



WINGZONE

FLAVOR REALLY FAST

FRANCHISE GUIDE

TABLE OF CONTENTS

1. The Industries
2. Who is Wing Zone?
3. Brand Growth
4. The Wing Zone Brand
5. What Makes Wing Zone So Deliciously Different?
6. Our Franchise Partners
7. Support for Our Franchise Partners
8. Restaurant Formats
9. Qualifications for Prospective Franchise Partners
10. Steps to Ownership
11. FAQs
12. Contact

A photograph of three people sitting at a white table in a Wing Zone restaurant. On the left, a man with a beard and a blue patterned shirt is seen from the side, gesturing with his hands. In the center, a man with a beard and glasses is smiling. On the right, a woman with long hair and glasses is also smiling. The table has a bottle of Coca-Cola, a container of sauce, and a red circular sign with the number 42. The background shows a service counter and a menu board.

WING ZONE IS A 25-YEAR-OLD BRAND IN THE FAST-CASUAL RESTAURANT SECTOR WITH A FOLLOWING OF RAVING FANS LOVINGLY KNOWN AS FLAVORHOLICS.

OUR FRANCHISE PARTNERS ARE ABLE TO CAPITALIZE ON THE MASSIVE DEMAND FOR AND CONVENIENCE OF OUR FLAVORFUL WINGS TO SUCCESSFULLY OPEN THEIR OWN RESTAURANTS ACROSS THE U.S. AND ABROAD.

FAST-CASUAL INDUSTRY

Wing Zone occupies space in the **\$42.2 billion fast-casual restaurant sector**. Fast-casual is a subset of limited-service restaurants, which include quick-serve restaurants (QSR).

The fast-casual sector leads all other restaurant sectors – full-service and QSR – in growth.

Fast-casual is anticipated to make up **22 percent of the limited-service market** by 2021.

Americans were estimated to have **eaten nearly 1.42 billion wings during the Big Game in 2021**, according to the National Chicken Council's annual wing report.

Despite nationwide restaurant shutdowns and in-door dining restrictions, **restaurants serving chicken wings saw a 7% growth** in 2020 compared to 2019, according to data from market research firm NPD Group.



FRANCHISE INDUSTRY

The franchise industry, which has experienced **robust growth for more than 10 years**, is expected to keep growing strong thanks, in part, to a healthy economy and high consumer confidence.

The value of the franchise industry is estimated to have **reached \$670 billion in 2020**, according to the IFA's last Franchise Business Economic Outlook report, published in 2021.

Franchising is a powerful economic engine providing **more than 120 different industries** a way to sell products or services to consumers through independently owned and operated franchises.





WHO IS WING ZONE?

An award-winning fast-casual wing restaurant, Wing Zone is a fast-growing chain where franchise partners earn exceptional returns by selling the best tasting, highest-quality food in a comfortable and inviting atmosphere.

We're wings and so much more! The first thing to know about Wing Zone is that we're all about flavor. **Our lineup of distinctive, award-winning flavors** are the result of more than 20 years of research and development, and our dedication has not gone unnoticed.

In 2020, our wing franchise was **acquired by Capriotti's**. The acquisition is a natural fit for both brands, as Capriotti's and Wing Zone share many of the same internal values and organizational goals.

With **more than \$100M in collective system-wide sales in 2020**, we are excited to continue growing together and serving the best flavors possible.



OUR LEADERSHIP

Our leadership team has fostered the momentum to be the undisputed #2 in the wing category with 200 profitable restaurants operating with \$1million AUV operating by 2025.



ASHLEY MORRIS

Ashley Morris is the CEO of Capriotti's Sandwich Shop, Inc., the parent franchising company for Capriotti's Sandwich Shop Restaurants. Ashley also serves as CEO of WZ Franchise, LLC, parent company of Wing Zone Restaurants. He is responsible for the oversight of all corporate departments and employees of the company but his main focus is that of visionary. Ashley's vision combined with a natural aptitude for strategic formulation and business implementation keep both brands on the forefront of growth brands.



JASON SMYLIE

Jason Smylie serves as President of WZ Franchise, LLC and Capriotti's Sandwich Shop, Inc. A few of his many responsibilities include providing day-to-day leadership and management, driving the company professionally and financially, and spearheading development, communication, and implementation of effective growth strategies and processes. Jason is passionate about innovation and still follows his IT roots to make sure that both brands stay on the leading edge of new technology trends in the market.



DAVID BLOOM

David Bloom is Chief Development Officer, overseeing all aspects of franchise development, operations and training. David's background includes senior leadership positions in a variety of high growth franchise brands.



JANE MCPHERSON

Jane McPherson is Wing Zone's Senior Vice President of Marketing. She has more than 20 years of marketing experience and deep knowledge of the franchise restaurant category.



BRENT ERWIN

Brent Erwin is Senior Vice President of Finance for Wing Zone. As Senior Director of Finance for a hospitality company whose portfolio includes award-winning restaurants, sports and entertainment venues, zoos, theaters and convention centers,



GEORGE CHANOS

George Chanos has served as Capriotti's chairman of the board for more than 10 years. He was Nevada's Attorney General, where he served as legal counsel to state officers and state agencies, boards and commissions.



DAVID BARR

David Barr is a Capriotti's board member and investor since 2016. He served as Chair of the International Franchise Association and Vice Chair of the IFA's Board of Directors. David is a multi-unit franchisee for a large food QSR brand, investor in a fitness franchise brand and serves on the board of several other franchise companies.



SHELLY SUN

Shelly Sun is also a Capriotti's board member and investor since 2016. She is a former Chair of the IFA and a co-founder and CEO of a national home healthcare franchise. She was named Entrepreneur of the Year by the IFA in 2009.

BRAND GROWTH

With 31 locations open in the United States and 30 restaurants internationally, Wing Zone is well on its way to **reaching the 200 restaurant mark by 2025**. We also recently expanded in key markets such as, Los Angeles County, Las Vegas, New York and Denver. We signed **38 new franchise agreements** in the first half of 2021 in new and existing market areas.

But, Wing Zone still has prime territories available for development across the country. We have our sights set on international growth as well. Franchise partners outside the U.S. should have a high-level of restaurant or retail development and operational expertise in country. The right franchise partners are individuals who align with our brand's mission and values, and are as passionate as we are about the extraordinary food at Wing Zone.



THE WING ZONE BRAND

Back in 1991, finding crispy wings with a punch of flavor was next to impossible in Gainesville, Florida where Matt and Adam were attending college. They had grown up enjoying spicy, hot, juicy wings in the Northeast, and as students at the University of Florida, they couldn't imagine watching their beloved Gators without a tray of wings. As a result, their cravings propelled them into action. "If there are no decent wings in Gainesville, we'll just have to make our own!"

Necessity is the mother of invention, so each evening, Matt and Adam commandeered their fraternity house kitchen to serve as a chicken wing laboratory. Into the night, they developed flavor ideas and served the hot wings to a house full of willing taste testers. Little did they know that their "research assignment" would one day become an international franchise operation. One by one they perfected recipes that years later would become Wing Zone's trademark flavors. Each night's batch would sell out – proof of concept that they were on to something. Importantly, they gained the confidence to open a storefront location in Gainesville named "Wing Zone."



WING ZONE'S CORE VALUES

Capriotti's core values, which flow from the leadership at the corporate level to each member of every restaurant's staff, include:

Passion – Be the Best

Family – Care About People

Integrity – Walk the Talk

Profitability – Everyone Wins

Genuineness – 100 Percent Real



WHAT MAKES WING ZONE SO DELICIOUSLY DIFFERENT?

We call our most loyal customers **Flavorholics** — as in, those addicted to flavor. Whether you bring your crew to enjoy a meal and the big game, order delivery for delicious convenience, or call ahead to pick up one of our party platters, you'll experience the flavor fused into everything we do. Our flavors are designed to take our food to the next level.



In fact, Wing Zone was named a **2019 Fast Casual Top 100 Mover & Shaker** and has been featured at the National Buffalo Wing Festival. Our 17 award-winning flavors offer something for everyone, making us a go-to destination for friends, families, and gatherings of every kind.

As Wing Zone continues to grow, with new franchise locations opening across the country, we've been named as **one of the fastest-growing franchise concepts** in the industry by Inc. Magazine, Success Magazine, and Entrepreneur Magazine. We've even been featured on the Food Network, ESPN, CNBC, and Fox Business News.



OUR FRANCHISE PARTNERS

We are happy you're interested in joining the Wing Zone family. Check out what some of our partners have to say about their experience with Wing Zone:



ADAM WYATT

LOUISVILLE, KY

On being part of the Wing Zone brand:

Adam opened the first Wing Zone in Louisville in 2006 at age 25. He's now a multi-unit owner who is passionate about store operations and ensuring each guest has the best experience possible. This starts with being a great leader who inspires his team to be their best selves.



"I would put our wings up against any other wing concept on the market! Flavor is what encompasses the entire franchise, that's why I knew we'd be successful."

MIKE TACKETT

LEXINGTON, KY

On Wing Zone's impact on customers:

Mike was born and raised in Lexington. He has a love for food and attended the Johnson and Wales Culinary School, achieving a degree in food service management. He opened his first Wing Zone in 1999 and is now a multi-unit operator dedicated to exceptional customer experience and giving back to his community.



"I'm part of making someone happy, every day. Every day I wake up, I enjoy my life! I'm ready to come in and work and give customers the best experience they can have."

SUPPORT FOR OUR FRANCHISE PARTNERS

Wing Zone treats franchise partners like family, and therefore provides support to get them up and running successfully. Like a family, that support is always available.

Site Selection and Construction

Our domestic franchise partners are provided with state-of-the-art site selection tools and best-in-class support from design to the buildout of your Wing Zone.

Grand Opening

Our team of experts will work support you through a program focused around public relations, advertising, in-shop experience, and local shop marketing.

Franchise Business Mastery Coaching

An online and field program that provides significant support to franchise partners for marketing, retail sales, operations and growth strategies throughout every stage of their ownership.

Technology

Wing Zone works with a number of the largest technology firms in our industry to develop systems that will aid our franchise partners in delivering our award-winning food to our guests quickly and help them run their businesses efficiently:



Our improved POS system integrates inventory management, recipes, and sales data with store schedules and labor costs. Aided by the system, Capriotti's corporate team performs regular reviews of franchise partners' operations at no cost to the shop owner.



Automation system integrates third-party delivery and catering options, which are providing excellent results in building revenues for our franchise partners.

Marketing

Wing Zone National Marketing provides marketing support for each and every Wing Zone shop. Our social media marketing creates an engaging brand a voice, telling the stories about our extraordinary menu and sharing fans' devout love for our wings. Promotional programs and in-shop signage are regularly sent out to Franchise Partners to keep shops fresh and promotional messaging consistent throughout the country.

As online ordering grows, Wing Zone marketing is leading the effort to navigate this monumental shift by continuously improving our online presence to drive order growth and enabling customers seamless ordering experiences. The Marketing Team also takes a leadership role in maximizing our relationship with 3rd-party delivery marketplaces to drive business growth while keeping costs in check.

In markets where the density allows, Wing Zone Marketing Team collaborates with local Franchise Partner CoOp Boards to plan market-wide advertising and then manages the deployment of this targeted advertising. We also support individual Franchise Partners interested in investing in marketing.

The Marketing Team plays an active role in supporting our newest shops. We have a robust planning process to create custom marketing plans that are designed to support Franchise Partners for the first six months of operations to ensure shops open strong and build a meaningful customer base.



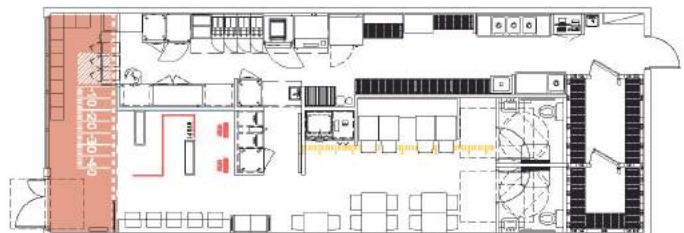
RESTAURANT FORMATS

Wing Zone is a versatile concept that can operate in many different city and suburban locations:

- Most Wing Zone restaurants are end-caps, inline or freestanding
- The brand is open to nontraditional locations, such as airports, casinos and malls
- A Wing Zone franchise location generally requires a 1,200 – 1,400 square-foot space.
- Open kitchen design and attractive finishes convey that fact that our food is fresh, made in-house, and made to order
- Seating averages 20

Wing Zone does not use a set design for kitchens, although the brand strives to limit it and other back-of-the-house operations to 1,000 square feet to maximize space for guest seating. The same kitchen equipment is used system-wide. Our shops feature a mixture of modern design elements that provide a warm, inviting feeling.

Format for restaurants in international markets will be similar but will take into account cultural preferences.



QUALIFICATIONS FOR PROSPECTIVE FRANCHISE PARTNERS

Our partners should fit into the “family” environment of the company and align with Wing Zone’s other core values such as passion, profitability and genuineness. The ideal Wing Zone franchise partner will have high levels of business acumen and a proven track record of growing a business.

Restaurant experience is preferred, but not required. Prospects should also have an understanding of the customer experience as this is a vital part of the Wing Zone dining experience. Our owners should love Wing Zone’s food and be dedicated to being a great brand ambassador.



In addition to possessing these values and experience, prospective franchise partners should have the capital to fund their investment:

Initial Investment: \$342,800 - \$566,000

Franchise fee: \$30,000-\$40,000

Ongoing royalty: 6 percent



STEPS TO OWNERSHIP



Inquire About the Opportunity

If you love food, have a passion for working with people and want to build your own business, provide your contact information. We'll be in touch shortly.



The “Getting to Know You” Call

This conversation is a chance for us to determine if you're a good fit for the brand and for you to decide if we're a great fit for you.



Validation/Due Diligence Call

On this call, we'll follow up on your interest and dive deeper into your financial data and ability, discuss available territories, and more.



Financial Qualification

If you need financing help, we'll discuss your options. We may refer you to one of our financial partners.



Development Territory Determination

On this conference call with our VP of Real Estate, we'll determine a targeted territory with your desired market and our analytics.



Meet the Team

During this meeting, done in-person or remotely, you will meet members of the leadership team and key members of each department. Any questions you have about marketing, training or anything else, will be answered at this time.



Execute Area Development Agreement

You'll sign the agreement to officially become a Wing Zone franchise owner. At this time, you will also pay any fees and schedule a real estate planning meeting.



Site Selection and Build Out

This phase includes working with our real estate and construction departments to find the location for your Wing Zone, negotiate the lease, build out your shop and equip it for opening day.



Training

Our training process prepares you and your team to impress your guests from day one. Training takes place online, at corporate shops and classrooms, and at your Wing Zone prior to opening – and beyond.



Opening Day

When you open your doors to your friends, neighbors and community, we'll be there to help you work out any issues that might arise and answer any questions you or your team may have. We'll also be there to celebrate with you!

FREQUENTLY ASKED QUESTIONS

How much money can I make?

There are many variables that affect the answer to this question. We encourage you to review our detailed Item 19 in our Franchise Disclosure Document and speak with our franchisees.

Will Wing Zone provide financing for my store?

Third-party financing is available through our strategic relationships with a variety of financial institutions.

Will Wing Zone help me find a location?

Our best-in-class site selection process will provide you the tools to help you select your Wing Zone location(s). Our team will guide you through the process from start to finish.

Do you offer financial incentives to military veterans or first responders?

We provide a 15 percent discount on our franchise fee for military veterans.

What demographics does Wing Zone look for?

Our customers are regular people who relish and love to talk about food. They use fast-casual restaurants while working, when crunched for time, or feeding a meeting or get-together. They are men and women with an income of \$75,000 and more who enjoy the accessibility of sandwiches, salads and the flavors of more complex meals.

How many employees do I need to run a Wing Zone location?

We require that you open with at least 25 employees. A typical Wing Zone operates with 15 employees on the schedule.

What are the typical hours of operation?

Most locations operate from 11 a.m. to 11 p.m., but hours vary across the system depending on market and trade area.



CONTACT US

Thank you for your interest in becoming a franchise partner and giving us the opportunity to tell you more about the Wing Zone family and what we offer.

Domestic Development Opportunities

Call or email Bruce Evans for more information at:

(702) 374-4746 | bruce.evans@capriottis.com

International Development Opportunities

Call or email David Bloom for more information at:

(720) - 878-1202 | david.bloom@capriottis.com

Visit

www.wingzonefranchise.com

Sources:
https://www.restaurant.org/Downloads/PDFs/Events-Groups/17_SHOW_PPT_5-4-compressed.pdf
<https://www.franchise.org/new-report-shows-franchise-businesses-expected-to-grow-faster-than-economy-in-2017>
<http://www.fesmag.com/departments/chain-news-profiles/14842-capriotti%E2%80%99s-keeps-it-real>