

FRANCHISE DISCLOSURE DOCUMENT



Sbarro Franchise Co., LLC
(a Delaware limited liability company)
1328 Dublin Road
Columbus, OH 43215
(614) 769-9911
www.sbarro.com
cagostinelli@sbarro.com

The franchise offered is for the operation of a franchised Sbarro business to operate an Italian style restaurant, featuring Italian foods and related items. A Franchisee may also operate a food service facility offering Italian foods at an institution, such as a college campus or hospital, or at a captive market location such as a highway rest stop. On occasion, certain existing company-owned Sbarro Restaurants (each, a "Conversion Restaurant") may be offered for sale to a Franchisee.

The total investment necessary to begin operation of a new Sbarro Restaurant franchised business is between (i) \$282,500 and \$585,300 for inline shopping center units, and (ii) \$288,200 to \$489,000 for food court units. In either case, this includes \$20,000 to \$35,000 that must be paid to the franchisor or its affiliate(s). The total investment varies depending on the type of new Sbarro Restaurant a Franchisee operates.

The total investment necessary to begin operation of a Conversion Restaurant franchised business is (i) between \$180,500 and \$642,800 for inline shopping center units, and (ii) \$186,200 to \$634,500 for food court units. In either case, this includes \$120,000 to \$535,000 that must be paid to the franchisor or its affiliate(s). The total investment varies depending on the type of Conversion Restaurant a Franchisee operates.

We are not obligated to offer you the opportunity to enter into a Development Agreement, but if we agree, in our sole discretion, to enter into a Development Agreement with you for new Sbarro Restaurants, then the total investment necessary to begin operation of a new Sbarro Restaurant will be negotiated on a case by case basis at the time the Development Agreement is entered into and there is no range or formula used to determine this fee.

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 Disclosure 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 Wendi Zborovsky at 1328 Dublin Road, Columbus, OH 43215; (614)769-9911.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like 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 (the “FTC”). You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC’s home page at 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.

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How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Exhibits J and K.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Exhibit L includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Sbarro® business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Sbarro® franchisee?	Item 20 or Exhibits J and K lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

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