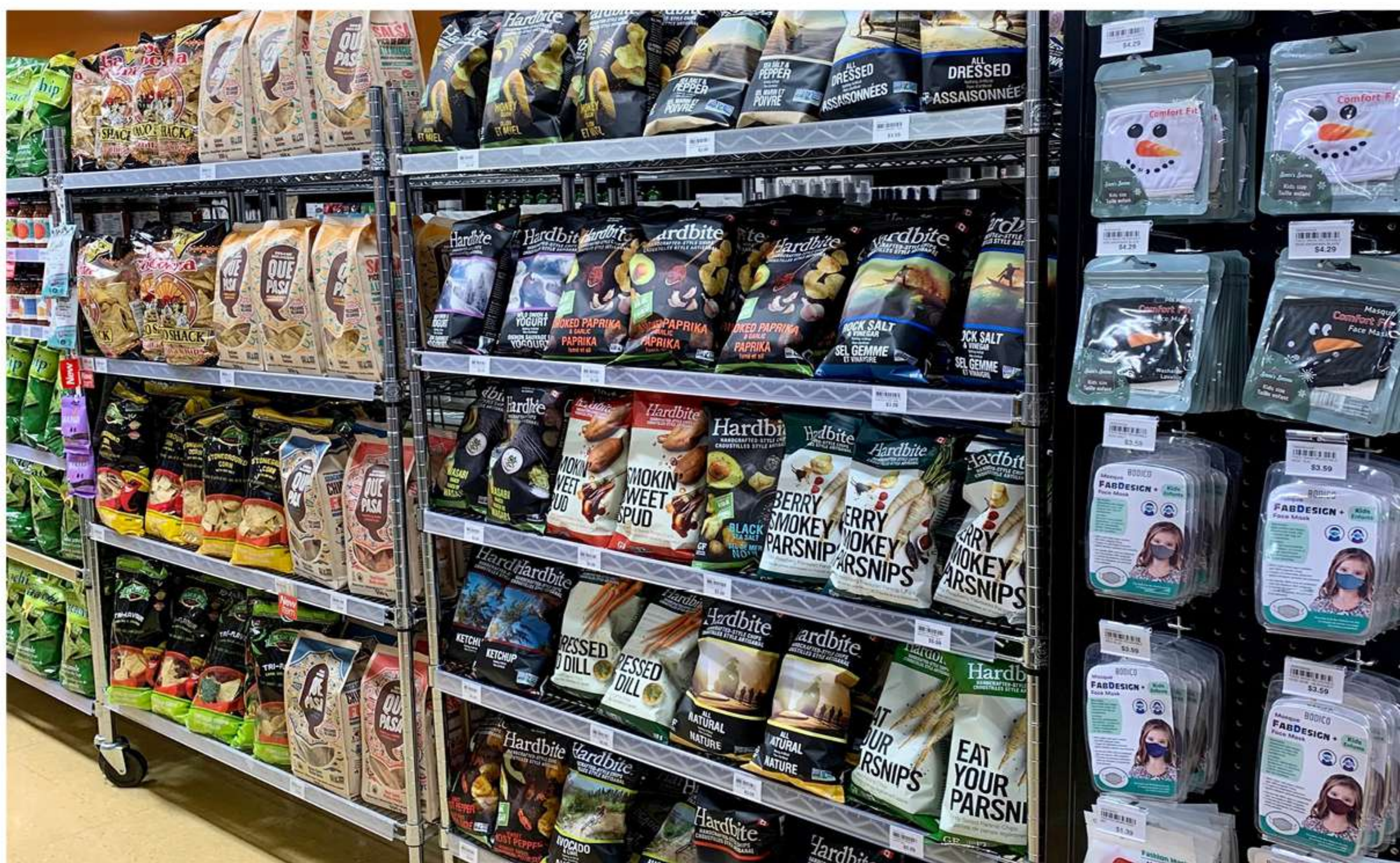


FRANCHISE INFORMATION



*A Strong & Healthy Western Canada Heritage Company
Offers A Distinctive Franchise Opportunity!*



Healthy Living Started Here In 1984

Dr. Jim Cranston and his family recognized a way to help families on their journey to a healthy lifestyle in the early 80's. The Alberta physician and his family opened the first Nutters retail location in Medicine Hat, Alberta. The original name was *Nutters Fruit & Nut Company*.

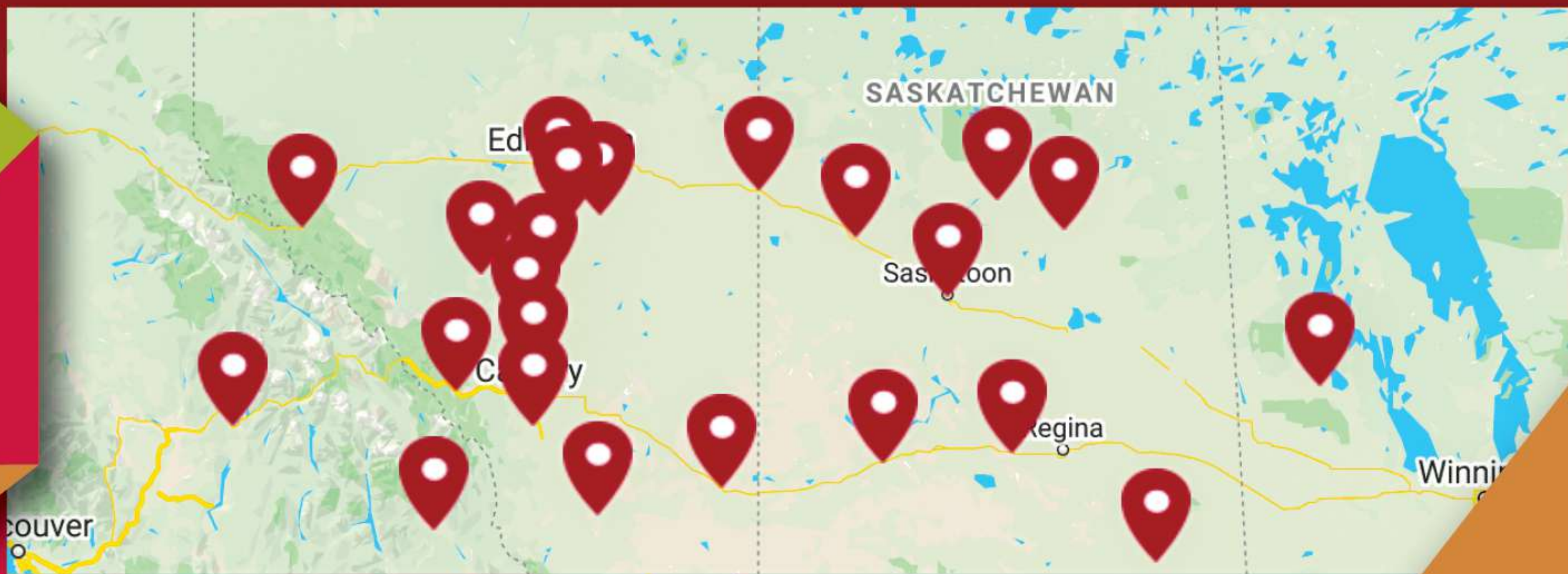
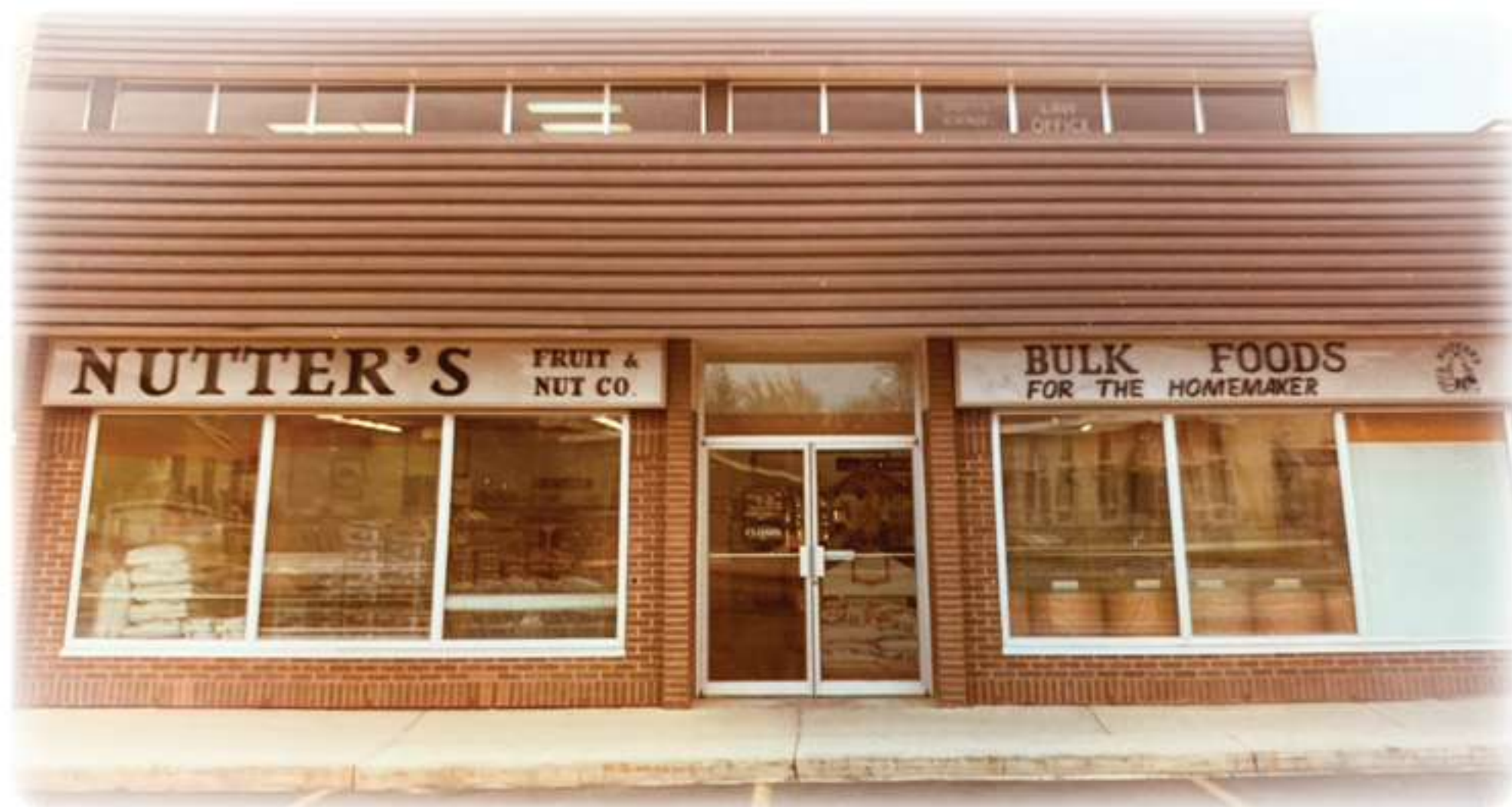
The company was an early pioneer in retailing bulk foods and soon evolved into Nutters Bulk Foods. Nutters has always maintained a retailing leadership position in Western Canada, and eventually the company became *Nutters Bulk and Natural Foods*.



Today, a 4th evolution has occurred as Nutters continues to innovate with premium vitamin and supplement lines, gluten free, sugar free, natural and organic products, keto friendly products and much more.

As it continues the trail blazing tradition, the company again recently re-branded and now operates as *Nutters Everyday Naturals*. The Cranston family legacy continues to be shared through a strong coalition of corporately owned stores along with spirited and entrepreneurial franchise owned locations with our longest running franchisees enjoying over 38 years of success.

The Nutters family extends from B.C to Manitoba, serving smaller communities such as Salmon Arm, BC and Dauphin Manitoba, to larger markets such as Red Deer, Alberta and Saskatoon, Saskatchewan.



A History of Retail Success

Making the decision to join Nutters means you are investing in a tradition of leadership and innovation that is well recognized in the health and wellness retail industry.



NUTTERS
EVERYDAY NATURALS

Deep Experience Resides in Nutters' Vitamin & Supplement Department!

We invite you to take advantage of our experience! Randy has spent almost 40 years in the health food industry. Through the years he has attended numerous seminars with some of North America's top educators.

Randy is also a master herbalist. His goal is to give the Best service possible one customer at a time.

3106 50th Avenue, Lloydminster • (780) 875 - 4617



Randy Smith, Vitamin Manager
Nutters Everyday Naturals Lloydminster



Nutters legacy franchise operators continue to innovate and share their expertise with everyone throughout the Nutters family. Both corporate stores and franchise operations, along with Nutters head office team continues to push the envelope, from sourcing new leading-edge products to innovative merchandising, to experimenting with fresh ways to reach our current and future customers.

There is something you need to know about Janine Favreau: after 34 years as the owner and operator of Nutters Everyday Naturals in Prince Albert, SK, she is still as energized, focused, driven and dedicated to her business as she was when she opened the store in a blinding snow October blizzard all those years ago"....."Janine's hard work has not gone unnoticed. In 2014 she was honoured to be the inaugural recipient of the Samuel McLeod Business Award for Prince Albert's Female Business Leader of the Year. Nutter's Prince Albert is a repeat winner of People's Choice Awards and five year winner of the Prince Albert Best of Best Award"....."During her years in business, Janine has determined that being successful is based primarily on two things: liking what you do and working hard at it.

*- An Excerpt from Canadian Natural Health Retailer Magazine
Jan/Feb 2019*



A History of Retail Success

An Expansive Customer Database Enables Meaningful Research:

Nutters places great importance on customer research. It is an ongoing part of our business strategy, reaching out to our core audience for feedback, trending tips, advise and direction. The company is generating significant feedback with survey returns at levels that would be comparable to national studies and surveys. This data helps to guide our Nutters family as we continue to evolve, grow and progress at all levels to ensure our company is vibrant and on trend even after several decades.



A Nutters Concept And Size To Suit Most Communities:

With stores currently ranging from 2,000 sq ft to 10,000 sq ft, Nutters has the history and experience to design the right floor plan to maximize sales and operating efficiency for new Franchise operators.

Nutters currently operates in a diverse number of communities such as Jasper, Alberta, a National Park setting with a full time population of under 5,000 along with similar sized towns such as Rocky Mountain House, Alberta with 6,600 and Dauphin, Manitoba at 8,500. Nutters is focused on growth in communities larger than 10,000 in population.

You will also find Nutters in the Alberta/Saskatchewan border City of Lloydminster, with a combined twin province population of 32,000.

Plus, we operate in larger bustling cities such as Red Deer, Alberta with just over 100,000 people and Saskatoon, Saskatchewan with a population of 246,000.

A History of Retail Success

Ongoing Marketing Support For Your Nutters Franchise:









All franchises are supported by a dedicated marketing & social media team who develop a broad array of tools every month, year round, including:

- A company wide monthly promotional calendar including all Nutters flyer events, key promotions, an annual editorial guideline of health and wellness topics for newsletters and social media posts.
- Creation of a company wide flyer most months of the year, a mix of digital and printed flyers, including a special Christmas Gift Tray flyer supporting a long running seasonal products segment of our business.
- Publication of a monthly Nutters Newsletter distributed to email database subscribers across all Nutters markets.
- Graphic design and advertising copy for company-wide E-Blasts to our database lists promoting, special Sales & Promotional Events including Online Webinars featuring Health & Wellness experts organized and produced by Nutters Marketing Team, and now a monthly podcast titled "Just A Nutter Podcast".
- Custom graphic creative projects also including Pre-Grand Opening materials, and other ongoing graphic support including store signage, special seasonal signage or ad materials upon request. Franchise operators are also provided examples of various ad and marketing materials across the year, which they are able to utilize if they wish.



- Creation of special customized print ads, mini-flyers, e-blasts and other materials for local franchise events such as Anniversary or Customer Appreciation events. Available upon request by franchise operators.
- Customer Research is conducted by the Nutters Marketing team ongoing in order to keep a pulse on the needs and expectations of our core customers. Franchise operators are provided results at their local market level, as well as the 'big picture' of the aggregate company-wide results.

You Have Questions... We Have Answers

-  **What does it cost to open a Nutters Everyday Naturals Franchise?**
The initial set up cost varies with the size of store and other market and lease location variables. However, the complete package including pre-opening costs, training, inventory, fixturing and franchise fee will range from \$400,000 to \$750,000.
-  **What do I require in out front cash?**
With each franchise location unique in size it requires different cash and financing requirements. We require at least 50% of the investment in unencumbered capital. The balance of set up funding is through traditional bank facilities of both term and operating loans.
-  **Do I require retailing or business ownership experience?**
While not a requirement, it is helpful, along with a commitment to “living a healthy lifestyle”. We are most interested in franchise operators who are committed to our philosophy, “Healthy Living Starts Here” and possess a strong work ethic, enjoy working in a high energy atmosphere and committed to helping customers on their health and wellness journey.
-  **Does Nutters offer financial guidance or support?**
Although, we don’t provide direct financial support (loans & loan guarantees), we provide operational budgeting, and cash flow planning and lease negotiating support.
-  **What is Nutters franchise royalty fee?**
Starting at 3% in year one, 3.5% in year two and then tiered up to 4% starting in year three.
-  **Is there a monthly promotional and advertising fee?**
YES. The monthly promotional fee varies depending on store volume and ranges from \$125 to a maximum of \$800 per month. As well, there is a social media development and promotional fee which depends on store volume and ranges from \$125 to a maximum of \$800 per month.
-  **Do I have to operate my franchise store? Can I have a partner?**
YES, we require all franchises to actively work in the business with at least 40 hours per week. Although, partners are an option for any business, we discourage partnerships and tend to not award a franchise location based on a partnership structure.
-  **How does Nutters Franchise training work?**
We have an extensive training program with a minimum of two weeks or longer depending on the franchisee’s previous work experience. Training takes place in Medicine Hat and other Nutters sites if required to provide the greatest range of start-up operational experience.

You Have Questions... We Have Answers



How does Nutters Support a new franchise store opening?

After a franchise is selected for a given geographic area and then a location is determined, all new franchise owners participate in an extensive training program, learning the day to day fundamentals of operating a Nutters Everyday Naturals. This involves store merchandising layout, product selection and hiring support.

In addition, all franchises will receive a Brand Standard Kit that contains all approved logo versions, brand colour theme information, signage requirements, recommended layout and merchandising approach, recommended Grand Opening advertising strategy, employee recruitment messaging, franchise owner and employee pre-opening training.



What ongoing support does Nutters provide to a Franchisee?

In addition to the ongoing marketing support outlined on the previous page, Nutters also provides I.T. support to franchise stores relating to P.O.S systems, inventory management and ordering technology, branded packaging and warehouse sourcing, guidance on setting up accounting and payroll, human resources, merchandising, and management of key vendor relationships including a robust franchise purchasing program with key vendors.



How would you describe the relationship between Nutters and its key vendors?

Nutters has a very unique, comprehensive and robust relationship with its vendors; thereby allowing franchise operators to take advantage of many direct sourcing opportunities. This provides a very cost effective way of sourcing and delivery of goods to each franchise location.



Do I have the ability to locally source products?

Yes. It is a unique and special feature that provides franchise owners to showcase local vendors and all we require is that the products meet all packaging, labeling, and health guidelines.

Healthy Living Starts Here





And The Next Step Is?

Thank you for taking the time to read our franchise brochure. Now, we invite you to take a closer look by doing the following:

Visit nutters.com/about-us/franchise for more details.

- OR -

You may also contact Nutters Franchise Team by emailing franchising@nutters.com.

