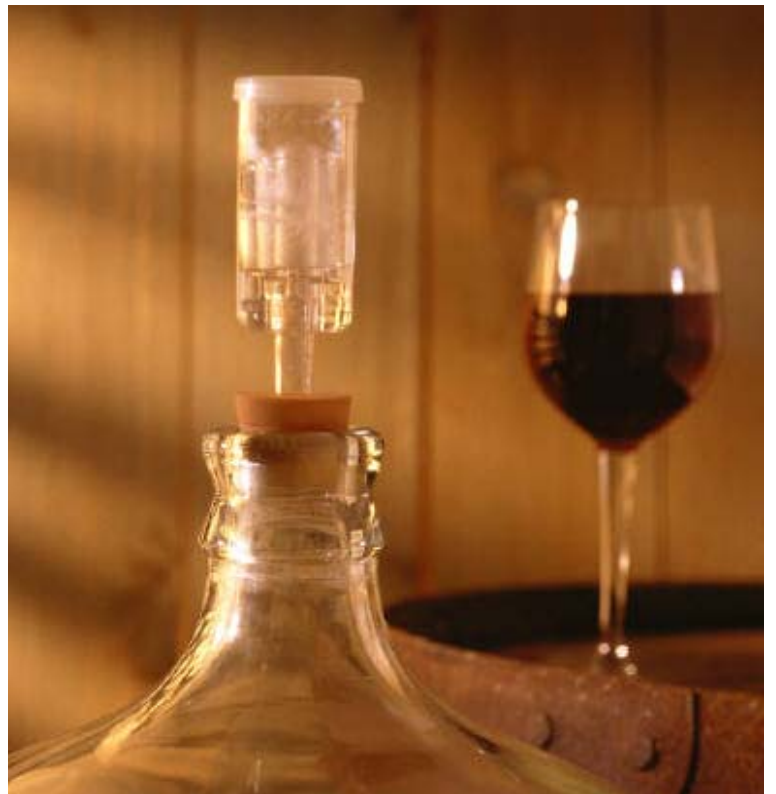




WINE  KITZ

CANADA'S LARGEST WINEMAKING FRANCHISE

since 1959



# THE COMPANY & THE OPPORTUNITY

*opportunity*

## ABOUT WINE KITZ

Since its inception in 1959, Wine Kitz™ (originally known as Wine Art™) has been the leader in the consumer winemaking industry and today is one of the world's largest and most respected winemaking retailers. Since we manufacture our own wine kits, we can confidently stand behind the quality of our wines and guarantee you will love the wines you make with us.

## THE OPPORTUNITY

**Wine Kitz is Canada's largest winemaking franchise and is 100% Canadian owned and operated.** From coast to coast Wine Kitz provides the best wine value available. Whether you enjoy a glass of wine occasionally or have a wine cellar your friends would envy, you can help your customers enjoy their favourite wines, all for a fraction of the cost of wines purchased in your local liquor store. Your customers will experience how easy, convenient and fun winemaking is in our newly designed stores.

**The Opportunity is Now! Wine Kitz is Now Growing Across Canada.** Great protected territories remain available in many markets. The opportunity is now to secure your Wine Kitz franchise in the market that you would like to be in.

**Canadians love wine.** Wine consumption continues to be on the rise in Canada and shows no signs of slowing down. Wine Kitz is well positioned to take advantage of the quality and value conscience wine-drinking consumer.\*

**Wine can be part of a healthy lifestyle.** Over the past 30 years, hundreds of scientific studies throughout the world involving more than 1 million people, have suggested that moderate wine consumption can extend life expectancy by several years beyond that of non-drinkers, assist in protecting against various types of heart disease and cancers, and delay or reduce the risk of developing a range of other disease.\*\*

\*According to Statistics Canada and LCBO-2003

\*\*According to the Canadian Vintners Association-2004

## WHY MAKE YOUR OWN WINE?

### 1. Yes! It does taste good!

Our wines compete directly on taste and in some cases better than commercial wines currently available in the \$10-\$18 range. Not only does it taste great, it looks great! Our new front and back labels allow you to present a wine to your friends and family that you will be proud of. They may even think you bought it at a liquor store!

**2. Yes! It does cost much less than commercial wine!** Wine Kitz wine gives you tremendous value. You can save upwards of 66% off the price of comparable commercial wines.

### 3. Yes! It is convenient!

Having an accessible "wine cellar" available in your own home becomes much more convenient than visiting your local wine retailer several times a month.

### 4. Yes! It is fun!

Making your own wine is an enjoyable and rewarding experience.



**WINE KITZ**

# HOW WINE KITZ SUPPORTS YOU

*support*



## WE FOCUS ON EXCEPTIONAL WINE SO YOU CAN FOCUS ON CUSTOMER SERVICE!

Backed with over 50 years experience producing top quality wine kits, you will be promoting a truly exceptional product. We source grapes from top vineyards and wineries from around the world. At our state-of-the-art facility, through innovative product development, we develop wine kits that surpass our exacting standards and make wines that have characteristics and taste profiles of equivalent comparable commercial wines at a fraction of the cost.

## OUR NEW WINERY ESTATE STORE DESIGN

Your Wine Kitz franchise will be based on our new Winery Estate Store Design and equipped with the latest in winemaking equipment and supplies.

## OUR COMMITMENT TO KEEPING INITIAL AND ONGOING COSTS LOW

This focus will help you build a profitable business sooner.

- Low Franchise Fee - Only \$20,000! Which includes assistance in site selection, construction management and lease negotiation.
- Low Flat Rate Royalties - dare to compare!
- Low product costs with ongoing discounts. Our direct affiliation with manufacturing gives us the advantage of passing the savings on to our Franchise Partners.

## SITE SELECTION ASSISTANCE LOCATION! LOCATION! LOCATION!

Ultimately you will choose your location, however we will provide you with the key information to assist you with that decision. We will review available sites in the chosen area based on our site selection criteria such as community demographic studies, traffic studies, visibility, ingress and egress considerations and assessment of local competition. Furthermore, we will assist you in lease negotiations.

## NEWLY DESIGNED TRAINING PROGRAM

Our new training program will assist you in understanding the aspects of operating a successful Wine Kitz franchise. The course includes wine knowledge, hands on winemaking skills, sales and marketing skills, and day-to-day business operations management.



**WINE**  **KITZ**

# THE RIGHT TOOLS *Tools*

## WE PROVIDE YOU WITH THE TOOLS TO OPERATE AN EFFICIENT AND ENJOYABLE WINE BUSINESS

You will have access to the Wine Kitz Operations Manual, which will provide you with the most up-to-date guidelines and expertise. In addition, you will receive ongoing support from your designated Regional Manager. The 1-800 customer service line and our website will provide service when you need it for both you and your customers.

You will be involved in national and regional meetings and conferences to sharpen your skills, network with franchisees, suppliers and head office staff. We remain in contact with our stores through our regular communication, which provides updates on numerous initiatives.

## SUCCESSFUL ADVERTISING AND PROMOTION

The Wine Kitz marketing department provides the development and production of marketing materials, which helps you build a consistent image and further develop our brand recognition locally, regionally and nationally.

We attract new customers through our professional and effective advertising materials, including point-of-purchase materials, newspaper ads, postcards and e-blasts, all designed to tie in with our various product promotions throughout the year. Our marketing and operations teams will assist you in your marketing plan for the year and help you build awareness in your community.

Wine Kitz emphasizes regular contact with present customers through The Wine Press newsletter and additional promotions which encourages repeat business and builds ongoing customer loyalty.



# THE PRODUCT

*product*

## WINE KITZ HAS A WINE TO SUIT YOUR EVERY MOOD

Wine Kitz has a wine to suit your every mood. You'll find dozens of choices from the classics such as Chardonnay, up-and-coming wines such as Pinot Grigio to the unique such as Old Vines Zinfandel. We have bold exciting reds, tempting crisp whites and delightful fruit wines plus ports, sherries, and classic ice wines. Many locations also offer selected beer kits for their customers enjoyment.

Wine Kitz offers Limited Release wines frequently, thus providing our customers with exclusive offerings,

that are available for a limited time in restricted quantities. These wines may be the hottest trend, a popular grape varietal from a specific region around the world or for a special time of the year.

Wine Kitz also offers winemaking equipment for those who make wine in the comfort of their own home. In addition, each store carries a selection of wine accessories where you'll find wine related items such as glassware and corkscrews.

## GENERAL INFORMATION

	RETAIL WITH IN-STORE WINERY (BC, NB, ON, PE & SK - 1500 SQ. FT)		RETAIL ONLY (AB, MB, NL, & NS - 1000 SQ. FT.)	
RANGE	LOW	HIGH	LOW	HIGH
FRANCHISE FEE	\$20,000		\$20,000	
LEASEHOLD IMPROVEMENTS	\$75,000	\$110,000	\$60,000	\$75,000
EQUIPMENT & SOFT SUPPLIES	\$20,000	\$30,000	\$8,000	\$12,000
INVENTORY	\$12,000	\$15,000	\$12,000	\$15,000
<b>TOTAL</b>	<b>\$127,000</b>	<b>\$175,000</b>	<b>\$100,000</b>	<b>\$122,000</b>

Other Related Costs: Other costs that may be incurred by the franchise partner prior to opening include: working capital, professional fees, office supplies, uniforms, petty cash, security deposits (such as rent and utilities), license fees, professional fees and other prepaid expenses, grand opening advertising, training costs, pre-opening wages and benefits, administration charges and insurance.

NOTE: These figures are only estimates of the investment to set up a Wine Kitz store. No representation or warranty is made by the Wine Kitz Franchise Inc. that your investment experience will be the same or similar to the estimates given.

Flat Rate Royalty Fee per month (plus taxes):

Year 1 \$390    Year 2 \$590    Year 3 \$790    Year 4 \$890    Year 5 to 10 \$990

Marketing and Promotion Fund: \$250 per month (plus taxes)



**WINE KITZ**

# BECOMING A FRANCHISE PARTNER

## OUR STEP BY STEP PROCESS TO BECOMING A FRANCHISE PARTNER

1. Visit winekitz.com and submit our short introductory questionnaire.
2. Meet with a Wine Kitz Regional Manager/Director
3. Complete a Confidential Information Form
4. Visit existing Wine Kitz stores
5. Meet with the Director of Franchise Operations
6. Review the Franchise Agreement with your Franchise Lawyer
7. We will review any further questions that you may have.
8. Select the available area, execute the agreements and select a location.

IF YOU LOVE WINE AND HAVE A PASSION TO OPERATE YOUR OWN WINE MAKING STORE  
WE WOULD LOVE TO HEAR FROM YOU!

## CONTACT INFORMATION

### WINE KITZ FRANCHISE DEVELOPMENT

Call: Blair Sampson (902) 462-7884    Email: [blairsampson@accesswave.ca](mailto:blairsampson@accesswave.ca)  
Visit: [www.winekitzatlantic.ca](http://www.winekitzatlantic.ca)

YOU WILL LOVE THE WINE YOU MAKE WITH US!  
100% MONEY BACK GUARANTEE.



**WINE**  **KITZ**