

COMPANY PROFILE

dulcé
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WIESENHOF
passionate about coffee

THE HISTORY

The first Dulcé retail store was opened in Rink Street in Port Elizabeth in 1984 by Hubert Stempowski. Dulcé became synonymous with a high quality ice-cream product in the Eastern Cape.

The Dulcé group expanded in late 2007 / early 2008, in setting up 2 new Franchise concepts, which with the economic downturn were not over successful, and it was thus decided to rather focus on Dulcé Café.

Dulcé Cafe's successful expansion with our partners in the Middle East, was halted, and mutually dissolved in 2009 when both parties' expansion plans diverged significantly. Imported Italian Pizzas were added to the menu in 2010.

The Dulcé Espresso bar concept, was replaced by a more "on the Go" concept in 2012 - a smaller faster menu for smaller sites, with a lower set up and operating cost.

In early 2013, Mike Pullen sold out his majority shareholding in Dulcé Café SA (to focus on the international market) to Kobus Wiese of Wiese Coffee Holdings.

The company is now operating both brand concepts independently, under common management, consolidating initially, and then expanding from mid-2013, utilising the positives & strengths of both companies.

The owner, Kobus Wiese, established Wiesenhof coffees in 1998. Whilst operating his own coffee shop at the East Rand Mall, previously part of another franchise group, he found that he received no support from the franchisor. This resulted in Kobus starting to import his own coffee beans to support his business. This in turn, led to the creation of Wiesenhof Coffees. We have been trading in the coffee business for the past 12 years, a period in which we have successfully developed a proven track record of good service, efficiency and superior quality products, leading to the various concepts.

Why choose Wiesenhof?
Wiesenhof Coffees

The connoisseur's choice in coffee, dining and service.

Core Positioning
Wiesenhof Coffees is a "traditional coffee bar" which effectively bridges the gap between a full-on restaurant and Café.

Customers
Frequented by upper income, trend setting men and women. Core users are regulars who frequent Wiesenhof on a regular basis



MISSION STATEMENT

The Dulce Continental Cafe is for a captive environment with a high income LSM group.

The Dulce Grab and Go, is a smaller set up for smaller captive markets and where a lower setup cost is required.

Certain Dulce's have a high retail component, most have alcohol, but others not, and the outlets can be fully accredited Halaal sites. Many of our stores have a take away menu and delivery option, we also have Platter menu's for outside Function catering, and evening menu's for increasing evening turnovers.

Our mission is to be the market leader and trend setter in the coffee industry. Providing our patrons with not just exceptional quality products at affordable prices, but to give a great overall dining experience with professional service in a consumer friendly environment. We do this by providing our customers with excellent service, affordability and consistently high quality, not just on the coffee side but with everything we supply.

The Wiesenhof Coffees family spirit is created within each individual Wiesenhof store, beginning with each and every staff member being committed to constant and never ending improvement of the Wiesenhof franchise as a whole.



GROWTH VISION

One of the cornerstones of Dulce's success is the amount of focused effort placed on recruiting, screening, selecting and training of franchisees. However no matter how well one selects a Franchisee, and trains that individual and staff, if the business is not financially viable from basics such as poor location, low foot count, wrong clientele, high rentals and escalators etc then it's not ever going to be a good and profitable investment.

In order to successfully satisfy the target market, Wiesenhof completes an ongoing range of various market research initiatives into the product mix required on the menu and it's pricing. We hold customer focus groups and send out questionnaires to our staff, our Franchisees, and to customers, and welcome feedback on our menus and suggestions and new dishes.

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THE CONCEPTS

R95 000 (excluding Vat)

JOINING FEE APPLICABLE TO ALL CONCEPTS

Monthly Royalties and Franchise Fees are fixed
(amounting to 4 – 6% - site specific)

(Halaal options available)

Dulce Café

A Dulce Café is a typical Café-Coffee shop-restaurant trading out of 150 – 220 m², and located in a range of sites such as malls, corporate HQ's, private hospitals, airports and standalone sites. The menu will be extensive, and with waiter service to tables, thus labour costs are higher. A full retail section may accompany this café, as in the case at private hospitals.

Dulce Grab and Go

An espresso bar is a unit occupying 30 – 55 m², with an associated seating area of 15 – 60 m². It has a lower turnkey set up cost of R800 K to R1.3 million. It is located in similar locations as the Café, but would be used where more retail and take away fare are expected, in smaller sites, possibly as a second store to an existing Café, where investment is limited by space or by turnover. A smaller simpler, more take away and ready prepared menu is the norm, and service could be more counter style rather than full waiter service. Services required may be less, with a smaller or limited kitchen.

Wiesenhof Café

A Wiesenhof Café is a typical Café-Coffee shop-restaurant trading out of 150 – 220 m², and located in a range of sites such as malls, corporate HQ's, private hospitals, airports and standalone sites. Turnkey set up costs will be of the region of R1.6 to R2.4 million ex vat. The menu will be extensive, and with waiter service to tables thus labour costs are higher. A full retail section may accompany this café, as in the case at private hospitals.

Wiesenhof Refill espresso bars

A refill espresso bar is a unit occupying 30 – 45 m², with an associated seating area of 15 – 60 m². It has a lower turnkey set up cost of R800 K to R1.3 million. It is located in similar locations as the Café, but would be used where more retail and take away fare are expected, in smaller sites, possibly as a second store to an existing Café, where investment is limited by space or by turnover.

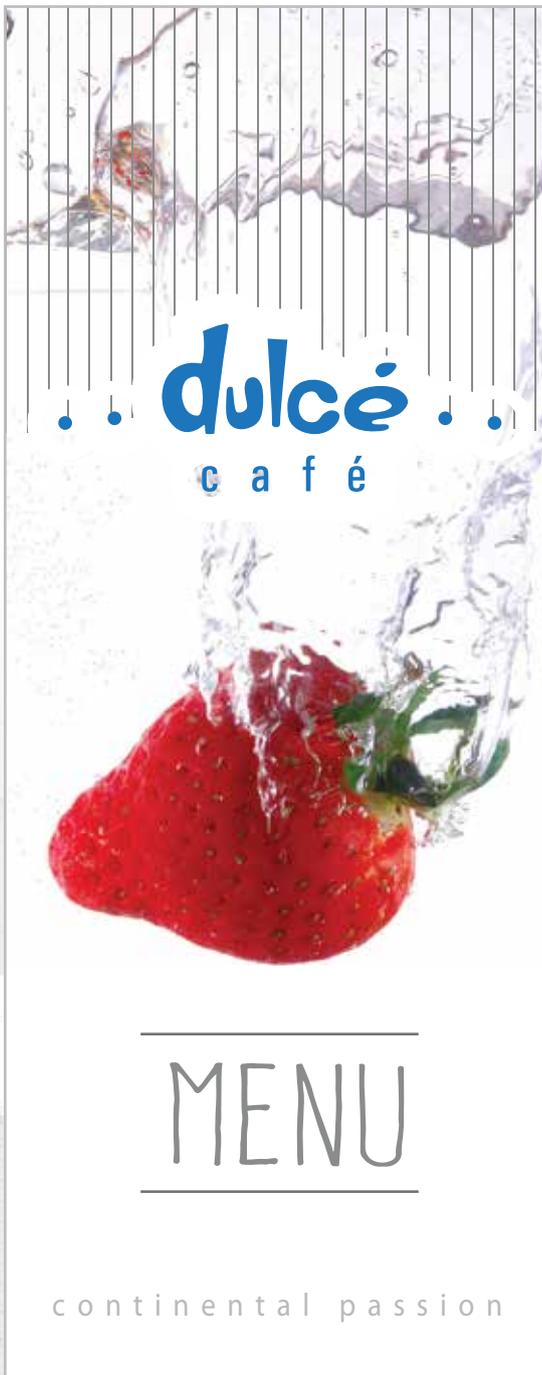
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THE PRODUCTS



**WIESENHOF
MENU**

THE BENEFITS FOR YOU THE FRANCHISEE



Buying a franchise is a serious undertaking, but compared to the inherent risks in starting a business concept from scratch it is far less risky; statistics show that the majority of small businesses will fail where there is no previous experience. Here again, the strength of a Dulce/Wiesenhof Franchise when compared to other similar Franchises is that Dulce/Wiesenhof has been Franchising for nearly 20 years, and attempts to eliminate all potential outlet failures using their built in checks; in the site selection, the rental negotiation, the business viability evaluation and the design; and again in the franchisee recruitment, and in their training and support procedures, as described more expansively under key success factors.

The Franchises although well established, is strong, growing, and has recently had a full Corporate ID upgrade in decor, uniforms, menu design etc. The franchises are also a strong FASA member, and fully accredited by the major SA banks and the IDC, and other government institutions as a good business investment.

DO YOU HAVE WHAT IT TAKES TO BE A FRANCHISEE

The ideal franchisee is a strong individual with an entrepreneurial, outgoing nature and a burning desire to own and grow their own successful business. This owner / operator should be hands on, and have the ability to work long hours, manage others through good communication skills and respect. An eye for detail and a strong service orientation is a positive factor to increase turnover and profits, whilst previous direct experience in the industry is not a necessity.

The ideal Franchisee should have a MINIMUM of 50% owner contribution in unencumbered (no interest payable), and the ability to borrow the balance. Collateral is usually required against this. Whilst there are financial means of borrowing a greater percentage of the total restaurant set up cost, this option is evaluated carefully by ourselves, as the repayment costs of borrowing are often too onerous for cash flow, and acquiring a partner with funds or a family backer, a better option.

Repayments on borrowings of over 50% of setup cost or higher are invariably too much to allow for a Dulce/Wiesenhof business to succeed as a good ROI, and it is almost certain that Dulce/Wiesenhof would not look at a Franchisee with such high gearing, unless there was high collateral backing with assets that one would prefer not to liquidate. This person must also be able to work within the systems and processes imposed by the franchiser

In most cases, the franchisee must be prepared to manage and personally run the business for at least the first year, and preferably for the duration of the lease. The following is summary of the pertinent clauses of the Franchise Agreement. Please read the Franchise Agreement in its entirety and get the assistance of an attorney.

Halaal stores must be managed and staffed in accordance with this requirement(s).

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