

The Franchise Guide

GLOBAL PET FOODS eat.play.love.





Founded in 1976, Global Pet Foods has since evolved into the a leading pet specialty retailer to provide customers with the widest selection of holistic, organic and Canadian made pet food on the market today. We offer stimulating play toys and essential accessories of the highest quality, helping all types of pets and their families live happier, healthier lives together.

The real secret to success is our franchise owners and their incredible love for all pets. With a team of knowledgeable and helpful staff, a customer can walk into one of our stores and be confident that they are getting the best quality nutrition and service available.

Global Pet Foods offers franchisees a unique level of flexibility in ordering products from a vast list of suppliers encouraging them to provide their local community with a mix of what pets crave. A focus on supporting local business and trade is what helps to deliver a truly remarkable shopping experience and keeps us a notch above our competition.

Global Pet Foods is 100% Canadian owned and operated with headquarters in Brampton, Ontario.

Pets: A Growing Industry

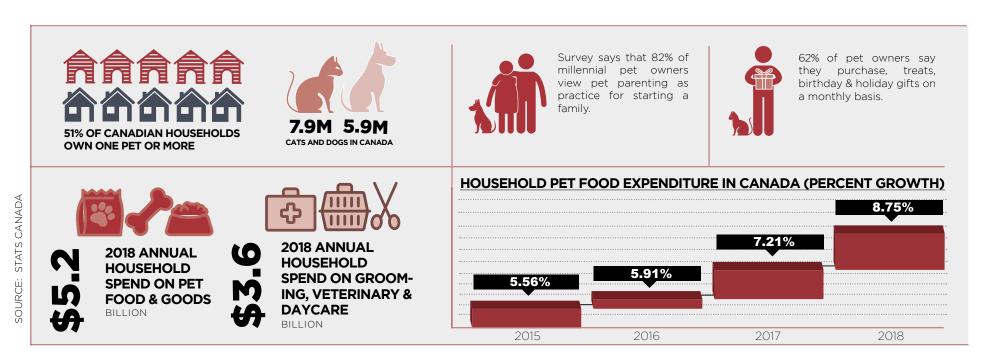
Pet Retail is Experiencing a Long-term Upward Trend

The pet retail market in Canada is growing with leaps and bounds, and was projected to have reached over \$9.2 billion in 2019. In 2018, the Canadian pet industry was worth \$8.8 billion, including pet foods, supplies and services. Roughly 60% of the market is made up of pet food sales, while the remainder is spent on services like grooming, daycare and trips to the veterinarian. That means in 2018 Canadian households spent \$5.2 billion on pet food and goods alone!

The contemporary trend towards the humanization of pets shows that they have undeniably become part of the family and has helped fuel the growth of this exciting and dynamic industry.

The millennial generation is overtaking baby-boomers in pet ownership and is on their way up in terms of income and spending. Meanwhile, the retired are living longer, healthier lives than ever before, and Generation Y is delaying parenthood, often first becoming pet parents, while sparing little expense when it comes to the comforts in making sure their companion feels loved.

In a review of recent sales figures, a sizable percentage of Canada's population has the money, time and emotional space to treat a pet as if it is a beloved child.





Would you like to combine your appreciation for wellness and pets into a rewarding business? Global Pet Foods has grown to become an established essential Canadian retailer with almost 200 stores coast-to-coast. Franchisees are offered a truly unique business model.

- Start-up royalty structure that keeps profit in your pocket
- \$9.2 billion dollar pet industry with long-term steady growth
- E-commerce platform that adds value to the bricks & mortar store

⊗ Exclusive partnership with AIRMILES®



- Very best of natural and holistic nutrition from around the world
- An essential business in a market with proven, long-term steady growth
- Strong and proven franchise model with 96% of stores franchisee owned
- **⊘** Award-winning franchise system













A great opportunity for business ownership.

Start-Up Training & Support

Initial Training

Initial franchise training is the first of the Global Pet Foods learning programs to support your journey. Our goal is simple: No single franchise partner will feel unprepared to operate a successful Global Pet Foods store. Training is offered for a combined four weeks and includes:

- Online video training
- In-person classroom
- Grand opening field support
- Hands-on learning at our Corporate training store

Start-Up Support

The in-house franchise launch team will provide you with a turn-key operation including:

- Store location selection
- Lease negotiation
- Store design

- Merchandising plan
- Initial product order
- Vendor account set-up
- Construction management
- Store set-up
- Inventory management



Ongoing Training & Support

Operational support and ongoing trianing includes:

- Nutrition education
- Product knowledge
- POS system
- Merchandising
- Local area marketing
- ...And more



MAUREEN & AMBROSE

Franchisees' in Vaughan and Woodbridge, Ontario

The Pillars of Global Pet Foods



TRUSTED

With best-in-class communications and the widest selection of Canadian pet products available on the market today,



INNOVATIVE

The very best in quality food products and accessories from around the world that meet or exceed the high-standards set by Global.



WHOLESOME

Providing holistic nutrition with human-grade ingredients to help pets and their family live happier, healthier lives together.



INVOLVED

Part of a community that is supported by knowledgeable and helpful staff that are committed to providing exceptional service.



LOVING

Each location is owned and operated by animal loving enthusiasts, eager to make a difference in the life of a pet.

CORE BELIEF

Pets are undeniably part of the family.

VISION

Be the most trusted source for innovative pet care products in the world.

MISSION

Help pets and their families live happier, healthier lives.

Owned & operated by pet-loving experts

Knowledgeal & helpful staff Broad selection of wholesome & innovative products

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Global Pets & Animals Foundation

They Deserve the Best.

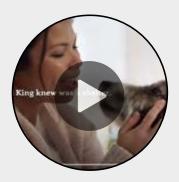
The purpose of the Global Pets & Animals Foundation is to raise and distribute funds for deserving pet-related rescue groups and charities. Typically, these charities are Animal Shelters and Pet Rescue groups who provide ongoing care for unwanted, sick, and abandoned pets, as well as help to facilitate adoptions to those people and families who wish to adopt a pet.

Along with the annual fundraising program, Show Us Your Heart, Global Pet Foods has raised over \$2 million in donations. The foundation has no paid staff, with 100% of all donations going directly to shelters and rescue groups in comminites across Canada.

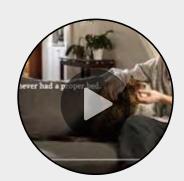
The Global Pets & Animals Foundation will help to build a public foundation that will live on in perpetuity, contributing to improvements in animal welfare in Canada. Any person may donate directly to the charity and will receive a tax receipt for a gift of \$100 or more.



2020 Show Us Your Heart Campaign



King Receives A Forever Home



Lulu Never Had a Proper Bed

They would do anything for a treat. Imagine what they would do for a home.



A Brand that is Exclusively Yours

You Want the Best For Your Pet, We Do Too

At Global Pet Foods, we believe that caring for pets means taking care of their minds, bodies, spirits, and souls. That's why we created Nature's Harvest™, one of the first pet products designed around the natural foods animals were meant to eat. Our 100% Canadian-made and manufactured foods and treats contain only fresh meat, wholesome grains, fruits, and vegetables, without anything artificial or genetically-modified. The result is a holistically nutritious product that improves the overall health of your pets, and gives them the nutrients they need to live happier, longer lives.

Our goal in branding Nature's Harvest is to create a brand that stands independently of Global Pet Foods and not just another "private label", but belongs exclusively to you. The Natures Harvest website includes a "Where to Buy" section that drives consumers directly to your store location.

Our customers shop with Global Pet Foods because their values as a customer align with our values as retailer. We value pet health, and wellness, transparency and honesty, quality products and innovation. If our customers align with Global Pet Foods values, we know they will align with Natures Harvest values because it is the same set of values. Our customers have grown to trust the Global Pet Foods Brand, which means they can trust the Nature's Harvest brand.

Only the Very Best

We believe that nutrition for your companion pet should be uncompromising and we continue to lead in research and development to ensure we adapt our recipes to the changing needs of dogs and cats in Canada.

All Things Canada

Nature's Harvest supports all things Canadian. Proudly made in Quebec using Canadian sourced ingredients, sold exclusively in Canadian owned independent retailers, we are focused on promoting local business, trade, and farmers to make a remarkable food.

Manufacturing Standards

Our manufacturing facilities adhere to the strictest quality standards for pet food in the world. They are EU Compliant, Asia Certified and FDA Approved.



With less than 1% product returns, it's clear pets and pet parents are completely satisfied with Nature's Harvest!



Frequently Asked Questions

Answers to the most commonly asked financial start-up questions.

Q. How much does it cost to open a store?

Turn-key costs for a typical new store range from \$405,000 - \$600,000 and will depend on factors such as store size and location. This amount also includes the initial franchise fee, opening store inventory, leasehold improvements, equipment, signage and typical soft costs.

Q. Do you offer financing?

Global Pet Foods has developed relationships with major merchant banks in Canada. Although financing is not directly offered, we will make recommendations to help guide you along the process of obtaining financing.

Q. How much money do I need to get started?

We look for a financially qualified applicant to have a minimum of \$200,000 in cash or unencumbered assets.

Q. What is your franchise fee and term of the franchise agreement?

The franchise fee is \$30,000 and due upon signing the franchise agreement. The initial term of the franchise agreement is 10 years; with the options to renew. Global Pet Foods royalties are capped at \$6,000 in your first year to help you while you are building your business.

Q. How much do I pay in royalties?

Ongoing franchise royalties average 4% with the amount being determined on a sliding scale based off of the prior year's gross sales. All stores contribute 2.5% of their gross sales to the national advertising fund, inclusive of the AirMiles reward miles program.



The second and ninth Global Pet Foods franchisees are still with us today and currently owners of Global Pet Foods chain.



An Award-Winning Business

A Business Model Our Franchisees Believe In

For the past two years, our franchisees have voluntarily taken part in an independently administered survey in key areas of the Global Pet Foods business model. Leadership, planning, marketing, training and support are all hot topics when it comes to investigating a franchise opportunity.

We are proud to be recognized by our franchisees for two consecutive years with the Franchisees Choice Award and inducted into the Canadian Franchise Hall of Fame.









World Class Branding

Global Pet Foods proudly received the Brand of the Year at the World Branding Awards.

The 2nd Animalis Edition took place on July 3rd, 2019 in the Throne Room at the iconic Hofburg Palace in

From left: Dino Fragaglia, Jim Walker, Paul Thomson

DID YOU KNOW?

WORLD BRANDING AWARDS

BRAND OF THE YEAR

WEAR

Over 96% of our stores are independently owned by franchisees and 31% of our franchisees own multiple stores. July 2020.

We offer more than just a solution to Buster's shoe addiction

If you would like more information, we invite you to contact us for a no-pressure initial conversation to learn more about Global Pet Foods and how you can receive a copy of our Franchise Disclosure Document.

We think your future looks pretty exciting!

Let's Connect



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