



FRANCHISE DISCLOSURE DOCUMENT

THE GROWLER GUYS, LLC
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The franchises offered are for retail sales of craft beverages, various size bottles to fill beer, cider, kombucha and other beverages, glasses and mugs to serve beverages in, and related products and accessories such as beer caps, hard ciders and sangria, coffee, specialty bottled beer, Crowler cans, T-shirts, hats, and proprietary food menu items, under the trade name “The Growler Guys.” Two types of franchises are offered: (i) the standard The Growler Guys; and (ii) The Growler Guys Express. A franchise for the standard The Growler Guys offers 37 or more taps. A franchise for The Growler Guys Express offers 36 or less taps. If you sign a Franchise Agreement for The Growler Guys, you will pay an initial franchise fee of \$30,000.00. If you sign a Franchise Agreement for The Growler Guys Express, you will pay an initial franchise fee of \$20,000.00. If you sign a Development Agreement to develop a number of standard The Growler Guys franchises, the initial franchise fee for The Growler Guys franchise will be \$30,000 for the first store, \$20,000 per store for stores 2 through 5, \$15,000 per store for stores 6 through 20 and \$10,000 per store for 21 or more stores. Under a Development Agreement for The Growler Guys Express, the initial franchise fee will be \$20,000 each for the first and second store, \$15,000 per store for stores 3 through 20, and \$10,000 per store for 21 or more stores. The total investment necessary to begin operation of a single standard The Growler Guys ranges from \$173,400 to \$266,695. This includes \$30,000 that must be paid to the franchisor. The total investment necessary to begin operation of a single The Growler Guys Express ranges from \$118,200 to \$223,495. This includes \$20,000 that must be paid to the franchisor.

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 affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

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. 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.

See the following state effective date summary page for state effective dates. See also **Exhibit J State Effective Dates.**

The issuance date of this Franchise Disclosure Document is: August 15, 2016.

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a 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 G 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 ARBITRATION ONLY IN DESCHUTES COUNTY, OREGON. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN OREGON THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT OREGON LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. YOU WILL NOT BE PERMITTED TO PARTICIPATE IN ANY CLASS ACTION AGAINST US OVER ANY DISPUTE THAT ARISES IN CONNECTION WITH THE FRANCHISE AGREEMENT. LOCAL LAW MAY AFFECT THE ENFORCEABILITY OF CHOICE OF VENUE PROVISIONS (SEE STATE AMENDMENTS TO THE DISCLOSURE DOCUMENT AND THE FRANCHISE AGREEMENT).
4. WE WERE INCORPORATED IN 2012 AND HAVE OFFERED FRANCHISES SINCE 2013. WE HAVE A LIMITED OPERATING HISTORY. AS A RESULT OF OUR LIMITED OPERATING HISTORY, WE ALSO HAVE LIMITED FINANCIAL RESOURCES, AS SHOWN IN EXHIBIT A TO THIS FDD.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Issuance Date: This Franchise Disclosure Document is effective: August 15, 2016

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