

# FRANCHISE DISCLOSURE DOCUMENT



## MUGINOHO INTERNATIONAL, INC.

dba: Beard Papa's

A New York Corporation

20695 South Western Avenue, Suite 120

Torrance, California 90501

310-642-6542

[www.beardpapa.com](http://www.beardpapa.com)



We offer Beard Papa's franchises for the operation of dessert shops selling a limited menu including our proprietary Beard Papa's cream puffs and other proprietary dessert, sweets, and beverage items as well as nonproprietary beverages we designate or approve (collectively "Beard Papa's Shops" and individually "Beard Papa's Shop"). We offer franchises for the development and operation of one Beard Papa's Shop that we refer to as single unit franchises as well as area development franchises that permit an area developer franchisee to develop an agreed upon number of Beard Papa's Shops in a designated area on an agreed upon schedule. Beard Papa's Shops use Muginoho International, Inc.'s proprietary business operating methods and trade and service marks owned by us or an affiliated entity.

The total investment necessary for a single unit franchisee to begin operation of a single unit Beard Papa's franchised business is \$188,100 to \$442,350. This includes \$65,700 to \$97,150 that must be paid to the franchisor or its affiliate(s). If you execute an Area Development Agreement, you would also pay \$15,000 for each additional Beard Papa's Shop you commit to open (typically between \$30,000 and \$60,000).

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Kazuhiro Nakamura at 20695 South Western Avenue, Suite 120, Torrance, California 90501; telephone 310-642-6542.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, such as a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's homepage at [www.ftc.gov](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issued: **February 8, 2018.**

WA

## STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with the state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit F for information about the franchisor, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION AND ARBITRATION ONLY IN CALIFORNIA. OUT OF STATE MEDIATION AND ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE OR MEDIATE WITH US IN CALIFORNIA THAN IN YOUR HOME STATE.
2. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See the next page for registration state effective dates.

## STATE EFFECTIVE DATES

Some states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration, before franchise offers or sales may be made. These states, and the current franchise registration or franchise registration exemption status of Beard Papa's Franchise Disclosure Document in these states, are:

California	March 24, 2017
Connecticut	<i>not registered</i>
Florida	<i>not registered</i>
Hawaii	<i>registration pending</i>
Illinois	<i>registration pending</i>
Indiana	<i>not registered</i>
Kentucky	<i>not registered</i>
Maryland	May 15, 2017
Michigan	<i>not registered</i>
Minnesota	<i>not registered</i>
Nebraska	<i>not registered</i>
New York	July 13, 2017
North Dakota	<i>not registered</i>
Rhode Island	March 15, 2017
South Dakota	<i>not registered</i>
Texas	October 15, 2004 (permanent exemption)
Utah	<i>not registered</i>
Virginia	May 31, 2017
Washington	March 30, 2017
Wisconsin	<i>not registered</i>

In all other states not listed above, the District of Columbia, Puerto Rico and U.S. territories, no franchise registration or franchise registration exemption laws apply, and the effective date of the Beard Papa's Franchise Disclosure Document in these states and jurisdictions is February 8, 2018.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/beard-papas-sweets-cafe>