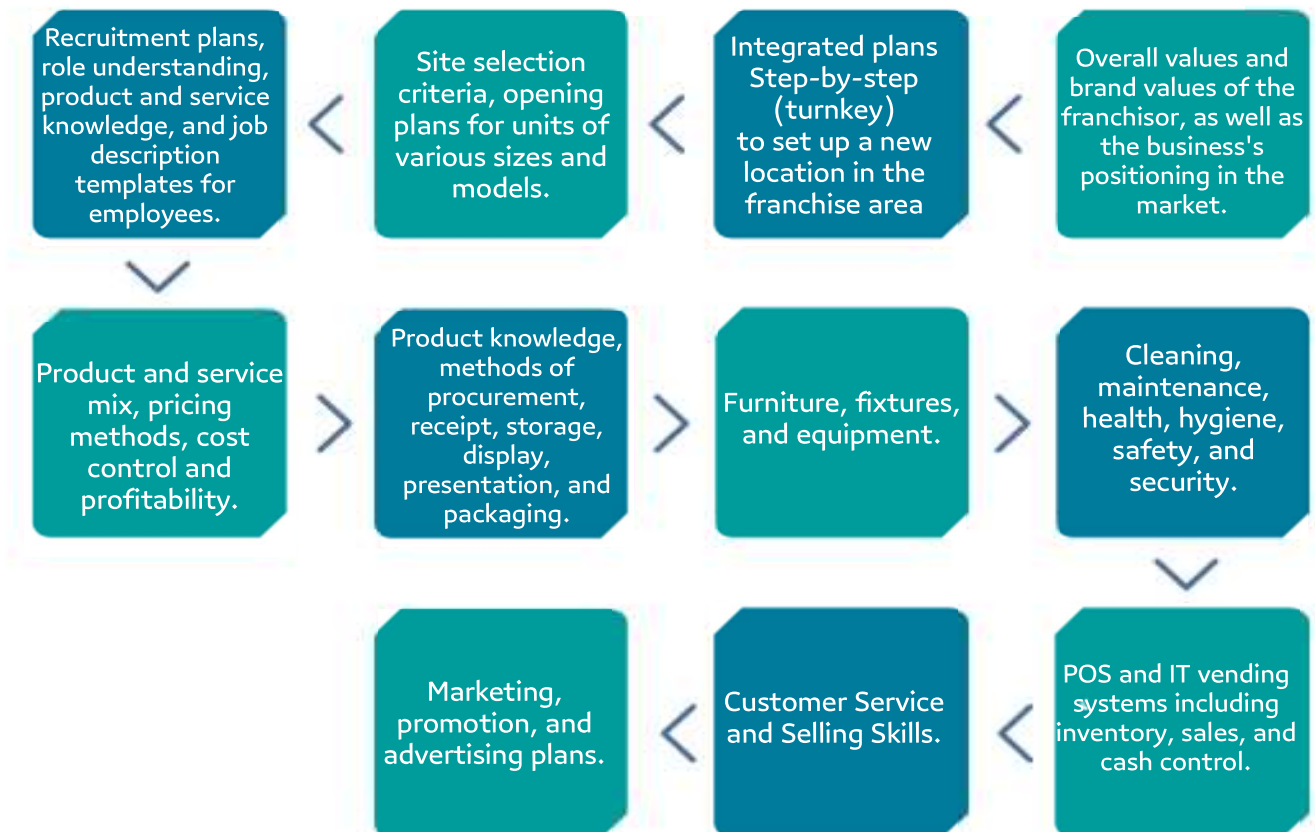


The franchisor's accumulated expertise in performing day-to-day operations including methods, techniques, procedures, management and operation applications, business secrets, functional knowledge, product knowledge, trade secrets, quality control procedures, training programs, sourcing methods and sources for materials and products, marketing and advertising programs, accounting, record keeping, financial planning means, administrative procedures, and sales auditing and analysis methods as documented in the franchisor's operation manuals.

# Franchisee Training



Franchisee Training typically includes virtual as well as hands-on training that the franchisor commits to provide through qualified trainers on different aspects of operating the franchise for each franchisee and their pre-approved employees. Training may take place in the Franchisor's Home Country and/or at the franchise unit location. Adequate training enables the franchisee to successfully operate the franchise and managing the day-to-day operations. The training program may include some or all of the following, depending on the business needs:



## Pre-Entry Market Support

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| <p>2 Determine the most appropriate site(s) for the units, evaluate site development plans, along with providing support and supervision for contracting, construction, and outfitting.</p> | <p>1 Reformulate and customize the product and service mix based on the variables in the commercial franchise area, as well as developing purchasing systems and product/material sourcing.</p> |
| <p>4 Reformulate and customize a financial study based on site-specific variables, incorporating the investment plan and profit and loss calculations.</p>                                  | <p>3 Evaluate suppliers and service providers in the franchise area.</p>  |

## Cloning the Business

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| <p>2 Provide proprietary and branded products, including a list of mandatory purchases, suppliers, and purchase prices.</p> | <p>1 Possible use of Point of Sale (POS) software by the service provider within the franchise area.</p> |
| <p>4 Provide technical support in the designs and plans of the site(s), including engineering drawing templates.</p>        | <p>3 Supply the lists and specifications of furniture, fixtures, equipment, and fittings.</p>            |

## Marketing & Launch Support

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| <p>2 Upload franchisee's information on the franchisor's website and allow for using online operation manuals.</p> | <p>1 Provide launch support including trial running, opening ceremonies, on-the-job training, and first-period operation control.</p>  |
| <p>4 Provide and customize marketing program, designs, and artwork.</p>  | <p>3 Assist in the design of primary marketing materials, packaging materials, product manuals, brochures, and other publications.</p> |

## Ongoing Support

