

## FRANCHISE DISCLOSURE DOCUMENT



BB FRANCHISE, LLC (a California limited liability company) 4516 Mission Blvd, Suite C San Diego, California 92109 Tel 858 886-7433 <u>info@thebakedbear.com</u> Received LA Mailroom

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Department of Business Oversight

BB Franchise, LLC, offers for sale a franchise to operate a distinctive retail ice cream sandwich store under the trade name The Baked Bear" The Baked Bear specializes in selling custom ice cream sandwiches including cookie, donut, waffle and brownie ice cream sandwiches. The Baked Bear also offers a variety of other desserts, including, but not limited to, cookies, ice cream, warm cookie pies, floats, and ice cream sundaes

The total estimated investment necessary to begin operations of a single Baked Bear Store franchise ranges from \$156,600 to \$443,600 This amount includes \$28,000 that must be paid to the franchisor or an affiliate The total estimated investment necessary to begin operations of a Baked Bear Store franchise pursuant to an Area Development Agreement ranges from \$212,600 to \$499,600 This includes \$84,000 that must be paid to the franchisor or its affiliate

This Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English Read the 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 payments to the franchisor or an affiliate in connection with the proposed franchise sale Note, however, that no government 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 Robert Robbins, at BB Franchise, LLC, 4516 Mission Blvd, Suite C, San Diego, California 92109, (858) 886 7433, and rob@thebakedbear com

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 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 "<u>A Consumer's Guide to Buying a</u> <u>Franchise</u>," 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 home page at <u>www ftc gov</u> 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

THE ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT IS FEBRUARY 1, 2016, AS AMENDED AUGUST 5, 2016

## 2016 The Baked Bear FDD



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## STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Documents be registered or filed with the state or be exempt from registration California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota Rhode Island, South Dakota, Virginia, Washington and Wisconsin

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws with the following effective dates

STATE	EFFECTIVE DATE	
California	February 19, 2016, and as amended	
Hawaii		
Illinois		
Indiana		
Maryland		
Michigan		
Minnesota		
New York		
North Dakota		
Rhode Island		
South Dakota		
Virginia		
Washington		
Wisconsin		

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of February 1, 2016, and as amended August 5, 2016



your negotiations with the landlord or third parties prior to occupancy, or they may be financed through the landlord or third parties You may be able to negotiate for 'tenant improvement" allowances that can help to reduce your net construction costs This is an important factor for you to consider in choosing a location You should consult with a qualified, licensed contractor for cost estimates specific to your site before signing the lease, since we cannot predict or warrant what future costs may be You are responsible for obtaining all necessary permits and licenses required for the location, construction, renovation or operation of the Baked Bear Store

(5) <u>Furniture, Fixtures and Equipment</u> You must equip the Baked Bear Store with all of the equipment, fixtures, smallwares, furnishings, and uniforms that we require for the opening and operation of the Baked Bear Store Generally, a portion of the fixtures and equipment must be purchased from designated suppliers and the balance must conform to our specifications. The aggregate cost of such equipment typically is estimated to be approximately \$60,000. Depending upon the size of the Baked Bear Store, the existing supplies of such fixtures and equipment and the number of vendors then selling the fixtures and equipment, the quantity, types of and prices of fixtures and equipment may vary. Payment and refund terms will have to be negotiated between the supplier and you.

(6) <u>Opening Inventory</u> In order to open the Baked Bear Store, you will be obligated to purchase an initial inventory of ice cream, cookie dough, toppings, paper supplies, etc. The inventory items, quantity and price may vary based upon availability of supplies, the number of vendors selling such items, etc. The estimated aggregate cost of the initial inventory is \$7,500. These costs are based on those experienced by our Affiliate's store in San Diego, California. Due to our store count and volume purchases in San Diego County, we are able to receive a distribution discount that may not be available to you in your area. Therefore, you might experience higher costs than those shown here, depending on factors such as your distance from the distributor, volumes that you purchase, etc. Payment terms for such items are usually cash on delivery or payment within a specified number of days (usually no more than thirty (30) days) after delivery. None of the designated or suggested suppliers of such items are affiliated with us

(7) <u>Signage</u> You will need to purchase appropriate signage for the Baked Bear Store that we approve The cost of your signage may be more or less than this estimate, and depends on the size, type and method of installation you choose Each location may have different restrictions it places on interior and exterior signage that may affect your costs

(8) <u>Utility Deposits</u> Typically, a utility deposit will be required only if you are a new customer of the utility company

(9) <u>Business License and Permits</u> The range of costs covers the expense to acquire the required local business permits. We make no representations or assurances as to what (if any) licenses, permits, authorizations or otherwise may be required in connection with the Baked Bear Store. Our estimated costs include building permits, fire inspection, sales tax permit, and retail sales permits. If an electrical permit is necessary, the costs may be more. You should investigate applicable requirements in your area and the related costs, including receiving advice from regulatory agencies and your own lawyer, before making any commitments, whether to us or anyone else

(10) <u>Computer and POS Systems</u> You must acquire a computer and POS System, for use in the

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