

## Cantina Laredo Background

### who we are

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Inspired by consumers' growing taste for more authentic flavors, Cantina Laredo offers a menu that evokes the sophisticated gourmet tastes of Mexico City. From the day the first Cantina Laredo opened in 1984, guests have enthusiastically embraced our concept. Critics have praised us as well. An authoritative Dallas magazine named Cantina Laredo one of the 12 best restaurants in the city. The reviewer notes, "...the food outshines anything I've had on trips across the border."

Over the last 30 years we have devoted great effort to product development and process improvements to ensure that we always deliver the highest level of great Mexican food to our guests. Combining the traditional with modern flairs, the menu is unique and includes grilled fish, chicken and steaks complimented by signature sauces.



# Cantina Laredo Today

## an overview

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Today, Cantina Laredo is our company's fastest growing concept. We are opening corporate and franchise units throughout the country and abroad. The high-end Mexican segment is poised for large growth and we are the leader in this space.

There are a number of cultural and demographic factors that are driving the growth of sophisticated, authentic Mexican and Latin cuisine. In the United States, the Hispanic population is expanding substantially and this demographic event has significantly influenced Anglo dining preferences. Not only are there a growing number of upscale Mexican and Latin restaurants, but also grocery stores are devoting increasing shelf space to Latin inspired products that cater to both Anglo and Hispanic markets. A stunning example is that salsa has replaced ketchup as America's best selling condiment.

Mass media and ease of international travel have also contributed to the fact that American's tastes are more worldly. With affordable vacation packages to all parts of the world and the popularity of numerous food, cooking magazines and television shows, our society has embraced the tastes found in authentic ethnic cooking.

Cantina Laredo is well positioned to profit from these trends. Our growth is fueled by consistently excellent food and service that meets the market's demand for high quality, world-class cuisine.



## Support Services

Cantina Laredo is part of an organization with 75 years of restaurant experience and 45 years of franchise experience. We operate over 100 company owned restaurants and over 40 franchise restaurants in 17 states and 4 countries. These decades of experience as a restaurant operator and franchisor enable us to offer our single-unit and multi-unit franchisees the highest level of support. The following are services we offer franchisees:

### Site Selection

We are ready to assist you in locating a site for your Cantina Laredo restaurant. Over the years we have developed site selection criteria you can use as a guideline in locating your new restaurant. While we do not select your site for you, we will be available to consult with you based on our experience in selecting sites for our own units. We will review your site choices and help you make an evaluation based on building criteria, market area, site characteristics and access.

### Construction

We will provide a set of restaurant plans and will work with you to develop a layout to fit the particular characteristics of your site. Our construction personnel can visit your site and offer recommendations for necessary modifications. We can also assist you with remodeling enhancement programs, equipment specifications, source lists, document/permit review and design review.

### Training

We understand the value of consistent and comprehensive training standards. Our Training Department has developed a detailed and extensive program to prepare your management team to run the restaurant. At our management training facility in Dallas, Texas, we will provide your management team with training on how to run your restaurant. In addition to classroom instruction, there is hands-on front and back of the house training in a corporate restaurant. We also have developed training programs for your employees that cover all aspects of operating your restaurant from food preparation techniques to service standards.

We will send a team of experienced trainers prior to your opening to train all new crew members. They will provide hands-on training during the opening for both the front and back of the house. The training team will remain on-site after the restaurant opens as a support unit for the management team.



## Support Services (continued)

The Cantina Laredo Operations Manual provides operating procedures and policies to help you run your restaurant. We will provide you with recipes, manuals and materials covering food preparation, portioning and service.

Our Operations Department gives you help where you need it - in your restaurant. A Franchise Operations Consultant with years of restaurant management experience will be on-hand to help you with your opening. Your consultant will continue to support you and your management team with periodic in-store visits to help you analyze your operations, provide new product training and update your management team on new procedures to maximize your operations.

### **Purchasing**

The Purchasing Department negotiates services and price agreements with approved suppliers and distributors. You will be provided with systems and products that are identified as the approved core menu to create brand alignment and to leverage the purchasing power of our company.

### **Information Technology/POS Support**

The IT Department offers comprehensive POS support starting with setup and installation. On an ongoing basis, we can provide POS Hotline support, software database changes and hardware depot services.

### **Marketing & Advertising**

The Cantina Laredo Marketing Departments's mission is to create top-of-mind awareness while building the brand image in each of the communities we serve. Marketing campaigns are developed to support the overall positioning of the Cantina Laredo brand. Marketing supports these objectives by developing and executing electronic media advertising, local store marketing programs, print programs, promotions and point of purchase merchandising. These marketing tools are made available to our franchisees as they are developed.



# Franchise Investment Information

## Initial Franchise Fee

The initial franchise fee is \$50,000 per restaurant.

## Development Fee

(if you choose to develop multiple units in an exclusive geographic area)

The development fee is individually negotiated for each geographic area based on a variety of factors, including the number and location of Franchised Restaurants to be developed, an evaluation of market conditions such as market penetration of Franchised Restaurants and Company-Owned Restaurants, the area's size, population, per capita income and other demographic and psychographic data.

## Royalty Fee

The continuing royalty fee is 5% of gross sales.

## Estimated Range of Initial Investment

	(High)	(Low)
Initial Franchise Fee (1)	\$50,000	\$50,000
Land and Site Preparation (2)	\$950,000	\$300,000
Construction Costs, Signs and Landscaping (3)	\$1,100,000	\$800,000
Furniture, Fixtures and Equipment (4)	\$850,000	\$675,000
Organizational: Permits, Taxes, Licenses & Insurance (5)	\$200,000	\$100,000
Opening Inventory and Pre-Opening Expenses (6)	\$150,000	\$75,000
Additional Funds (7)	\$75,000	\$50,000
Training Costs (8)	\$190,000	\$60,000
Total (9)	\$3,565,000	\$2,110,000

More detailed information regarding these cost estimates is found in the Uniform Franchise Offering Circular (UFOC).



# Real Estate

## Site Guidelines

- High visibility end cap and freestanding locations approximately 6,500 square feet, located no more than 100 feet from the main road.
- Sources for strong lunch and dinner business: trade area mix of offices, hotels and detail with surrounding residential.
- Median HH incomes in the top 20% for the MSA.  
15,000 or more households with household income above \$125,000.
- Per capita incomes 30% greater than MSA average.
- Strong co-tenancy consisting of high-end retail, entertainment venues such as movie theaters, daily needs and/or lifestyle centers.
- Minimum of 30,000 vehicles per day along the main frontage road.
- In-line locations will be considered if they meet the above criteria and are not more than 50 feet from the road, have signage clearly visible to passing traffic and exceptionally strong co-tenancy of shopping center.
- Maximum signage as allowed by code with ability to secure tenant panel shopping center signage and/or individual monument sign.
- The ability to incorporate patios, awnings and umbrellas adjacent to the premises.

## Utility Guidelines

- HVAC - One ton per 100 sq. ft.
- Make up air and exhaust shaft to accommodate Type 1 Hood
- Electrical - 800-amp service at 120/208V-3P-4W
- 6-inch Sanitary Sewer and appropriately-sized grease interceptor as required by local code
- 3-inch Plumbing vent stack and ability to vent directly through the roof
- 2-inch Water line with separate meter to the premises
- 3 mil. BTU natural gas line capacity
- Meet all ADA requirements for all means of ingress/egress



# How to Apply

Cantina Laredo is seeking individuals or organizations who meet the following minimum characteristics:

- You or a member of your team must have restaurant management experience.
- Minimum financial net worth of \$1 million with liquidity of \$250,000.
- Knowledge of real estate and trade areas in your desired markets.
- Enthusiasm, drive and passion for the restaurant industry.

To receive a Cantina Laredo Franchise Application, please complete and fax this request form to (972) 888-4288 or mail to:

Cantina Laredo Franchising  
12200 Stemmons Fwy, Suite 100  
Dallas, Texas 75234

First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Country: \_\_\_\_\_

Preferred Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

Company Name: \_\_\_\_\_

Market you wish to develop: \_\_\_\_\_

How did you learn about this franchise opportunity? \_\_\_\_\_

To be approved as a franchisee, you must meet the minimum financial requirements: \$1 million net worth with \$250,000 liquid. Are you financially qualified? YES NO

Do you have experience as an owner/operator of a food service business? YES NO

Do you currently own or operate a restaurant business? YES NO

This information is not intended as an offer to sell, or the solicitation of an offer to buy a franchise. If you are a resident of one of the states that regulate the offer and sale of franchises, we will not offer you a franchise unless and until we have complied with applicable pre-sale registration and disclosure requirements in your jurisdiction.

