



**WELCOME TO
MASTER FRANCHISE INVESTOR CONFERENCE**

**CHÀO MỪNG QUÝ VỊ ĐẾN VỚI HỘI THẢO
CƠ HỘI KINH DOANH FRANCHISE TỪ HOA KỲ**

Hanoi, Vietnam - December 11, 2008



Our Agenda Today

8:00 – 8:30

Registration

8:30 – 8:40

Opening Remarks

- Mr. Donald Nay, Commercial Counselor/Brent Omdahl, Commercial Attaché US Embassy in Hanoi

8:40 - 9:10

What is Master Franchising and Area Franchising

- Mr. William Edwards, CEO, Edwards Global Services

9:10 – 9:40

Legal Matters related to Licensing in Vietnam

- Mr. Ken August, US Partner of August Bao Law Firm
- Mr. Bao Anh Thai, Vietnam Partner of the August Bao Law Group

9:40 – 10:00

Tea/Coffee Break

10:00 – 11:15

Slide Presentation of the Brands

- Mr. William Edwards, CEO, Edwards Global Services

11:15 - 12:00 Q&A

12:00

Wrap-up



Franchises Available For Vietnam Through EGS

Business To Business Franchise

Allegra Digital Media® is a new business to business digital graphics/media franchise that combines **Signs Now®** with existing Allegra's digital design and print across a global network of over 600 digitally integrated centers. www.standoutinacrowdedworld.com

Children's Education Franchise

Abakadoodle® is the US leader in creative art education, offering imaginative classes in painting, sculpting, digital design, collage, mosaics and drawing for children. www.abakadoodle.com

Food And Beverage Franchises

Carl's, Jr.®, founded in California in 1941, serves delicious made-to-order charbroiled hamburgers and chicken sandwiches prepared with premium quality ingredients. www.carlsjr.com

The Melting Pot® has defined the fondue restaurant niche across the US for more than three decades. Fondue is a fun and interactive dining experience at almost 150 locations in the US. www.themeltingpot.com

Round Table Pizza®, the fifth largest pizza chain in the U.S. with over 500 restaurants in the US, is recognized for gourmet taste, quality, dough made fresh daily and menu innovation. www.roundtablepizza.com



EGS Franchisor Clients Have The Following Qualities

- ✓ **An excellent record of franchising success in their country**
 - **Strong unit franchise earnings results**
 - **Consistent unit growth with few, if any, closures**
 - **Proven margins despite a high level of competition**
- ✓ **Strong training, support, marketing and Intranet resources**
- ✓ **Proven in the largest, most competitive market in the world**
- ✓ **A global strategy and plan for entering other countries**
- ✓ **A financial and development model that offers unit and master franchisees the potential for a good return on investment**





Franchising And Master Franchising

A Brief Introduction



William Edwards, CEO
Edwards Global Services, Inc.
bedwards@edwardsglobal.com

What Is Franchising?

Franchising is a business development method for expanding business and distributing goods and services, using an established business system and a recognized brand name

A franchise occurs when a business (the Franchisor) licenses its trade name (the Brand) and its operating methods (the System) to a person or group (the Franchisee) who agrees to operate according to the terms of a contract (the Franchise Agreement)



The Economic Impact Of Franchising

The annual sales of goods and services at 900,000+ franchise business locations in the USA reached US\$2.3 trillion in 2007

1 in every 7 jobs in the US is tied to franchising – 20 million in 2007

There are more than 2,500 different franchises in the US

54¢ of every retail dollar in the USA is spent at a franchise

30% of every retail expenditure in Europe and 65% of every retail expenditure in Australia is through a franchise



Different Types Of International Franchises

- **Area Franchisee**
 - Has the right to open and operate a certain number of units in part of a country
 - No sub-licensing allowed
 - Typical for food franchises
- **Master Franchisee**
 - Has the exclusive right to open and operate units in a country
 - Sub-licensing may be allowed



Rights And Obligations Of The Franchisor

Rights

- Control of the way the business is done in a country
- Control and ownership of the trademarks
- Charge Initial fee, franchise fee per store/unit, on-going royalties
- Right to terminate the agreement under certain circumstances

Obligations

- Initial and on-going training and support
- Maintaining the value of the business system - brand, manuals, systems
- Maintaining the trademarks
- Grant of right to sub-franchise, as appropriate



Rights And Obligations Of The Master or Area Franchisee

Rights

- Exclusivity for a country, region, city, area or location
- Use of the trademarks and business systems
- Initial and on-going training
- On-going support at the Master or Franchisee level, as appropriate

Obligations

- Pays initial start-up fee, per store/unit fee and on-going royalties
- Follow the set business system and approved marketing program
- Provide business reports on a regular basis
- Opening stores/units as required by a Development Plan



Typical Master or Area Franchise Terms

Initial Master Franchise Fee - Exclusive rights to a country for 5 to 20 years - \$150,000-\$750,000

On-going royalty – A percentage of the gross turnover of the franchises paid to the Franchisor

Unit Franchise Fee – The franchise fee charged by the country master to each franchisee

Development Schedule - Number of units must be opened over the term of the agreement

Master agreement clauses - non-compete, trademarks, system standards, training and support commitments, default, termination and transfer



The Qualities of Excellent Franchisors

- ✓ **An excellent record of franchising success in their home country**
 - **Strong unit franchise earnings results**
 - **Consistent unit growth with few, if any, closures**
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- ✓ **Strong training, support, marketing and Intranet resources**
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The #1 Children's Art Education Franchise In The US

What is Abrakadoodle?



Mobile Art Education Programs Offered at Host Sites

- ◆ Enrichment Programs – Art classes for children 2 -12
- ◆ Outsourced Programs – Schools offer Abrakadoodle as part of their school day
- ◆ Special Events – Workshops, parties, corporate events

Why is Abrakadoodle Unique?

Abrakadoodle is the *only* art education franchise:

- ◆ Designed by educators and artists
- ◆ Offering *comprehensive* art education
- ◆ Offering Abrakadoodle created products
- ◆ **That exceeds the US National Standards for Visual Art Education**
- ◆ Chosen to partner with **Crayola®**



Our Founders

Mary Rogers, M.A. Ed., Co-founder and CEO

- 20+ Years experience in Education, Business and Franchising
- Co-founder of International Franchise Computertots/Computer Explorers
- Woman Entrepreneur by Ernst and Young
- Improved already successful model
- Bonnie Levine Award Winner — International Franchise Association's highest award for a women in franchising



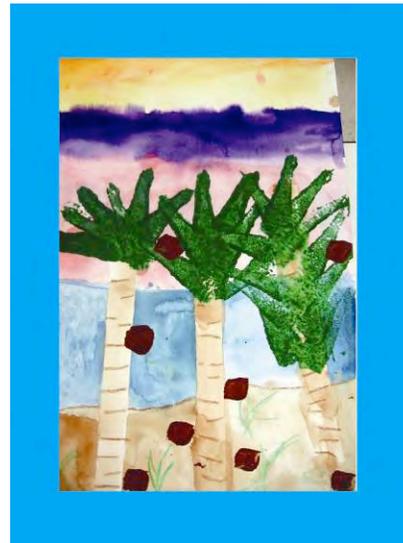
Our Founders



Rosemarie Hartnett, Co-founder and President

- 15+ years in Business and Franchising
- Led International Development at Computertots/Computer Explorers and TutorTime International
- Responsible for Operations, Training and Franchise Development
- Seasoned international development specialist

AbraKadoodle Curriculum



- ◆ Invested US\$ **Millions** in the curriculum, system and brands!
- ◆ Hundreds of curriculum lessons
- ◆ Continues to invest – constantly creating new lessons and programs
- ◆ Most comprehensive art education program available!

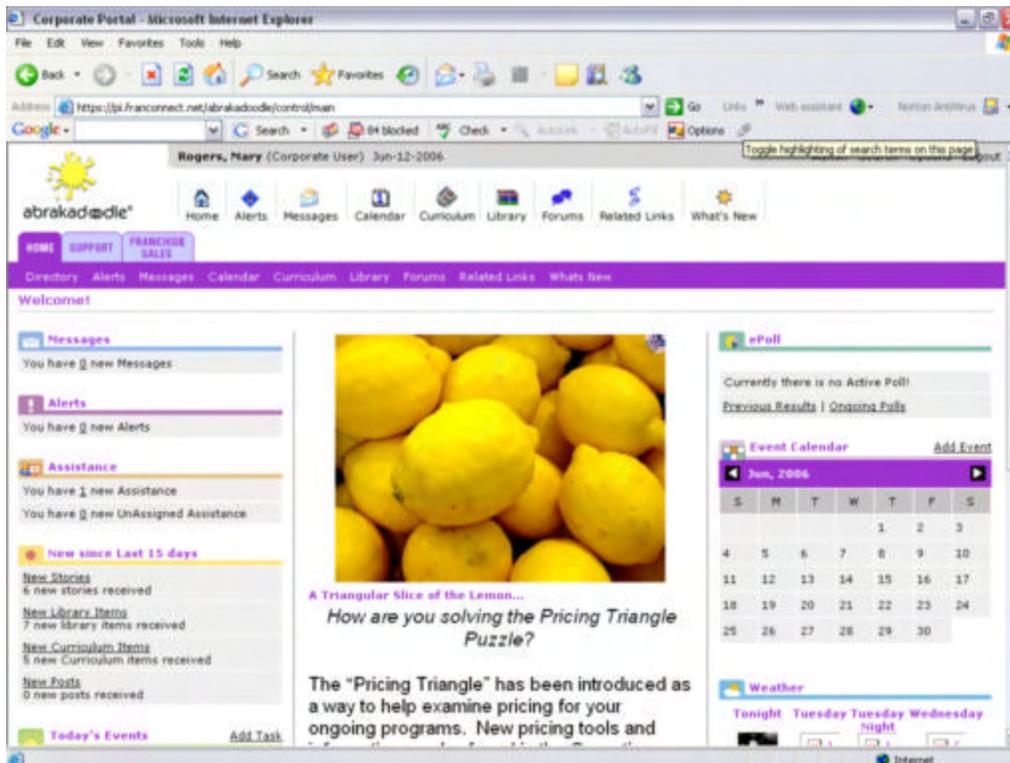
Training

- ◆ Abrakadoodle QuickStart Training
- ◆ Franchise Development Training
- ◆ Marketing Training
- ◆ Ongoing Training
 - ◆ On-line Support
 - ◆ International Conference
 - ◆ Business Reviews
 - ◆ In-country Visits
 - ◆ On-site Training and Business Assistance



Technology

Abrakadoodle Intranet



- ◆ News
- ◆ Stories
- ◆ Polls
- ◆ Forum for discussions
- ◆ Curriculum
- ◆ Downloadable library items
- ◆ Messaging
- ◆ Calendar
- ◆ Help/Assistance

The Master Franchise

- Initial Training for Unit Operations
- Supplemental Training for Territory Development
- Abrakadoodle Start-up Package
- Online tools and programs
- Superior marketing
- Superior curriculum and teacher's tools
- Ongoing curriculum development

The Master Franchise

- Flexible revenue streams
- Best in category Franchisor
- Best in category International experience Master Franchisee support
- Regular in-country support visits
- Abrakadoodle Conferences
- World-class International network

Building A World of Creative Kids, One Child at a Time!



THE FOOD IS THE FRANCHISESM



THE NUMBERS TELL THE STORY





Overview

- Industry leader with 2 great brands - Carl's Jr.[®] and Hardee's[®] - 3,100 restaurants worldwide
- Innovative, premium product strategy and cutting-edge advertising
- Traded on NYSE: CKR
- Over US\$3 Billion system-wide sales (company and franchise restaurants)
- Tremendous growth potential worldwide





Premium Quality Menu

- Made-to-order menu
- Big, juicy, 100% beef burgers
- Award-winning 100% Black Angus Beef Six Dollar Burger[®]
- Whole muscle filet chicken sandwiches
- Hand-Scooped Ice Cream Shakes & Malts[™]





Innovation is the Difference

Unique, Best-in-Class Service System

- Partial table service
- Made-to-order, premium menu
- All-you-can-drink beverage bars
- Unbeatable hospitality





Brand Positioning Statement

For burger enthusiasts, Carl's Jr.[®] is the ultimate destination for great tasting fast food burgers and other menu items.





Brand Strategy

- Primary target: 18 to 34 y/old males
- Brand personality: Youthful and masculine with a clear edge, but not to the point where it regularly alienates other valuable consumer groups

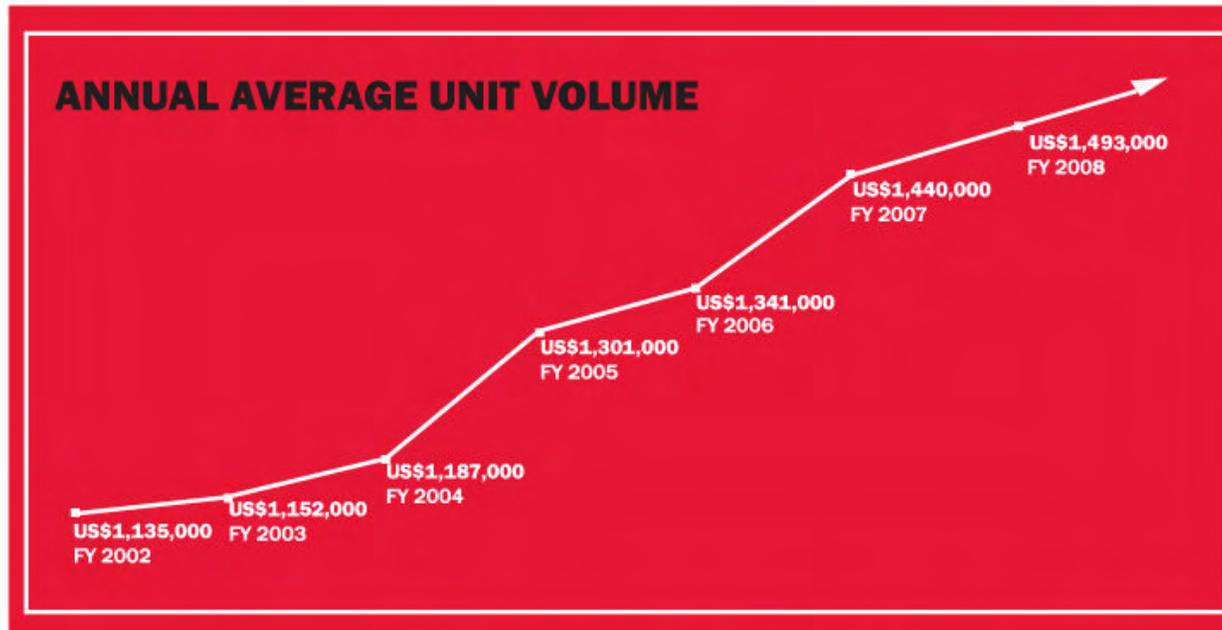




Marketing Support

- Brand image/positioning/strategy management
- Product development
- Consumer research & sales analysis
- Local restaurant marketing programs
- Public relations strategies





**31.5% INCREASE
IN AUV FY 2002-2008**

Figures excerpted from the Financial Performance Representations in the 2008 Carl Karcher Enterprises, Inc. Franchise Disclosure Document. These figures represent averages across company-operated stores in the United States. Individual financial performance will vary.



OUTSTANDING OPERATING CASH FLOW

Figures excerpted from the Financial Performance Representations in the 2008 Carl Karcher Enterprises, Inc. Franchise Disclosure Document. These figures represent averages across company-operated stores in the United States. Individual financial performance will vary.

EBITDAR is an approximate measure of operating cash flow. Restaurant EBITDAR equals Restaurant Level Earnings Before Income Taxes, Depreciation, Amortization and Rent. In addition to those items, EBITDAR does not include the following expenses associated with operating a Franchised Restaurant: royalty fees, common area maintenance charges, general and administrative expenses (above the restaurant level) and other miscellaneous expenses a franchisee may incur.



Typical Candidate Requirements

- Access to suitable prime commercial real estate
- Experience in restaurant operations
- Access to required capital
- Ability/desire to operate as an independent franchisee





**Dip Into A Distinctive Franchise
That Offers A One-of-the-kind
Dining Experience In Your
Country**

The 
Melting Pot.[®]
a fondue restaurant
Dip into something different.[®]



Our Business

Welcome to North America's leading fondue restaurant chain.

We think you will agree, this dining concept and franchise has very special attributes for your country.

The first Melting Pot® opened in April of 1975 near Orlando, Florida USA.

Today, with more than 135 locations across across the USA, The Melting Pot Restaurants Inc. is the premier fondue restaurant franchise in North America.





Our Restaurant Concept

The **Melting Pot**® restaurant concept, “dip into something different,” provides guests with a unique, upscale and intimate dining experience as an assortment of fondue is cooked right at the table

Guests enjoy a choice of four flavorful fondue cooking styles and a variety of unique entrées combined with special dipping sauces. The menu also includes cheese fondues, salads, fine wines and chocolate fondue desserts



Our Mission

To create the Perfect Night Out for our restaurant guests by bringing each of these four key ingredients to the table:

Happy Team Members

Genuine hospitality

Immaculate, inviting surroundings

Exceptional food and beverages.





Our Differentiation

- We are a special event destination restaurant
- No ovens, grills or deep fryers – food is prepared by the Guests at their table
- Restaurant experience is not necessary to become a **Melting Pot®** licensee
- We have four distinct fondue courses
- Our complete site selection, restaurant design and build-out package helps licensees get started properly



Our Four Course Fondue Meal

At The Melting Pot®, the meal consists of four courses that our well trained servers explain and prepare for our guests.

The meal begins with a cheese course, allowing guests to select from six types of cheese, which is followed by a salad—the only non-fondue course.

Five types of salads are prepared with delicious dressings made in-house.

On to the entrees, guests can pick the perfect combination of meats, seafood and vegetables prepared with four different cooking styles, to dip in specialty sauces.

Diners make the food right at the table, cooked in our broth based cooking style or in cholesterol-free canola oil.

The meal ends with the famous chocolate fondue with names such as Cookies & Cream, Flaming Turtle and Yin & Yang.



Candidate Companies

- **Successful multi-brand licensing groups**
- **Franchisors or Area Licensees of sufficient stature and experience in the food sector**
- **Successful companies and groups particularly from these sectors**
 - **Food service sector; retailing and other service related businesses**
 - **Real estate and property development and management businesses**
 - **Hospitality businesses**
 - **Developers and operators of shopping malls and retail centers**
 - **Food, beverage and distribution related businesses**
- **Investor groups that can bring in a proven management team**



Operations And Start-up Training

6-10 Weeks in the Tampa, Florida US – based on position

Key Licensee Manager receives 6 weeks training

3 Operators/Managers receive full US training program

In-country training for local management and staff

Operations Support Trainer

5 certified restaurant managers and staff trainers

Franchise Business Consultant

Senior Executive from headquarters



Round Table Pizza® has always been known for quality ingredients

In 1959, our Founder opened his first pizza restaurant in Menlo Park, California

He wanted to create a place where families could go to relax, to experience a real sense of community, and to share a superb pizza

After more than 45 years, we have expanded the Round Table Pizza® family to more than 500 restaurants across the USA



Round Table Pizza® has always been known for quality ingredients

Our dough is rolled fresh each day

Our zesty red sauce is made from scratch with eleven herbs and spices

Our three cheese blend is made with the best whole milk mozzarella, provolone and cheddar cheeses

Add juicy premium meats and fresh gourmet veggies on top our world famous crust and you have the best pizza in the world!



We are also known for our unique specialty pizzas. Over the last 10 years, **Round Table Pizza**[®] has introduced more than 30 successful new products, and we are considered a pioneer in pizza innovation.





By serving a superb pizza and nurturing family connections in a comfortable place to gather, we can all be a part of bringing families closer together at **Round Table Pizza®** for years to come.

We are recognized for gourmet taste, quality and menu innovation.





Headquartered in the San Francisco Bay Area, **Round Table Pizza®** has built a reputation as the pizza brand of choice and market share leader in the most competitive and discriminating restaurant markets in the US.





How Are We Different Than Other Franchised Pizza Chains?

Our product. Every Round Table restaurant rolls fresh dough every day and tops every pie with fresh cheese and only the freshest ingredients

We have both full service restaurants as well as smaller units for take-out and delivery

Round Table Pizza® provides licensees with exclusive, proprietary sauce and bread mix through our global supply chain

We are family focused and encourage our customers to have parties at our restaurants





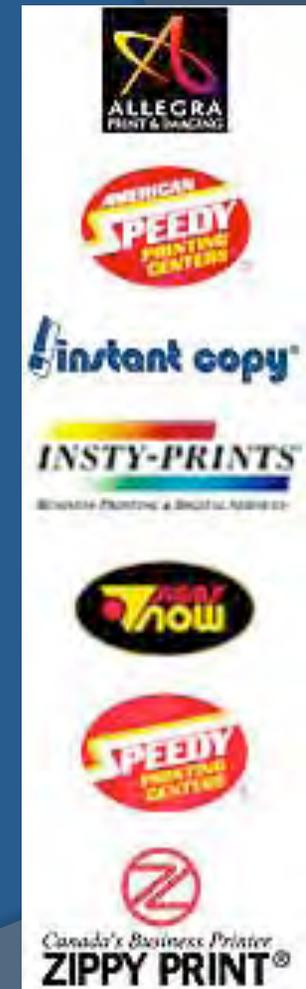
The 'Allegra' International Model

A business to business digital graphics/
media franchise that combines **Signs
Now®** with existing Allegra's digital
design and print resources

'**Allegra**' comes from the Italian word that
means uplifting and cheerful

The Allegra Network

- **Allegra Network** is one of world's largest graphic communications franchises linking more than 600 locations for six franchised business service brands.
- **Allegra Network** ranks in the top 200 in sales among all franchise companies in the world.
- **Allegra Network** is a leader in franchise training, technology implementation and system profitability.
- **Allegra Network** offer advanced graphic communications technologies including full-color printing, graphic design services and electronic publishing, digital color copying, high speed copying, signs creation and online digital file transfer.





'Allegra' International Services

Brand development

Graphic design / pre-press

Digital black and white and color

Variable data

Bindery

Large format color

Data conversion & management

Signs Now® products and services



'Allegra' International Business

End Customers

Business To Business

Large corporate Clients

Full service ad agencies

International Company local offices in a country

Country Licensee Candidates

Advertising agencies

Large print houses and associations

Companies seeking new technology investments

Companies focused on B2B customers

The Current Competition

The Minuteman and Sir Speedy type quick printers

Large local offset groups

Large sign producers

Local small printers and sign shops

But.....none offer a full Business To Business digital media service package to their end customers and a franchised package

Key Master Franchise Value And Differentiation



Operating Ratio Study - provides financial performance benchmarks for every area of the business

Marketing - our programs and materials deliver results and are easily customized for different countries/cultures

MatchMaker™ concept - enables a master franchise to roll up independent sign shops into franchised units with immediate sales/royalties while at the same time eliminating competition from the marketplace

Profit Mastery Program - Key Financial Benchmarks & Comparisons, ongoing improvement of financial performance and an annual Operating Ratio Study



The Allegra® Franchisee Advantage

- A Full Service Branding, Media, Graphics, Digital Print, Media Service Franchise Focused on Business Customers
- Knowledge and Skills Training in the US and in-country
- Professional Field Support – in country
- Operations Systems Provide Expert Business Solutions
- State-of-the-art technology – global supplier contracts
- National and Local Marketing Plans
- Franchisee E-Commerce Website
- Ongoing Research And Development Program



**THANK YOU FOR ATTENDING THE
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Hanoi, Vietnam - December 11, 2008



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The Steps To Acquiring An EGS Master Franchise

- 1) Provide us with your CV and company information
- 2) Sign the Confidentiality Agreement and complete the Candidate Information Document
- 3) Receive detailed business concept information and the master franchise terms and provide us with questions
- 4) Attend Discovery Day meetings at the Franchisor headquarters to meet senior executives, receive the financial model and discuss the franchise in your country
- 5) Sign a Letter Of Intent and make a deposit
- 6) Sign the Agreement and pay the initial Country Master Franchise Fee
- 7) Start your training at the Franchisor headquarters



US Franchisor Investment

Vietnam - EGS Client GKS	US Average Unit Annual Turnover	Total Initial License Fee	Initial Fee Due At Signing	Est. 1st Unit Start-Up	Estimated Working Capital	MF/AL Initial Est. Investment			
Carl's, Jr.*	\$1,493,000	\$450,000	\$100,000	+	\$600,000	+	\$150,000	=	\$850,000
Round Table Pizza**	\$900,000	\$245,000	\$122,500	+	\$600,000	+	\$100,000	=	\$822,500
Abakadoodle	\$200,000	\$150,000	\$150,000	+	\$50,000	+	\$75,000	=	\$275,000
The Melting Pot***	\$1,835,000	\$250,000	\$125,000	+	\$600,000	+	\$100,000	=	\$825,000
Allegra/Signs Now	\$700,000	\$175,000	\$175,000	+	\$300,000	+	\$75,000	=	\$550,000
All figures in US dollars									



As of 11 December 2008

For Further Information On These Investment Opportunities for Vietnam:

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**Or Ha Anh at the U.S. Commercial Service in Hanoi
(Ha.Anh@mail.doc.gov)**



**Please be advised that EGS exclusively represents
these franchisors for Vietnam**