



Cead Mille Failte!

A hundred thousand welcomes.



[www.primepubs.com](http://www.primepubs.com)



“Laughter is brightest where food is best.”

– Irish Proverb



## Príme Pubs

The spirit of Ireland is the guiding philosophy of **Prime Pubs**. Not surprisingly then, a Prime Pub is renowned for its warm Irish hospitality, inviting surroundings and

vibrant atmosphere, a reputation that has been earned by our franchisees through their commitment to deliver a premium Pub experience for their Guests.

At Prime Restaurants, we share with our franchisee partners this commitment and passion for our Guests, and it is these values that are the foundation of our current success and the future growth of the **Prime Pubs** brand.

“Ireland is where strange tales begin and happy endings are possible.” So grab a pint, sit back and enjoy the not-so-tall tale of **Prime Pubs**.





## HOW AUTHENTIC IS AUTHENTIC?

What if we told you our first Irish Pub, Sláinte, was designed and constructed in Ireland, shipped across the sea and re-built in Hamilton, Ontario in 1996? Authentic enough? Not for us. What makes a **Prime Pub** truly authentic is our attention to all the details that truly make for a Premium Pub experience — from the art of pouring the perfect pint, to a menu that combines traditional Irish favourites with fresh new flavours, all served with a dash of authentic Irish hospitality.

Today, the Prime Pub Group, which is comprised of Prime Pubs (Canada) and Prime Pubs of America, is part of Prime Restaurants of Canada's family of leading casual dining brands.

Prime's portfolio includes five of Canada's most recognized and successful casual dining brands, and chances are you have enjoyed a memorable dining experience at one of our more than 160 restaurants.



Prime Pubs of Canada (Est. 1996)  
11 locations in Ontario and Alberta



Prime Pubs of America (Est. 2006)  
3 locations in development



Casey's (Est. 1980)  
36 locations in Ontario & Québec



East Side Mario's (Est. 1987)  
110 locations across Canada  
4 locations in the U.S.A.



Pat & Mario's (Est. 1982)  
1 location in Ontario



Bier Markt (Est. 1998)  
1 location in Toronto  
1 location in development

"I have the simplest tastes. I am  
always satisfied with the best."

– Oscar Wilde



## P R I D E

**Prime Restaurants'** brands employ more than 10,000 people in full and part-time positions, and is an integral part of the communities in which they operate, from fund-raising and the sponsorship of community events, to Prime's long-standing corporate support of Camp Oochigeas, which provides kids living with cancer the opportunity to enjoy a unique summer camp experience.

**THAT IS WHAT WE ARE, BUT WHO WE ARE IS DEFINED BY OUR VALUES.**

### **P** EOPLE

We value the contributions of all of our people and recognize that the best results are achieved through team efforts. We are a diverse family working together to achieve a common goal.

### **R** ESULTS

We accept accountability for, and are committed to, achieving the best results and financial returns for all of our stakeholders.

### **I** NTEGRITY

We employ the highest ethical standards, demonstrating honesty and building trust in every action that we take.

### **D** EVELOPMENT

We are committed to the personal and professional development of our people.

### **E** YE ON THE GUEST

We are passionate about delivering the ultimate Guest experience.



## A PUB IN NAME AND SPIRIT...

A **Prime Pub** is known for its Craic, the unique combination of great food, good cheer and fun times. There's always a reason to drop in and enjoy a pint at a **Prime Pub** — whether it's an evening of traditional Celtic music or our complimentary Oyster bar every Friday, the perfect kick-off to the weekend. The on-going success of a **Prime Pub** is the infusion of Irish culture with an urban sensibility – striking the perfect balance between our authentic values with new and relevant choices for our Guests. We balance traditional favourites with fresh new flavours and a unique selection of perfectly poured pints, fine whiskeys, scotches, wines and refreshing cocktails. It's more than what you would expect from a typical pub.

## ...THAT'S JUST A BIT MORE SOPHISTICATED

A **Prime Pub**, is a premium pub that is differentiated from the "Local Bar" by its premium offering. From its food — definitely not Pub grub — and beverage menu, to knowledgeable staff and authentic décor, a premium **Prime Pub** possesses appeal across broad demographic groups and divergent ethnic backgrounds.



A **Prime Pub** offers an upscale casual dining experience in a sophisticated Pub environment, making a **Prime Pub** an exciting choice beyond the typical Pub offering. Our principal Guest is 25-54, college educated with an above-average

**“There is no love sincerer than the love of food.”**

*– George Bernard Shaw*

income, while our secondary Guest, Adults LDA (legal drinking age) to 34 also feel right at home.

A **Prime Pub** is ideally suited to meet the demands of today's consumers who are continuously in search of more premium products and experiences, and define themselves by their “taste level” and knowledge of the latest trends.



Whether it's a work meeting, an intimate dinner, or just hanging out, our Guests enjoy sharing conversation and good times over great food and drink. It's more than what you would expect from a typical Pub.

### **PRIME PREMIUM IRISH PUB**

### **LOCAL (IRISH) BAR**

Premium establishment	vs.	Tavern or “boozer”
Premium drinks	vs.	Commodity alcohol, jugs
Premium pricing	vs.	Price sensitive, deal-focused
Authentic Design	vs.	Non conceptual, “box and bar”
Vintage bric-a-brac	vs.	Flags and shamrocks
Customer Experience	vs.	Away from home place to drink
Knowledgeable, friendly staff	vs.	Order takers
Designed menu, high quality kitchen	vs.	Bar snacks
Family/friendly	vs.	Male-oriented
Broad demographics/ethnicities	vs.	“Locals” bar
Multiple trading hours	vs.	Lunch and after work rush



## THE PERFECT PARTNER

With your investment in a **Prime Pub**, you can experience the freedom of running an independent business with the security of working within an established franchise system. From the moment your commitment is made, the **Prime Pub** management team begins the planning process. We work with you, lending our experience and expertise to every facet of your business including site selection and lease negotiations. We coordinate virtually all the activities that will take you from preliminary layout to opening day.

We will assist you to prepare with our partner financial institutions financial packages and programs to suit your needs. It is a true-turn key operation. We work side-by-side with you providing the programs for you to achieve your Pub's maximum potential, and the personal satisfaction and financial rewards you deserve.

We are there to give you operational support on everything from menus, to proprietary inventory systems, from kitchen assistance, to field support. As well, **Prime Pubs** offer comprehensive marketing support, all the tools needed for you to make your sales grow.



**“Those who drink to forget, please pay in advance.”**

*– Sign at the Hibernian Bar, Cork City*



**REAL ESTATE AND CONSTRUCTION:** From site selection to design and development you benefit from 27 years and over 160 restaurants worth of experience.

**PRIME UNIVERSITY:** The franchisee is provided two weeks of classroom training at Prime's head office, followed by four weeks of in-Pub training. Prime University provides our franchisees with basic skills necessary to successfully operate a restaurant. The hands-on restaurant training gives the franchisees the opportunity to put into practice what has been learned during the two weeks of class instruction.

**TRAINING:** We also provide in-Pub training to Assistant Managers (five weeks) and to the Kitchen Managers (six weeks). We assist the franchisee and their management team with hiring their team members and provide a “hands-on” support team for ten days to train the team prior to the opening of the restaurant. The support team, consisting of a Project Manager, Front-of-House Trainer and Back-of-House Trainer, will also provide operations support for three weeks after the restaurant is open.

**OPERATIONS:** Your **Prime Pub** also comes with an expert in restaurant operations. Area Managers are responsible for assisting our franchisees to meet their financial targets. From effective scheduling, cost control and sales building, our Area Managers are hands-on — in your restaurant, on the floor, in the kitchen — not their offices. The Area Manager is one of the key components in our on-going support of our franchisees.

**MARKETING:** A dedicated team of marketing professionals ensures that a **Prime Pub** is top-of-mind with its Guests, creating exciting, break-through culinary and beverage programs that are designed to increase Guest counts, and to drive top-line sales on both a national and local restaurant level.

**FOOD AND BEVERAGE:** Our Executive Chef and Beverage Systems Manager are continuously examining dining trends around the world in an effort to deliver to our Guests the latest in flavour trends while remaining connected to our brand position. The result? They're always up to something in the kitchen, and mixing up a unique cocktail or two.



**“I often quote myself.  
It adds spice to my conversations.”**

*– George Bernhard Shaw*

Members of our food and beverage team also provide in-restaurant training for your team, all in an effort to meet our Guest's high-standards and expectations, and to assist you to achieve financial success.

**PURCHASING:** You benefit from the immense buying power of over 160 restaurants, and a team of purchasing professionals who are assigned with the responsibility to deliver you the best possible product at the best possible price.

**FINANCE AND ACCOUNTING:** The Finance and Accounting team provides you with the information systems required to effectively — and profitably — run your Pub. You will also be able to compare your restaurant's performance to other locations through our Stack Ranking and Bench Marking financial reporting systems.

**INFORMATION TECHNOLOGY:** Our dedicated IT department will provide you with up-to-date information systems and the latest in system reports.

**HUMAN RESOURCES:** Human Resources provide you with all the information tools you need to hire, train, retain and manage your Team.

**FRANCHISEE ADVISORY COMMITTEE:** To insure that you have a voice, Prime, in partnership with its franchisees, created the Franchisee Advisory Committee. Comprised of individuals from the franchisee community, FAC members are elected by their peers. Their mandate is to work with other franchisees to ensure that there is an open dialogue between us and you, our franchisee, as it pertains to our mutual business interests. The FAC convenes three times annually with representatives from the **Prime Pub** management team. Semi-annual meetings are held to keep our franchisees informed as to future plans and to share the results of our recent initiatives.

**PRESIDENT'S CLUB:** Each year we recognize the top performers with a trip to a new and exciting destination — and of course, it is on us. It's our way of saying thanks for being part of the Prime family, and for being the “best of the best” when it comes to sales and profitability.



## WHO YOU ARE

The **Prime Pubs** team takes great pride in their Pubs, and is dedicated to delivering the best Pub experience in North America. Future franchisees must share our vision, and consequently not everyone possesses the necessary attributes to create the **Prime Pubs** brand experience. We are looking for entrepreneurs who are genuinely interested in being part of the dynamic and exciting food service business. We want people who are willing to roll up their sleeves, and provide the “hands on” control required to satisfy both Guests and Team Members. And most importantly, we want people who are willing to focus their energies on being successful.





**"I can resist everything except temptation."**

*– Oscar Wilde*

## LET'S DO LUNCH

It all sounds great, right? And we haven't even shared with you all the awards we have received in recognition of our success. (We couldn't resist, so take a moment and review a few of the highlights noted below.) Want to hear from someone else? We would be pleased to introduce you to one of our franchisee partners so that you could hear all the positive aspects – and challenges – that come with owning and operating a **Prime Pub**. Let us know and we'll do lunch.



### **Canada's 50 Best Managed Private Companies**

2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007

Platinum Member 7 Consecutive Years 2000-2006

**Canadian Franchise Association 2007 Frankie Awards**  
**Gold Award** (Newspaper Campaign), **Silver Award** (POS Material) and **Bronze Award** (Brand Foundation Book)

### **Outstanding Business Achievement Award Large Business of the Year**

Board of Trade – Mississauga, Ontario

### **Restaurateur of the Year**

Ontario Restaurant News

### **Food Service Chain Operator**

Ontario Hospitality Institute

**Prime Royalty Income Fund** — listed on the Toronto Stock Exchange (with the appropriate symbol EAT.UN) allows investors to participate in our success. For the latest public information on the Fund, go to: [www.primerestaurantsfund.ca](http://www.primerestaurantsfund.ca) or [www.sedar.com](http://www.sedar.com) and search for us under company profile.



## FREQUENTLY ASKED QUESTIONS

**Q. How much cash (equity) do I need?**

**A.** Approximately \$300,000 to \$500,000 of unencumbered cash is required, representing 45-50% of the total investment depending on credit worthiness. This allows for approximately \$50,000 to \$75,000 of Working Capital.

**Q. How much does it cost to purchase a Pub?**

**A.** The cost of purchasing a **Prime Pub** will vary from project to project, but generally complete development, grant of Franchise, training and pre-opening costs will range from \$650,000 to \$900,000.

**Q. Why does the cost vary so much?**

**A.** The cost varies due to a number of factors including whether the site was formerly a restaurant, landlord's contribution towards leasehold improvements, local labour and material costs, and the condition of the retail space to be leased.

**Q. Does Prime provide financial assistance?**

**A.** Prime does not provide financing for franchisees, but it does assist franchisees to obtain the required level of financing. We have excellent relations with several lenders, and assist you to prepare a detailed application for financing.

**Q. What is the initial Franchise Fee and what initial services are provided?**

**A.** The initial franchise fee is \$40,000 and the initial services provided prior to opening include:

a) **Site Selection** — evaluation of potential Pub sites based on proven selection criteria.

b) **Design & Development** — Complete detailed interior and exterior design, building plans and specifications; professional supervision of all construction.

c) **Pre-Opening Assistance** — All opening activities including national purchasing, co-ordination with suppliers, municipalities and trades.

d) **Registered Trade-marks** — Franchisees use the appropriate concept trade-marks, logos, and proprietary products and services.



**“Ireland is where strange tales begin  
and happy endings are possible.”**

*– Charles Haughey*

**Q. How much are the on-going Royalty and Advertising Fees?**

**A.** The Royalty & Service Fee of 5% of gross sales is submitted to Prime weekly. The advertising cost is 4% spent both nationally and locally.

**Q. What do I get for these fees?**

**A.** The Royalty Fees include on-going services such as:

- a) use of nationally recognized and advertised trade-marks
- b) proprietary financial, tracking and benchmarking systems
- c) centralized purchasing and distribution
- d) confidential operating manuals and field support to red flag performance issues and identify action plans to address variances from targeted performance
- e) research, development and quality control
- f) proven business model

The Advertising Fund produces professional advertising material and dedicated brand support personnel at head-quarters who develop annual marketing and promotional plans to assist in realizing your market's potential.

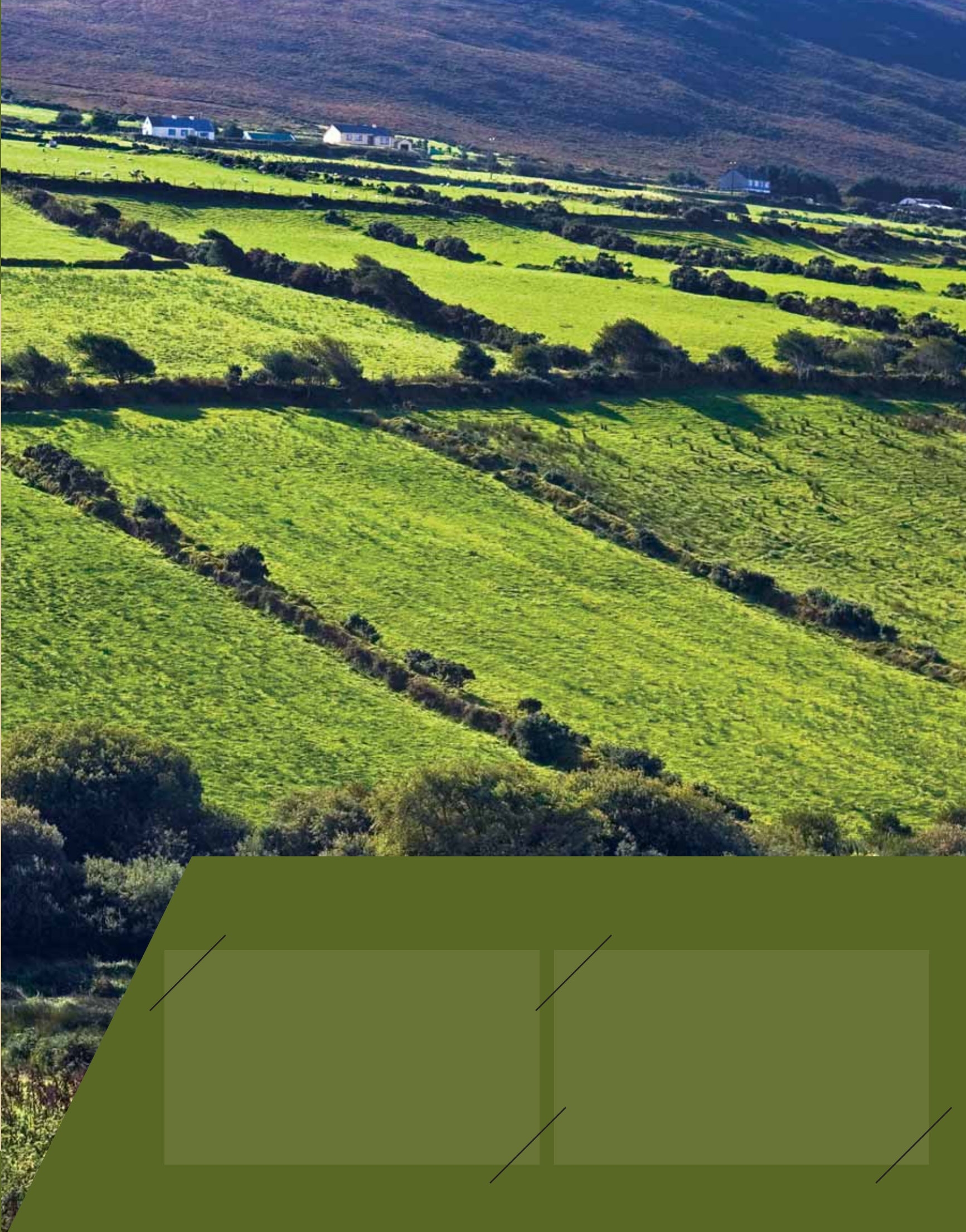
**Q. Do I have to operate the store or can I simply invest? What about partner(s)?**

**A.** Prime offers everything from owner-operator arrangements to area license opportunities. For all independent owner-operator locations we insist that one of the partners with at least 25% equity participation complete our training program and be responsible for the day-to-day operation of the Pub.

**Q. What training support do I get?**

**A.** The owner-operator is provided with two weeks of classroom training at Prime's head office followed by four weeks of in-Pub training. Additionally, in-restaurant training is provided to the Assistant Managers (totaling five weeks) and to the Kitchen Manager (totaling six weeks). We assist the franchisee and his/her management team with hiring, and provide a “hands-on” support team for 10 days prior to opening, to three weeks of post-opening operations support.







CANADA

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