



FRANCHISE DEVELOPMENT KIT



Blend opportunity with success. Become a Smoothie King Owner today!

THANK YOU.

FOR CONSIDERING SMOOTHIE KING

On behalf of our leadership, home office staff and franchise family that's over 1,300 stores strong, thank you for your initial interest in Smoothie King. As you know, we have substantial growth plans and are seeking enthusiastic owners and operators to proudly represent Smoothie King in key markets across the United States and abroad.

The Smoothie King business model is stronger than ever. Without most of the challenges of a quick-service restaurant, we work to make it easier to manage operational performance, minimize labor costs and waste, and deliver on customer service. Our guests know the benefits of our products and have made smoothies an important part of their nutrition and fitness regimens.

Our commitment to excellence fuels our quest to build performance and equity in our brand for all of our franchise partners. Having been a franchisee, I take their business as serious as ours and have assembled an experienced and professional support team to help them work to achieve their business goals. It is immensely rewarding to see franchisees exceed their goals as they open their second, third and fourth stores.

I appreciate you allowing us to share the key benefits of Smoothie King franchising, and we look forward to addressing any initial questions you may have.

Stay healthy!



WAN KIM
CEO, Smoothie King



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A young girl in a bright green zip-up jacket and blue jeans is smiling and running towards the right. A woman with dark hair in a bun, wearing a black quilted vest over a red, white, and blue plaid shirt, is holding a Smoothie King drink with a red straw. The background is a park with yellow and orange autumn leaves. The Smoothie King logo is visible on the cups.

OUR MISSION

INSPIRE PEOPLE TO LIVE A HEALTHY AND ACTIVE LIFESTYLE.

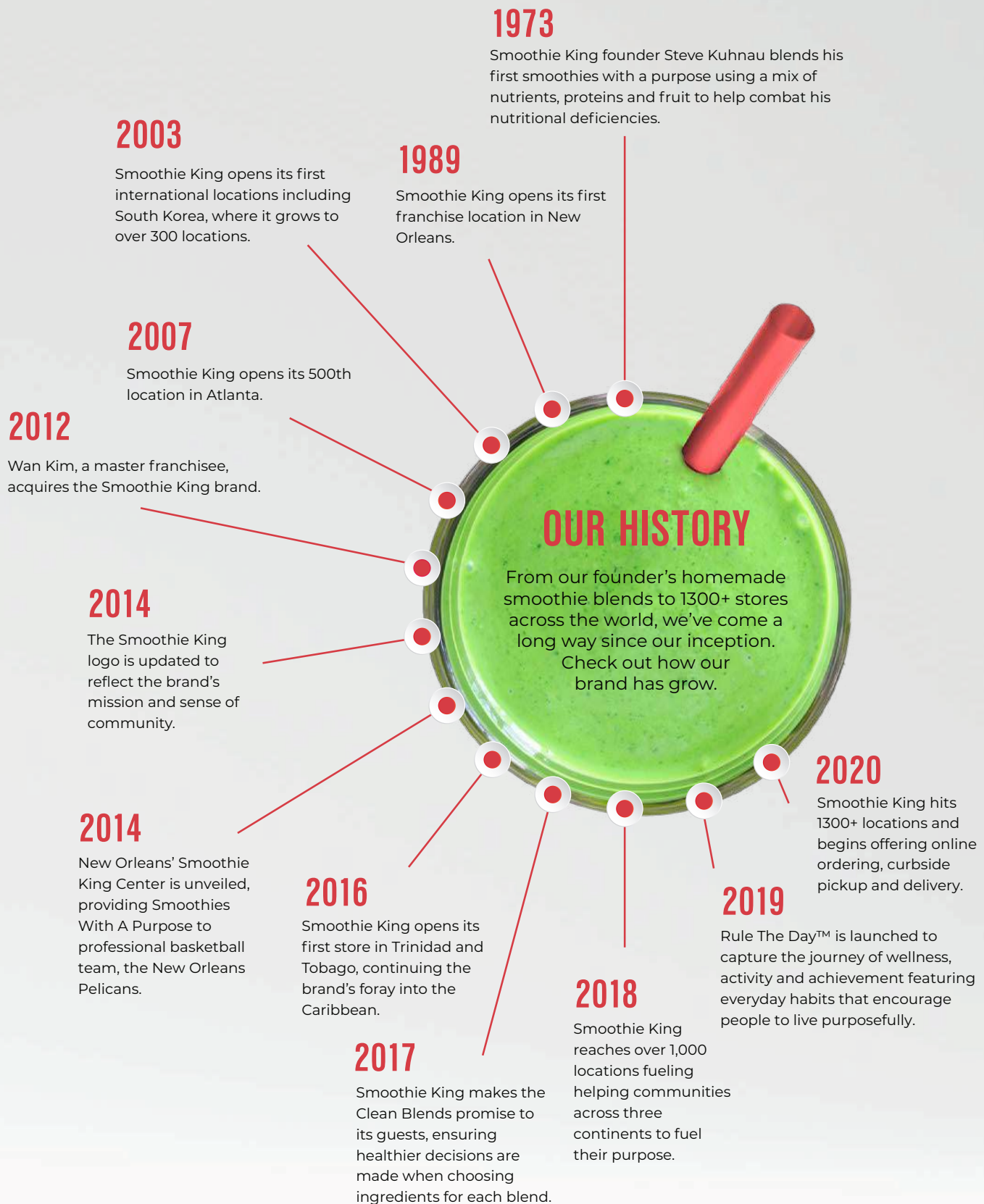
Better-for-you drinks have always been part of our Smoothie King's DNA. In 2013 we updated our brand to focus on healthy lifestyles and goal attainment. As consumers increasingly look for ways to eat well on the go, our strong brand positioning will continue to attract loyal guests.

A person with long braided hair is shown from the side, holding a Smoothie King cup in their right hand and a smartphone in their left hand. The cup is red and white with the Smoothie King logo and text. The background is a dark asphalt surface with scattered yellow leaves.

OUR BRAND

Our brand's vision – to be an integral part of every health and fitness journey – is a natural extension of our DNA.

The heart of our brand is to serve smoothies with a purpose. Our founder started blending smoothies with the goal of making people feel better, and that still lies at the heart of what we do.



There's a lot of competition in the food and beverage space. Consumers can go anywhere to eat. But, when they know Smoothie King has their best interest at heart, they enjoy our smoothie blends that much more, keep coming back and internalize the idea that Smoothie King is their partner on their health and fitness journey.

OUR CEO

WAN KIM

Chairman of the Board and Chief Executive Officer

Wan Kim is Chief Executive Officer for Smoothie King. Wan was Smoothie King's first international franchisee, opening a store location in South Korea in 2003. During the next five years, he launched and grew the brand to more than 130 locations in that country. In 2012, Wan approached Smoothie King's founders, Steve and Cindy Kuhnau, to purchase the company. Since then, Wan has led this 49-year-old brand on a journey to rediscover the purpose of Smoothie King and has reinvigorated the brand's mission to inspire healthy and active lifestyles worldwide.



OUR INVOLVEMENT

To be a part of every health and fitness journey, we have partnered with like-minded organizations to help communities achieve their wellness goals.



We've partnered with the Challenged Athletes Foundation (CAF) to help athletes with physical challenges find success in life through sports, an active lifestyle, community and mentorship.

Together, we can provide access to sports and an active lifestyle through grants for adaptive sports equipment, travel and coaching expenses, as well as camps, clinics, mentoring and community. Our vision is for athletes of all abilities to be able to reach their potential. That's the power of purpose.

Franchisees across the country work within their own communities fostering relationships with local organizations, including schools, charities, non-profits and other institutions to help spread our mission.



MOMENTUM



\$907,346

average unit volume
(of top 25%)*



16.34%

same-store sales growth
(2021 vs. 2020)*



1,300+

current franchise
locations



**WORLD'S
LARGEST**

smoothie brand



\$2 BILLION

a leader in the \$2 billion
smoothie industry



20%

average EBITDA (of
top 25%)*

* See Item 19 of the Smoothie King® Franchise Disclosure Document dated April 15, 2022, for more information.



EXPANSION

Smoothie King is on the path to industry leadership. Our current presence spans 34 states – and we're constantly growing.



***SMOOTHIE KING CENTER
BRINGS INTERNATIONAL
BRAND EXPOSURE***

The Smoothie King Center was unveiled in 2014 as the new home of NBA's New Orleans Pelicans.

We are one of the few restaurant brands with a naming rights deal with a professional sports stadium. Smoothie King was already an established brand in New Orleans, but now the rest of the country has begun to take notice.

The deal helped elevate Smoothie King in a lot of consumers' eyes around the country and bring a great deal of attention that the brand had never before experienced. As a result, franchisees have experienced a significant brand boost in markets where Smoothie King is just beginning to penetrate.

INNOVATION

SMOOTHIES WITH A PURPOSE

When Smoothie King started in 1973, Steve Kuhnau created the smoothie to cure the food allergies he was battling. He began blending fruits, veggies and supplements together to fulfill different purposes and thus, Smoothies with a Purpose was born.

As the brand continued to diversify its menu, it created smoothies to serve a wide range of individual purposes for guests as part of a sensible diet and regular exercise routine, including:

- **Managing Weight**
- **Keto-Friendly**
- **Vegan-Friendly**
- **Gaining Weight**
- **Energizing**

In order to stay on the cutting edge of the industry and provide new options to guests, we must embrace changes that help Smoothie King meet evolving consumer demand. Constantly innovating the menu with new and nutritious options can help Smoothie King franchisees continue to achieve the brand's mission of inspiring people live a healthy and active lifestyle, as well as assist in driving in-store traffic.

WELCOME TO CLEAN BLENDS

Our commitment to blend a cleaner, more nutritious smoothie with more whole fruits & veggies. It's all the flavor guests want and none of the added artificial colors, flavors, or preservatives they don't. That means guests get the same great taste with 0 grams added sugar in many of our purpose blends.

RULE THE DAY.



LET'S BE CLEAR ABOUT OUR INGREDIENTS.

— THESE GO IN.



— THESE NEVER DO.



NO syrups,
just fruit juices



NO NSF-banned
substances



NO artificial colors,
flavors or preservatives



NO
trans fat



NO rBST/rBGH added
hormones in our dairy*



NO
hydrogenated oils



NO
gluten

WE PROMISE.



A LABOR OF LOVE

Our mission is to be smarter about our process and more transparent about our philosophy – the ingredients we're proud to include, and the ones we promise to not.



THE ROAD TO BETTER

Our journey took over 5 years, over 15,000 hours of research and development, and over 150 changes, additions or reformulations of our ingredients.



WHY IT MATTERS

Our promise is to encourage you in your pursuit of a healthy, active lifestyle. And to make Smoothies that not only nutritionally support your health and fitness goals, but actually help you reach them.

A photograph of a Smoothie King store interior. The scene is brightly lit with several red and white balloons hanging from the ceiling. In the background, a sign on a white tiled wall reads "Smoothies With A Purpose" in red, stylized letters. Staff members in red uniforms are visible behind the counter, and a customer is seen from the back. The overall atmosphere is clean and modern.

**Smoothies
— With A —
Purpose**

PERSONALIZED TRAINING AND ONGOING SUPPORT

Sure, great products are essential, but the key to your success as a Smoothie King franchisee is proper training.

We've fine-tuned our business systems to make our stores simpler to operate with limited inventory and waste, multiple revenue streams and lower initial investment than other quick service restaurants. From the first meeting to grand opening and beyond, we're here to support our franchisees every step of the way.

You will start the training process with a one-day orientation upon signing your franchise agreement where we will introduce you to systems, our sustainable culture, and pre-opening procedures.

Following orientation, you will attend our 4-week management training program at the Training Center in Dallas as well as hands-on in a certified training store location. This training will familiarize you with our core products and our operational systems.

Before opening the stores to your new location, we'll send one of our store openers to your location for five days to assist you in training your team members. Together, you will learn general procedures as we cover topics for opening and operating your store.

SYSTEMS AND TECHNOLOGY THAT GIVE YOU A COMPETITIVE ADVANTAGE

We believe the only way to optimize our business model is to keep a close eye on the metrics that drive unit performance. We've been diligently engineering our POS, web and intranet technologies to build new efficiencies and organize the information that help franchisees manage their resources and work to grow their businesses.

INTELLIGENT MARKETING THAT BUILDS GUEST AFFINITY

We implement smart marketing tactics to attract new guests and keep regulars coming back. From your very first day as a Smoothie King franchisee, you'll have the power of our well-loved brand – a leader in the nutritional smoothie segment. You'll also have more than 75 delicious recipes and a wide range of quality retail products. Our marketing team will back you with branded in-store and outside promotional materials, local marketing tools, colorful retail merchandising displays and a strong online presence showcasing our products and brand at SmoothieKing.com.



***NEW PRODUCT
LAUNCH SUPPORT***



***DIRECT MARKETING
AND PROMOTIONS***



***HEALTHY
REWARDS***



***INITIAL VIRTUAL
TRAINING***



***STREAMLINED POS
SYSTEM***



***INNOVATIVE MARKETING
STRATEGIES***



***TERRITORY SPECIFIC
EXPERIENCED FIELD
SUPPORT***



***3RD PARTY DELIVERY,
ONLINE ORDERING***

REAL ESTATE

YOU'LL FIND SMOOTHIE KINGS AT CONVENIENT LOCATIONS SO GUESTS MAKE US PART OF THEIR DAILY ROUTINES.

SUCCESS STARTS WITH A GREAT LOCATION

We've learned that location is one of the most important factors to the success of a Smoothie King store. A great site is the best investment you can make in your new business. Our team of seasoned real estate professionals will guide you as you select a location in your market. We've also learned to look beyond traditional locations, so we offer flexible store concept to fit all kinds of opportunities, including:



*FREESTANDING
STORE*



DRIVE THRU



AIRPORTS



*FOOD COURT/
MALL KIOSK*



GYMS

REAL ESTATE SELECTION AND STORE DESIGN



INTERIOR DESIGN

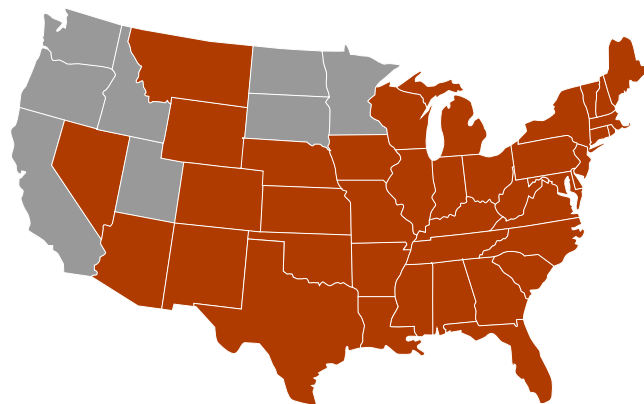
Our interior welcomes guests the moment they walk through our doors. Design aspects include logical traffic flow, great merchandising and a menu system that helps guests easily understand which of our offerings fits their purpose.

SUCCESS STARTS WITH GREAT DESIGN

Over the years, we've learned that our location is the most important factor in the success of any Smoothie King store. Our team of seasoned real estate professionals will provide guidance to select a location within your market. We've also learned to look beyond "traditional locations," so we've created flexible store concepts to fit all kinds of opportunities, including: kiosks, airports, hospitals, military bases and gyms.

STRATEGIC APPROACH TO REAL ESTATE

Smoothie King's real estate professionals work closely with franchisees and a preferred real estate brokers to assist them in finding and securing the most suitable location for each market. Once they find a location, they must submit a Site Request form. A member of our Real Estate Team will analyze their site and even travel to the site to complete the review.



If the site is accepted, the team will help with lease negotiation, design, construction and opening day.



MARKET REQUIREMENTS

SPACE PARAMETERS

Type: Drive-Thru sites on End Caps or Freestanding buildings, high-traffic In-Line sites, Malls, Kiosks, or non-traditional venues such as Hospitals, Gyms and Airports.

Size: 800 – 1600 square feet

Kitchen: No cooking platform

Excellent visibility and access

Population: 30K in a 7-minute drive time or accessible trade area.

Median household income at or above median for DMA

Co-tenancy: Grocery stores, Fitness, National QSRs and service-oriented retailers

Multi-Day Part Traffic: 20K cars per day

- Breakfast
- Lunch
- Afternoon snack
- Dinner
- Pre/post workout



FERN CARTY DAWKINS

Pearland, TX

Smoothie King is an excellent brand that's growing, the people are fantastic and their purpose is great. Who doesn't want to be part of a brand that not only does well financially, but it's also doing something that's meaningful, that franchisees can get behind and your team members can get behind – and certainly your guests will appreciate what our business brings to the market. It's a simple model that makes sense, and it's fulfilling.



JACKIE FLOYD

Columbia, MO

Our family is really into running, walking – we go to the gym. We like to do a lot of physical fitness activities together, and so we really like the idea that with this brand, it was actually going to support the lifestyle that we're trying to lead. It really aligned with our values. And I really enjoy meeting people and telling them about something I personally love, which is the smoothies I drink every day.



BOB VIANI

Wappingers Falls, NY

I've been in the health and fitness industry since 1989, and I've always known about Smoothie King. A few years ago, I went to visit my friends in St. Louis, and we went to Smoothie King for breakfast. It was this nice, beautiful retail space with a great menu and a drive-thru. Smoothie King's mission and vision were right up my alley. I love the simplicity of the model, and I get to invest in something I'm passionate about.



ERIC JONES

Alpharetta, GA

When I first looked into franchising, I didn't want to go after just what's popular or the latest trend. I wanted to get into business with a product that I actually use. My wife and I were sitting on our sofa and we realized there wasn't a Smoothie King around where we lived. We would have to drive 40 minutes to the closest Smoothie King. This was a greatly underserved product in our area, a product that we liked and a great opportunity.



FRANCHISE OPPORTUNITIES

SINGLE-UNIT

Our concept is perfect for first-time business owners.

MULTI-UNIT

Smoothie King is easily scalable and provides specialized support for multi-unit owners.

INVESTMENT AND REQUIREMENTS

Investment range : \$268,900 - \$858,900
(includes \$30,000 franchise fee)

Minimum net worth (1 store): \$300,000

Minimum liquidity (1 store): \$100,000

Credit score: 700+

Operating fee: 6% of monthly gross sales
(\$500 monthly minimum)

National marketing fee: 3% of monthly gross sales

FAQS

HOW LONG HAS SMOOTHIE KING BEEN IN BUSINESS?

Smoothie King was founded in 1973 and opened its first franchise location in 1989.

WHAT ARE THE QUALIFICATIONS TO FRANCHISE?

In addition to our capital requirements, the ideal candidate lives our mission of inspiring people to live a healthy and active lifestyle, has an entrepreneurial spirit, as well as sales, marketing, restaurant and/or retail experience.

DOES SMOOTHIE KING OFFER FINANCIAL OR DEVELOPMENT INCENTIVES FOR NEW FRANCHISEES?

We do not have an in-house financing program, but we are registered with the SBA and have relationships with various lenders.

IS SMOOTHIE KING EASY TO OPERATE?

Yes, the time-tested Smoothie King systems are clear and easy to follow.

WILL YOU HELP ME FIND A LOCATION?

Smoothie King's real estate professionals work with franchisees to provide them site selection criteria and guidance finding and securing suitable locations for each market.

WHAT TYPES OF LOCATIONS FIT INTO SMOOTHIE KING'S SITE CRITERIA?

The ideal size range for a Smoothie King franchise is generally 800-1600 sq. ft. However, smaller or larger stores can still work well. Our stores are usually located in neighborhood strip centers, power centers, shopping malls, universities, airports and downtown business locations. The optimal area is densely populated, highly visible and located near numerous traffic generators.

WHAT DEMOGRAPHICS DOES SMOOTHIE KING TARGET?

Our target customer is between the ages of 16 and 35 and roughly 55% skewed toward women. We look for starter families, Baby Boomers, and established America. We offer a value-based product, so our guests need to have some ancillary income to frequent our locations. So, we try to find locations where the average household income is relatively higher. However, because of the diversity of our guests, we do not limit ourselves to a particular demographic.

HOW MUCH MONEY CAN I MAKE?

Since the actual results of individual franchises are based on factors that Smoothie King can't control, we do not provide estimates of profits or revenues. However, after consulting with a Smoothie King franchise development manager and reviewing the Franchise Disclosure Document, you will have the opportunity to contact existing franchisees regarding their experiences.

WHAT ONGOING FEES WOULD I PAY SMOOTHIE KING?

Franchisees pay an ongoing operating fee of 6% of weekly sales. 3% of your weekly sales will be paid into the Smoothie King National Advertising Fund for additional advertising expenses. You'll also reserve 2% of weekly gross sales to spend on local marketing. Additionally, each location pays a technology contribution of \$200 per month.

WHAT IS THE BEST RESOURCE TO RESEARCH THE SMOOTHIE KING FRANCHISE OPPORTUNITY?

Each qualified candidate receives a copy of the Smoothie King Franchise Disclosure Document, which provides the following information and more: franchisor's financial statements, copy of the franchise agreement, copy of the area development agreement, list of existing franchisees to contact, cost break downs and fee break downs.

WHAT KIND OF TRAINING DO YOU PROVIDE?

We provide 5 weeks of training split up into three segments. Each franchisee receives 1 day of orientation prior to opening, 4-weeks of management training prior to opening, and 5 days of on-site training (3 days prior to opening and 2 days after opening).

HOW MANY TEAM MEMBERS DO I NEED AT A SMOOTHIE KING?

We recommend 9 to 20 team members on staff, with 2 to 3 in the store at a given time, but stores' needs vary.

I'M READY TO MOVE FORWARD, WHAT IS THE NEXT STEP?

Complete the franchise request form at SmoothieKingFranchise.com so we can start the process.

A smiling woman with dark hair pulled back, wearing a black Smoothie King polo shirt and a gold necklace, stands in a brightly lit store. The background shows shelves with products and a counter area. The text 'SMOOTHIE KING' is visible on her shirt.

GROWING WITH A PURPOSE

Smoothie King has built significant momentum over the past decade and continues to showcase strong growth. Smoothie King opened 109 locations in 2021 and ended the year positive 16.34% bringing their compounded annual growth rate for the last 10 years up to 14%.

A HEALTHY BUSINESS FRANCHISEES FEEL GREAT ABOUT OWNING

Smoothie King franchisees spend their days helping people live healthier, more active lives. You serve up your guests' favorite smoothies, blended from real fruit, fruit juices and organic veggies. You also serve up smiles, as you satisfy guests' cravings for the better-for-you drinks they love. At the same time, franchisees teach younger team members responsibility and the value of living a healthy lifestyle – while, building a better future for their families, through business ownership.

THANK YOU.

We would like to thank you for considering Smoothie King as a franchisee. One Smoothie at a time, our quest has spanned 49 years, to more than 1,300 locations across over 34 states, three countries and counting. As we embark on the next generation of growth, our tactics have evolved, our approach has matured and our guests have become more sophisticated.

Our “purpose” has never wavered. We were, are and always will be here to inspire people to live a healthy and active lifestyle. Our future depends on our ability to always stay true to our purpose, deliver our promise and continue to positively impact the lives of each and every guest we connect with around the globe, one Smoothie at a time. We are thrilled that you’re interested in joining us on our quest.

***FOR MORE INFORMATION, CONTACT OUR
FRANCHISE DEVELOPMENT TEAM***

SMOOTHIEKINGFRANCHISE.COM

