

**NUMBER 7.1 FRANCHISE DISCLOSURE DOCUMENT
FOR TRADITIONAL SONIC DRIVE-INS AND NON-TRADITIONAL SONICS**



Sonic Franchising LLC
(a Delaware limited liability company)
300 Johnny Bench Drive
Oklahoma City, Oklahoma 73104
(405) 225-5000
www.sonicdrivein.com

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Sonic Franchising LLC (“Sonic”) licenses the operation of Sonic restaurants, which feature a variety of specialty drinks (such as cherry limeades and slushes), ice cream desserts, cheeseburgers, chicken entrees, hot dogs, onion rings and tater tots and breakfast items.

At a typical “Traditional Sonic Drive-In,” a customer parks in one of 8 to 24 covered drive-in spaces and orders through an intercom speaker system. A Carhop then delivers the customer’s food directly to the customer’s vehicle. Most Traditional Sonic Drive-Ins include a drive-thru lane and a patio, and frequently, an enclosed patio or indoor seating. A “Non-Traditional Sonic” generally includes any location other than a free-standing building with canopies devoted to the operation of a Sonic restaurant and accessible to the general public by motor vehicles from public thoroughfares.

Unless the context indicates otherwise, as used in this disclosure document, a “Sonic restaurant” and “Sonic Drive-In” refer to both a Traditional Sonic Drive-In and a Non-Traditional Sonic.

Your estimated initial investment necessary to begin operation of a Traditional Sonic Drive-In franchise ranges from approximately \$1,242,200 to \$3,537,700 plus land costs and includes the \$45,000 franchise fee that must be paid to Sonic. Your estimated initial investment necessary to begin operation of a Non-Traditional Sonic franchise ranges from approximately \$361,900 to \$978,700 and includes the \$22,500 franchise fee that must be paid to Sonic.

This disclosure document summarizes certain provisions of the Traditional Number 7.1a License Agreement and the Non-Traditional Number 7.1b License 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, Sonic or a Sonic 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 Lori Osley at 300 Johnny Bench Drive, Oklahoma City, OK 73104 or 405-225-4604.

The terms of your License Agreement will govern your franchise relationship. Don’t rely on this disclosure document alone to understand your contract. Read all of your 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, 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.

This disclosure document was issued March 25, 2020.

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 G-1 to G-5.
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?	Item 21 or Exhibit H 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 Sonic 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 Sonic franchisee?	Exhibits G-1 to G-5 list 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.

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