

Business Discovery Process for New Owner Candidates

TO: PROSPECTIVE FRANCHISEE
RE: DISCOVERY PROCESS

The goal of the AlphaGraphics Discovery Process is for you to learn about our franchise system while our team discovers who you are and what you are trying to accomplish by owning your own business.

The Discovery Process can be anywhere from a 30- to 75-day process. As a New Owner Candidate, we expect you to be able to make a decision and sign a franchise agreement within this time frame if you're awarded a franchise. Making a decision, however, does not equate to "opening the business", but simply making the decision to become a franchisee and join the AlphaGraphics' network.

1. BUSINESS OVERVIEW - Together, we invest the necessary time to understand your background and what you're seeking to accomplish. We thoroughly explore your timeline, investment range, and key goals. Most importantly, however, we discuss the AlphaGraphics vision, objectives, and our unique B2B value proposition. By engaging in a very direct and open dialogue, we will "discover" if it makes sense to move further. During this phase, you will also get an overview of the business and learn the profile, style, character, and habits of a successful AlphaGraphics' franchisee. If we both agree to move forward, we schedule the next steps and stick to our timelines.

2. COMPLETE REQUEST FOR CONSIDERATION - By completing the no-obligation, confidential, online "Request for Consideration" you are simply telling us that you are serious about owning a business and want to learn more about AlphaGraphics. There is no obligation or commitment to invest in a franchise by completing this step. After we receive and discuss your information, you'll receive our Franchise Disclosure Document (FDD), which includes training details, current locations by state, and the crucial unit economics / financials, such as business center sales and gross margins.

3. BUSINESS REVIEW OF FDD & YOUR DECISION STRATEGY - The FDD (required by the Federal Trade Commission) is a comprehensive collection of information including: our company background, management team, a detailed breakdown of the total investment, current franchisee lists, our company financials, and much more. We want to make sure you fully understand your obligations and ours before continuing on - it is also critical that we document your decision-making criteria and cover the process of finding the "right location" for your business center. Next, we simply schedule your Discovery Day in Salt Lake City and help you make travel arrangements.

4. ATTEND DISCOVERY DAY - This is your opportunity to meet our executive team face-to-face and learn who we are and how we help you accomplish your goals year after year. You will visit AlphaGraphics locations, speak with actual trainers and franchisees, and get a solid first-hand experience of what this business is all about. After attending the thorough orientation, you will be given a password for speaking to our existing franchisees about the details of owning and growing a business center. And, of course, the quality and depth of your conversations will be greatly increased with a deeper understanding of our proven business model and proprietary marketing strategy. **NOTE:** There is no obligation or commitment required by attending Discovery Day. If you want to hold a territory while you complete the last two steps, you may submit a refundable deposit if you're awarded a franchise.

5. FRANCHISEE & FINANCIAL VALIDATION - As you engage our current owners, remember the 20/60/20 Rule. Spend adequate time in conversation with franchisees & take notes. Explore the elements of the business that excite you, the areas you need to find greater clarity with, and the open issues that are causing you concern. Discuss next steps with your Franchise Development executive & proactively schedule the signing of the Franchise Agreement.

6. SIGN FRANCHISE AGREEMENT - Congratulations! You've successfully completed the Discovery Process and are part of the AlphaGraphics family. Upon our receipt of the signed franchise agreement and initial fee, you join the support team to schedule training and plan accordingly to get your business center opened. This is the dedicated group that will get you through training, guide you on all the details, and coach you on a successful opening and the marketing launch of your new business. Now, you can start making your goals a reality!

