

# Innovative. Empowering. Limitless.

Welcome to 7-Eleven Franchising.



# At 7-Eleven, we're transforming convenience in three ways.

- WE RAISE THE BAR
- 2 WE PUSH THE LIMITS
- 3 WE OWN THE FUTURE



#### 1 WE RAISE THE BAR

We're creating a new standard for customer experience. We do this by staying true to five fundamentals:



#### ASSORTMENT

We offer an ever-expanding assortment of foods and services that is constantly growing with the needs of our customers.



#### VALUE

We are always looking for new ways to add value and convenience to the lives of our customers and our Franchisees.



#### QUALITY

We provide quality food, products and services that always leave our customers satisfied and coming back for more.



#### SERVICE

Customer service is at the heart of everything we do and has been since the beginning.



#### CLEANLINESS

We ensure our Franchisees always have products like hand sanitizer, hand soap, sink sanitizer, gloves and disinfectant to create a safer environment.

## 2 WE PUSH THE LIMITS

There's no stopping the hustle. We keep growing because there is strength in numbers. 7-Eleven is consistently ranked as a top-10 franchisor and has over 71,000 stores in 17 countries.



Why we continue to stay on top:

#### PROVEN BUSINESS MODEL

land and equipment while providing

#### **FASTER STARTUP**

faster startup times, with first-class

#### **BOOMING INDUSTRY**

With incoming revenue 24/7, 365 days a year, the convenience store industry brings in over \$600 billion





We don't just look into the future – we create it. In addition to our product and brand development efforts, we've invested millions in cutting-edge technology. Our latest focus? Creating state-ofthe-art mobile apps for your customers.



#### 7 M D

A mobile, handheld terminal that makes ordering, inventory control and POS line-busting faster and safer than ever.

#### **7NOW**

A delivery app allowing customers to have their favorites delivered in just 30 minutes.

#### 7REWARDS

A rewards program that provides exclusive discounts and the ability to skip the lines with mobile checkout.



# There are three ways to franchise.



Single-Store Franchise Model



Multi-Store Franchise Model



Business Conversion Program

# SINGLE-STORE FRANCHISE MODEL

Our traditional model is perfect for entrepreneurs interested in becoming business owners. It allows Franchisees to open one store and learn the ropes. The sky is the limit to your growth potential!



#### WHAT YOU'LL NEED:

- U.S. citizenship (or permanent residency)
- and be at least 21 years old.
- · A college degree or equivalent work experience.
- · Pass a comprehensive background check.
- No business interests that, in the opinion of 7-Eleven, might jeopardize your opportunity to successfully implement the 7-Eleven business concept.
- Excellent credit.



If you're interested in franchising multiple stores, you'll also need 5-10 years of multi-unit management experience, preferably in the convenience, retail or restaurant industries.

#### WHAT YOU'LL NEED:

- You must meet all single-store basic requirements.
- You must also identify a designee for every store of interest who will attend and successfully complete the training program along with you.
- You should have a background that supports managing a 7-Eleven store (retail and management experience).



#### FRANCHISE 7-FLEVEN COM/BCP

# BUSINESS CONVERSION PROGRAM

If you independently operate an existing property such as a convenience store, gas station, small grocery store or other retail business, you can convert and operate your business as a 7-Eleven – with or without fuel.



- · U.S. citizenship (or permanent residency) and be at least 21 years old.
- Pass a comprehensive background check
- · Completed online application (www. franchise.7-Eleven.com)
- · Credit score of 650+
- · Completed assessment

- · Completed College of Operational Leadership training
- · Tax Returns Past two years
- Bank statements Past six months
- Liquidity Minimum of \$350K. Must be able to buy the franchise, including any groundup or remodel expenses required.





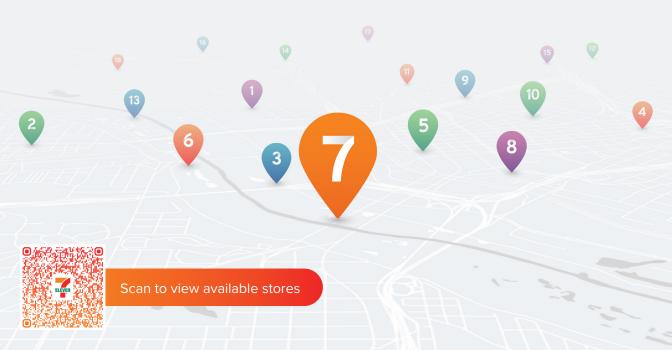
#### SITE-SPECIFIC (FOR EACH SITE)

- · Proof of property ownership (lease/deed landlord estoppel)
- · Copies of permits and licenses (beer/wine, liquor, tobacco, lottery)
- · If gas site Certificates of compliance and financial responsibility

#### IF EXISTING BUSINESS

- · Business tax returns
- · Sales and use tax filings with proof of payment – Past four quarters
- · Existing business audited financial statements from past two years
- · Company bank statements from past six months

## TYPES OF STORES AVAILABLE





#### **Under Construction (UC)**

are stores that are in the process of being built or remodeled.



**Corporate Stores (CS)** are corporate-owned but are available to be franchised.



#### **New Stores Opened (NSO)**

are stores that have been open less than one year.
After one year, they become Corporate Stores.



**Goodwill (GW) Stores** are owned by Franchisees who are interested in selling to other qualified Franchisees.

# **Financials for Franchisees: Know your numbers**

# YOUR UPFRONT INVESTMENT

Average costs vary depending on stores and locations, but generally include:

- Initial franchise fee
- Training expenses
- · Down payment on the store's opening inventory
- Supplies
- · Business licenses

- Permits
- Bonds
- · Cash register fund
- · Grand Opening fee
- · Insurance costs





# 7-ELEVEN IS RESPONSIBLE FOR:

- · Real property & building rent or acquisition cost
- Certain equipment purchases or rent
- Real property taxes
- Some utilities (electric/gas/water/sewer)
- Certain building maintenance
- Certain equipment replacement costs
- · 7-Eleven advertising
- · Initial training material on store operations

- · Bookkeeping and back-office support
- · Certain inventory audits
- · Product development and merchandising assistance
- · Ongoing business advisory assistance



# YOU ARE RESPONSIBLE FOR:

- Payroll, payroll processing expenses and payroll taxes for your employees
- · Workers' compensation and any employee benefits you choose to offer for your employees
- Business taxes and licenses
- Indemnification and insurance
- Cash and inventory shortage
- Store supplies and miscellaneous store expenses
- Equipment maintenance and overall general repairs
- Outside property maintenance and landscaping
- Telephone (store line only)
- Janitorial services
- Uniforms
- Security expenses
- National advertising fee and local store advertising expenses
- Interest expenses
- Other operating expenses and all taxes other than real property taxes





# Monthly Merchandise Sales Cost of Goods

### **Total Gross Profit**

Franchise Share of After 7-Eleven Charge

- Expenses

7-Eleven Share of Merchandise **Gross Profit** 

Support Expenses

= 7-Eleven Net Income

= Franchise Net Income

Merchandise Gross Profit



# FINANCING OPTIONS FOR YOUR SUCCESS

#### **INTERNAL FINANCING**

Up to 65% financing on your initial franchise fee is provided – if you qualify. 7-Eleven also provides financing for inventory purchases and operating expenses.

#### **MILITARY DISCOUNTS**

To make franchising accessible, 7-Eleven offers special military incentives and programs for all qualified U.S. veterans interested in business ownership.

- Up to 20% off the initial franchise fee (savings up to a maximum of \$50,000)
- · Up to 65% financing through 7-Eleven

### YOUR JOURNEY TO GREATNESS



#### **REVIEW YOUR QUALIFICATIONS**

- Have U.S. citizenship (or permanent
- identify potential conflicts of interest



#### **APPLY**



#### **MEET YOUR FRANCHISE ACCOUNT SPECIALIST**



#### **PICK YOUR STORES**



#### **WE MAKE YOU AN OFFER**

If you accept, the agreement is signed and you are off to the next step.



#### **TRAINING BEGINS**

Attend our world-class LAUNCH training.



# CELEBRATE WITH YOUR COMMUNITY!

From the time you fill out your Franchisee application to the date of your big Grand Opening, you'll be surprised how fast you can open your store.









For more information, visit us at **Franchise.7-Eleven.com** and start your application process today.

Participate in a 7-Eleven Franchising webinar available at scheduled times throughout the week.

Attend a Franchising seminar in person. It's a great way to get your questions answered by a Franchise Sales Representative.









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