



*Joey's*  
FISH SHACK

**Business Ownership Kit**



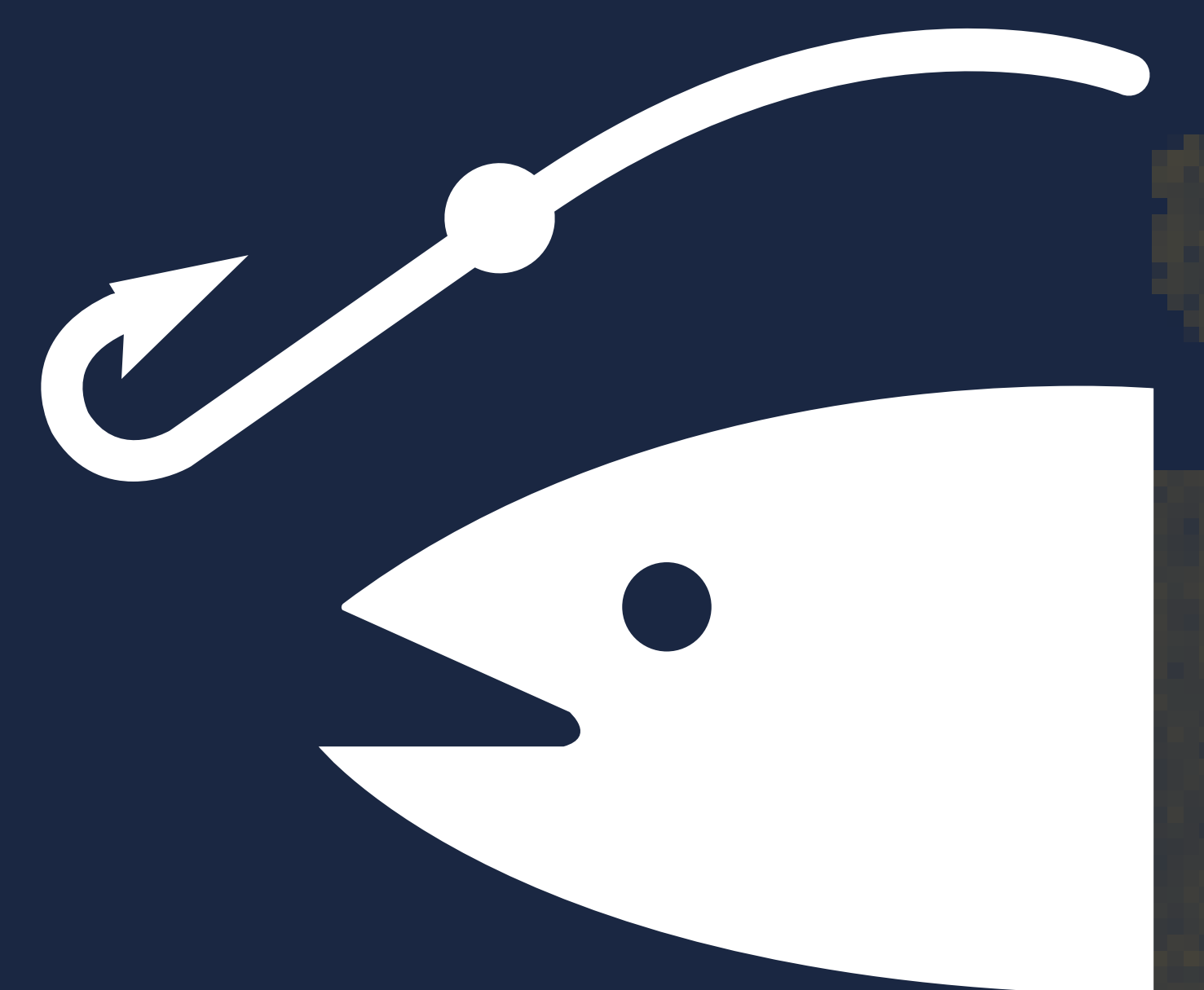
# SEA THE DIFFERENCE


We have been franchising restaurants in Canada since 1992 and have grown into one of the country's most reliable restaurant franchisors.

Our food is inspired from the streets, blending flavours and delivering them in surprisingly delicious ways. We do this by using only high-quality ingredients to provide excellence at all times.

We use sustainably sourced seafood because we believe doing good tastes better, and we'll prove it to you with every visit.

We also care about the environment which is why most of our seafood is sustainably sourced, and we have eco-friendly take-out packaging.





# FAST CASUAL QSR'S ARE GROWING

- Market size of full service restaurants in North America is **\$675bn** in 2023, surpassing 2019 numbers
- Market size has **grown on average of 0.8%** per year between 2016 and 2021 in Canada



# WHY FAST CASUAL SEAFOOD?

- Customers are looking for low-fat, healthier protein options and the emergence of fast casual seafood has seen an upwards growth in popularity.
- Fish is tied to a wide variety of culinary heritages from Mediterranean, Asian, North America, British & more making it a very inclusive food category.
- Considered a good option for vegetarians that allow fish in their diet.
- Lower amount of competition compared to other food categories creating lots of growth opportunities.
- Growing trend, the popularity of seafood and our trend sensitive menu ensures we are current with flavours at all times.

# WE'RE GROWING FAST!

**100%** brand sales growth in 2024

**\$750,000 in yearly sales\*** on average with dual Joeys  
Fish Shack & strEATS locations

**2** new locations in **2023**

**10** projected locations in **2024**

\*based on the top 25% performing locations

# OUR GROUP

Joey's Franchise Group operates loved brands like Joey's Seafood Restaurants, strEATS, and Joey's Fish Shack & more for well over 35 years.

Furthermore, Joey's Franchise Group has great buying power which means lower food costs for our Franchisee.

We believe the next generation does not want to sit inside a typical QSR store, they want to go to their local spot that feels local which is why **it's our goal to create franchises that curate & offer local experiences.**

**200+ Years of Restaurant Experience**  
**38+ Years in Business**



# ADVANTAGES

- **Less Staff** - Joey's Fish Shack requires fewer employees because of our unique operations, menu and facility design meaning more cost savings.
- **Lower Franchise Fees** - Considerably less than many other concepts
- **Good Locations** - We fill a market niche with little competition and provide developers & landlords an exciting option compared to "ordinary" concepts in the market today. We also handle all negotiations and real estate hunting for you.
- **Unique** - Mid priced, high quality neighbourhood fast casual with little competitors nationally.
- **Longevity** - Because we've been around for over 38 years, there's a proven track record and less risk you incur.

YOWHISHSIDE



# THE NUMBERS

- Average location size : **1,500 sq/ft**  
(RENT\* \$4375/mo based on \$35 sq/ft)
- Average staff needed : **8 - 12**
- Average food cost\* : **26%**
- Average crew labour\* : **21%**
- Top performing Joey's locations hit **\$1.1m** in revenue

Rent \* Based on average location across Canada. Base rent only.

Sales \* Based on markets with over 30k population with location in operation over 12 months.

Food Cost \* Based on ideal recipe costs on product cost analysis breakdown.

Crew Labor \* Based on profit and loss statements submitted from top performing locations in 2020.

# OUR CUSTOMERS

## FAMILIES

*Joey Fish Shacks Primary Target For Locations*

### AVG. HOUSEHOLD INCOME

\$141,436

### AVG. HOUSEHOLD NET WORTH

\$572,677

### RESIDENCY

Own

### EDUCATION

College/ High School

### OCCUPATION

Mixed

### FAMILY LIFE

Mixed

## FRIENDS & ROOMIES

*Joey Fish Shacks Secondary Target For Locations*

### AVG. HOUSEHOLD INCOME

\$68,137

### AVG. HOUSEHOLD NET WORTH

\$185,813

### RESIDENCY

Rent

### EDUCATION

University / High School

### OCCUPATION

Service Sector / White Collar

### FAMILY LIFE

Younger Singles & Couples

# OWNERSHIP QUALIFICATIONS

We love working with passionate and driven partners. Below are think are important to be able to be a successful franchise partner:

***When awarding franchises, we look for the following key attributes:***

- A positive and ongoing attitude
- Good business acumen and business financial knowledge
- Strong problem-solving skills and the ability to see projects through to completion
- Well-rounded people, leadership, and communication abilities
- Hands-on ownership is preferred but an operating partner should hold a minimum of 20% interest in the business if the majority owner is not a day to day operator
- Food-service experience is a plus, but not a prerequisite.
- Strong love for working with people

# INVESTMENT

<i>Pre-opening Training Program</i>	\$10,000 to \$10,000
<i>Third Party Contracts</i>	\$300 to \$400
<i>Initial Franchise Fee</i>	\$35,000 to \$35,000
<i>Opening Promotion Fee</i>	\$5,000 to \$5,000
<i>Signage</i>	\$5,000 to \$10,000
<i>Deposits, Permits, &amp; Drawings</i>	\$11,500 to \$25,000
<i>Leasehold Improvements &amp; Fixtures</i>	\$140,000 to \$280,000
<i>Furniture, Equipment &amp; Small Wares</i>	\$120,000 to \$168,000
<i>Opening Inventory</i>	\$7,500 to \$10,000
<i>Professional Fees, Legal and accounting</i>	\$5,000 to \$10,000
<i>Business License &amp; Permits</i>	\$250 to \$2,500
<i>Expenses during training</i>	\$3,000 to \$5,000
<b>Total Estimated Cost</b>	<b>\$352,550 to \$575,900</b>

## **Recurring Fees**

<i>Monthly Royalty Fee From Food Sales</i>	5%
<i>Advertising Fee</i>	3%

\* Unless expressly stated to the contrary, none of the costs comprising the Estimate are refundable. The Estimate has been prepared on the basis of the square footage noted. Changes in the size of the Location will impact development costs. The estimated cost of leasehold improvements and fixtures assumes a leasehold improvement allowance equal to \$20.00 psf which has been subtracted in the cost of Leasehold Improvements. In the event that the landlord declines to provide an allowance, or provides a lesser allowance, Franchisee's cost of developing the Location will increase commensurately.

Leaseholds and Fixtures includes Construction Management Fee. The Estimate does not account for any upgrades/options in respect of equipment, leased equipment (signage, dishwasher, communications equipment), or incidental costs incurred at the option of Franchisee. All amounts listed above are exclusive of GST, PST and HST, where applicable. PST or HST (depending on the province) is payable on most of the above costs, and GST or HST (again depending the province) is generally payable on all of the above costs, but may be recoverable by Franchisee. The Estimate is based, in large part, on Franchisor's historical experience in developing JOEY'S restaurants. Franchisee's actual costs of establishment may vary from the Estimate, based on construction rates in Franchisee's region, the present-day economy and other factors beyond Franchisor's control.

# OWNERSHIP PROCESS

## Step 1

Send us an inquiry in interest to own a Joey's Fish Shack by emailing either [dave@joeys.ca](mailto:dave@joeys.ca) or calling 1-800-661-2123 and asking for Dave Mossey.

## Step 2

Must have a net worth of at least \$400,000 as well as 40% of the total costs to open in unencumbered funds.

## Step 3

Approve pre selected location from strEATS team

## Step 4

Agree to lease conditions negotiated by the Fish Shack team.

## Step 5

Sign off on restaurant plans (the layout, architectural drawings etc)

## Step 6

Attend 4 week training program

## Step 7

Hire staff & open after marketing push

## Step 8

Operate day to day, follow policies and procedures of the restaurant

# WE MAKE LIFE EASY!

We know the process of store ownership can be tedious and tough which is why we aim to make the process as easy as possible!

Our perspective Franchisee have to do as little to no work as possible during build outs other than to simply sign off, get the keys and start selling!

*Below are things we handle during the building process:*

- Pulling permits
- Architectural drawings
- Finding advantageous locations
- Negotiating lease
- Offer to lease
- Handling quotes from General Contractors
- Interacting & management of General Contractors
- Check ups on the store throughout construction
- Ordering of equipment
- Training for staff & Franchisee

## OUR 4 WEEK TRAINING PROGRAM

*In order to get you ready for ownership, before your Joey's Fish Shack franchise is ready to open - we provide you with a 4 week training program that gets your fully ready for the following:*

- 1) Day to Day Operations
- 2) Back End Managerial
- 3) Labour Cost Analysis
- 4) Fixed Expenses
- 5) Budgets
- 6) Projections
- 7) Cash Procedures
- 8) Accounting
- 9) Scheduling
- 10) Hiring, Interviews
- 11) How To Cook
- 12) Food Sanitation
- 13) Food Ordering
- 14) Stock Management
- 15) People Management
- 16) Customer Experience
- 17) Recipes
- 18) Marketing

# DAY TO DAY RESPONSIBILITIES

Once your Joey's Fish Shack franchise is live & open - it will be hard work for the first 3 to 6 months.

We typically recommend Franchisee to be in their stores to ensure operations are running smooth & their staff are correctly trained.

*Below is a typical work flow of the types of responsibilities you can expect while owning a Joey's Fish Shack:*

- 1) Ensuring food being put out to customers is good
- 2) Protecting product quality
- 3) Handling rush hours
- 4) Closing of store (ensuring finances and cash are done correctly)
- 5) Inventory once a week
- 6) Labour cost analysis to ensure profitability
- 7) Two hours a day with local sales marketing to drive business
- 8) Maintaining customer satisfaction & reviews



# FISH SHACK

## OPERATIONS & SUPPLY

*We have a centralized purchasing & distribution system to ensure the highest level of quality & lowest price possible for our Franchisee.*

- 1) A full time buyer on our staff whom negotiates volume contracts with vendors all across the world.
- 2) Cost analysis on costing of items & sourcing items
- 3) Handling of vendor relations for preferred rates.

**We estimate we pay 20% less** than an independent on food cost!





# OCEAN SUSTAINABILITY PROJECT

## OCEAN SUSTAINABILITY AT OUR VERY CORE

We care a lot about the long term survival of our oceans, so we have deemed it important to follow the recommendations of the world's authority on Ocean Sustainability.

We pride ourselves in sourcing only the highest quality fish for our fish taco. Our fish comes from an Alaska fishery certified to withstand overfishing.

It is a well-managed fishery with a long history of exceptional attention to sustainable practices - caught in a way that limits bycatch or any damage to marine environments such as coral reefs!

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# CUSTOMER REVIEWS

## **Stephane Gauvreau (Local Guide)**

“Saw an article on this new version and location of Joey's seafood. There is parking a couple doors down. The sign outside allows it to blend in with the neighbourhood but does it no justice inside. Place is way bigger then it looked in the pictures. This allowed for comfortable distancing. Service was great. Drink menu may be limited but it isn't meant to be a bar and there was plenty to pick from. The craft eight eighty eight beer was good. Coconut shrimp were delicious as was all of the food. The two piece fish special was delicious. Kids menu had a good section as well. It was a bummer to see it so empty when got there but it filled up and there was a steady stream of skip drivers. Worth giving this try! We will be back.”

FISH SHACK

# HEAR IT FROM OUR PARTNERS

## **Robyn and Mauricio, Medicine Hat Owner**

"What sets Joey's Fish Shack apart is their dedication and commitment. They give us a viable opportunity to live our dreams.

It's a place that employees can come and work and be trained and learn values that can impact both their day-to-day, and maybe impact the rest of their lives.

They build turnkey opportunities based on their growing successes in the business. They roll their positive attitude forward and kindly remind us the reason we (franchisees) need to do things a certain way is because they've done it the other way and have learned from it.

They have an incredible home office staff that's here to support you in every aspect of the business, everything from your initial site selection to build out process to opening to pre-marketing to grand openings. They provide access to training videos and content online that we can retrain our employees with."

# FAQ

## **How much non-borrowed capital must I have initially?**

*We recommend you have at least 40% of the opening cost in liquid assets to apply toward the purchase of the franchise package. The balance of the franchise package cost can usually be financed through various lending programs of any chartered bank, subject to fulfillment of their usual credit requirements.*

## **Can I be an absentee owner?**

*Yes but it is desirable that the day-to-day manager hold a 20% or greater interest in the franchise.*

## **Is prior experience necessary?**

*No, specific restaurant experience is not needed. Joey's Fish Shack, looks for individuals with an understanding of general business principles, a satisfactory financial rating, and the ability to invest in and support a restaurant.*

## **Must I lease directly from a landlord or may I build my own building?**

*You may do either of these provided the site plan and building have been approved by Joey's Fish Shack.*

## **Will I need a lawyer?**

*We strongly recommend that you receive legal counselling to completely understand your obligations to owning a business.*

## **May I purchase some of my equipment products from suppliers other than Joey's preferred suppliers?**

*Yes, but these suppliers must first have the approval of Joey's Fish Shack.*

# FAQ

## **In addition to the initial franchise fee, what ongoing payments am I required to make during the term of the Franchise Agreement?**

You are required to make the following payments on an ongoing basis during the term of the Franchise Agreement:

- a) A weekly royalty fee of 5% of food sales.
- b) A weekly advertising fee of 3% of food sales.

## **What happens after I am approved as Joey's Fish Shack Franchisee?**

*When an application is approved for a Joey's Fish Shack franchise, the applicant obtains an available territory and the Franchise Agreement is signed for that territory. Upon approval of the location and building plans, construction begins. Equipment purchasing, license agreements and other finishing details will be ongoing during the four-week training program. The last step will be on-site training of your personnel with our qualified support staff.*

## **How do I further pursue a Joey's Fish Shack Restaurant Franchise?**

Please complete the enclosed confidential questionnaire and return it to Joey's Only Franchising Ltd.

We will review your questionnaire and promptly call you to discuss whether you should continue to pursue a Joey's Fish Shack Restaurant Franchise.

# DISCLAIMER

Joey's Fish Shack, is a franchise system owned and operated by Joey's Franchise Group, which also operates:

strEATS Restaurants  
Joey's Urban Restaurants

For more information about Joey's Fish Shack or any other of our Franchise concepts:

Please Contact:

Dave Mossey

**Joey's Fish Shack**

c/o Joey's Only Franchising Ltd.

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