



petvalu[®]
your pet • your store

Your Franchise Opportunity

Gain access to a multi-billion dollar industry by partnering with Canada's largest chain of pet speciality retail stores.



OUR PHILOSOPHY

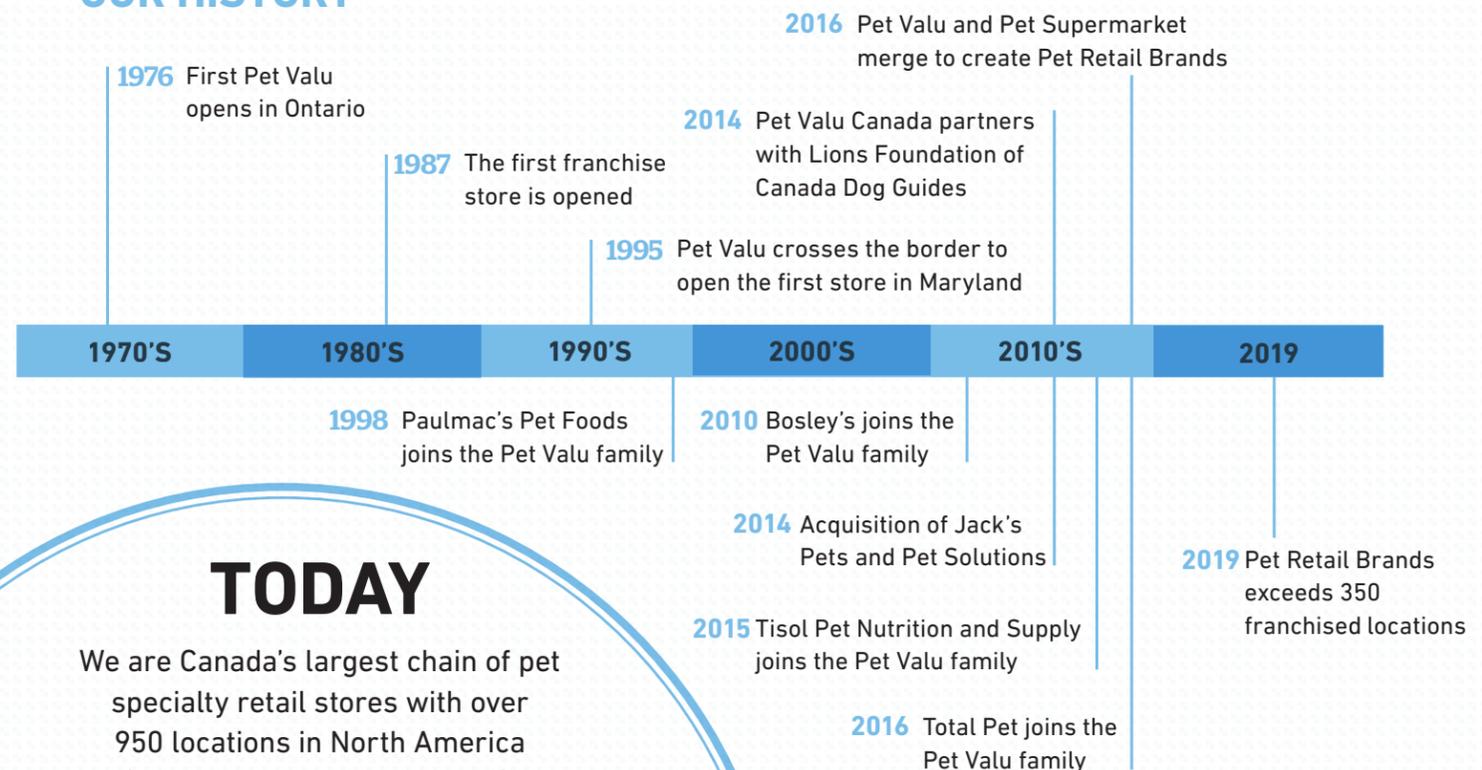
The Pet Retail Brands family of stores includes **Pet Valu Canada, Pet Valu US, Pet Supermarket, Paulmac's Pet Foods, Bosley's® by Pet Valu, Tisol, and Total Pet**. Together, we are Canada's largest chain of pet specialty retail stores.

At Pet Valu, we understand that your pet is a part of the family, because we're pet parents too! For over 40 years, we've fostered and maintained our reputation as your local Pet Experts. In our stores, you'll find friendly Pet Experts trained through courses developed with the University of California Davis Extension School.

The Pet Valu family of stores pride themselves on providing pet owners with Pet Expert advice, at convenient, neighbourhood store locations. Pet Valu offers more than 7,000 products, including a broad assortment of premium, super premium and holistic private label brands scientifically developed by internal nutritionists.

Our retail philosophy is to provide pet owners with the best selection of items at competitive prices, together with friendly and knowledgeable customer service. All of our stores are dedicated to helping pets in need by partnering with local shelters, rescues and charities for adoption events, pet food bank programs, and fundraising campaigns. In the past nine years, Pet Valu has raised more than \$21 million in funds and product donations and helped over 32,000 homeless pets find forever homes.

OUR HISTORY



TODAY

We are Canada's largest chain of pet specialty retail stores with over 950 locations in North America (including over 350 in the US).



WHY PET VALU?

At Pet Valu, we have a passion for pets. Our franchisees demonstrate this through the personalized service and attention to detail in selecting the right care and nutrition for each and every pet.

According to the Pet Industry Joint Advisory Council of Canada, pet owners represent a \$6.5 billion a year industry, a figure that has been rising steadily*. In order to compete in such a dynamic and growing industry, it is important for you as a franchisee to partner with a franchisor that monitors industry trends and consumer spending habits. Pet Valu continues to expand their extensive exclusive brand lines to offer new scientifically formulated recipes featuring wholesome ingredients that are tailored to pet health needs.

Pet Valu follows a proven owner-operator model with small-box neighbourhood stores in dedicated franchise territories. As a Pet Valu franchisee, you will gain access to the tools you need to operate a successful business:

- Store build-out comprising of:
 - Complete set-up with a proven store design
 - Leasehold upgrades supervision
 - Store equipment ordering and installation
- Shelf stocking and merchandising best practices
- Grand Opening support
- Best in class inventory control with more than 200 vendor relationships
- Expired food coverage for new and established stores
- Purchasing and warehousing of more than 7,000 national and premium brand pet foods and supplies
- New store royalty relief during startup
- A well-established brand name with a reputation for excellence in quality and service
- Industry-leading private label programs, including one of the broadest private label brand assortments of pet foods, supplements and supplies in Canada
- New store marketing initiatives to support local stores
- Sound reputation and strong relationships with developers and landlords - a significant advantage when competing for key plaza space
- A strong team of experienced professionals

FORMULA FOR SUCCESS

There are many factors that contribute to being a successful Pet Valu franchisee. Many of our franchisees are pet owners, breeders, trainers, agility enthusiasts, and animal advocates. For mutual success and satisfaction, franchisees must have an entrepreneurial spirit, management and people skills and be dedicated to growing their business. Our continued success has allowed many to realize their dream of owning and operating a successful business.

FIVE REASONS TO BECOME A PET VALU FRANCHISEE

- 1 Operate in the multi-billion dollar pet specialty space.
- 2 Join a franchise chain with a strong corporate image and a highly-recognized brand.
- 3 Receive comprehensive hands-on training to help you successfully launch your store.
- 4 Join a network of over 350 franchised locations across Canada.
- 5 Receive expert staff training in pet care and nutrition through courses developed with the University of California Davis Extension School.



SUPPORT & TRAINING

REGIONAL OFFICES

With our head office in Markham, Ontario and regional offices across Canada and the U.S., franchisees receive corporate support from coast-to-coast. Head office personnel is comprised of key functions in accounting, construction, human resources, information technology, marketing, merchandising, operations, real estate development, training, warehouse logistics, and everything else in between to help you become successful in the pet industry.

IN-STORE TRAINING

We understand that classroom training doesn't always fully prepare you for the in-store experience, which is why we ensure that you have hands-on training in one of our stores.

Franchisees have two weeks of in-store training and one week at our Pet Valu training facility with our team of experienced professionals to acquire knowledge and familiarity in the following areas:

- Finance & Forecasting
- Marketing
- Ordering and Warehouse Procedures
- Performance Tracking & Reporting
- Point of Sale Training
- Sales Readiness
- Security & Loss Prevention
- Staffing Protocols and Payroll
- Visual Merchandising
- And more!

You'll also receive the support of a dedicated Franchise Business Consultant. With their ongoing operational support and frequent on-site visits, they provide a wealth of expertise and experience in the field to help you successfully establish your business in the community. We also provide 24/7 access to our online Learning Management System (LMS) that offers a full range of training tools for you and your staff.

Pet Valu wants to ensure that you get all the training and support you need to be successful. During the comprehensive training program at our Pet Valu training facility, you will receive training in all key business areas such as:

Store Operations

We'll make sure you're familiar with ordering and warehouse procedures, performance tracking and reporting, Point of Sale training including one-on-one training with the device used in-store, security and loss prevention, staffing protocols and payroll.

Inventory Management

We'll ensure that you have the right products in your store to suit the needs of your customers.

Health & Safety

Together we will foster a safe and healthy work environment for you and your staff.

Staffing

Our Human Resources department will help you recruit team members that are passionate about the pet industry.

Online Ordering

We will practice placing your orders online at our training facility, and afterwards, support you in-store until you are fully comfortable with the ordering system.

Visual Merchandising

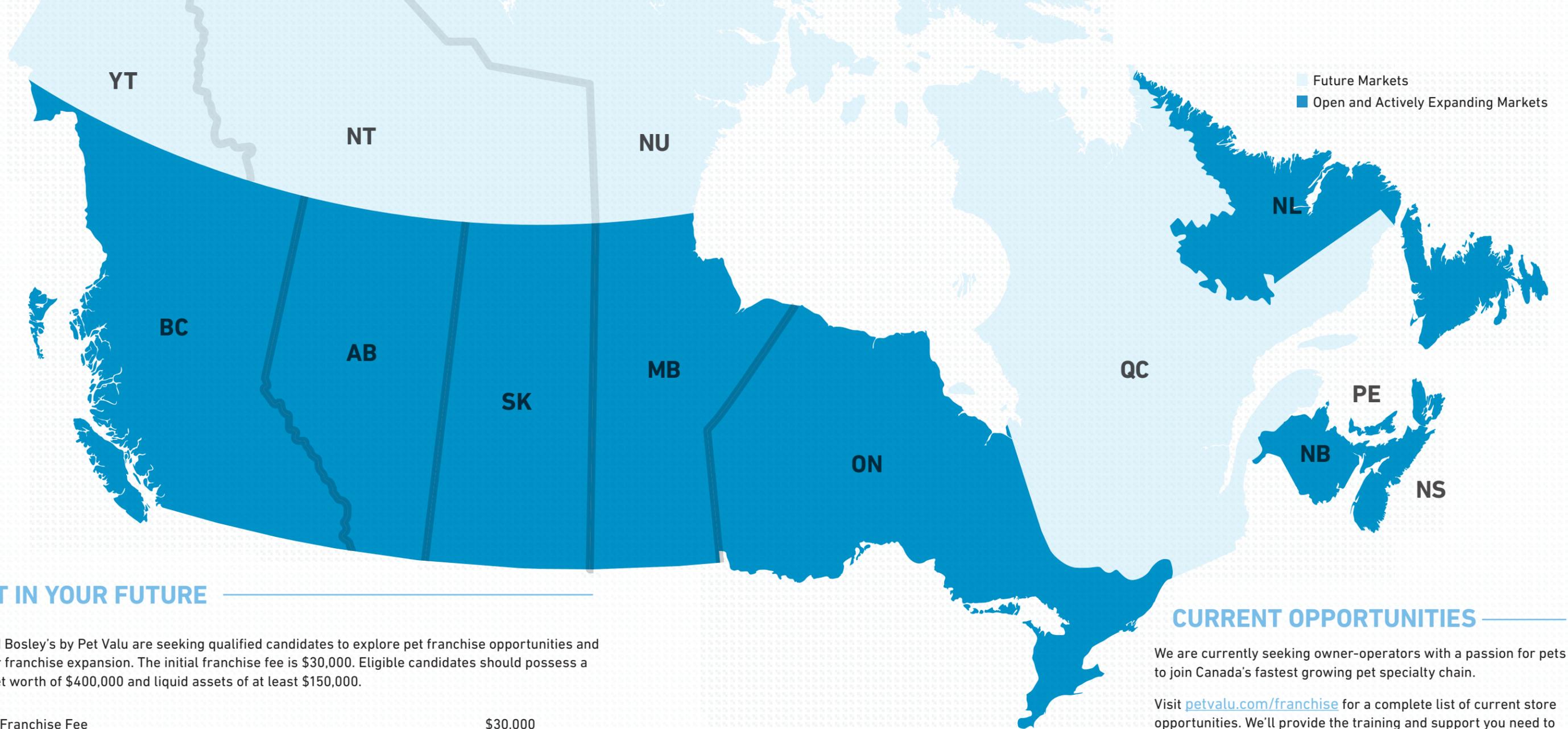
A support team is available to help you set up displays and provide merchandising support for every product.

Sales Readiness

Your Franchise Business Consultant and In-Field Trainer will be your guides to executing strategies, allowing you to meet and exceed your business objectives.

Marketing

The Marketing team is your own personal creative agency with expertise in digital and print advertising, analytics, social media, brand management, and grass-roots marketing.



INVEST IN YOUR FUTURE

Pet Valu and Bosley's by Pet Valu are seeking qualified candidates to explore pet franchise opportunities and continue our franchise expansion. The initial franchise fee is \$30,000. Eligible candidates should possess a minimum net worth of \$400,000 and liquid assets of at least \$150,000.

Initial Franchise Fee	\$30,000
Lease/Rent Deposit	\$0
Leasehold Improvements	\$95,000 - \$260,000
Store Fixtures, Equipment, Computer Hardware and Signage	\$75,000 - \$150,000
Opening Merchandise and Store Supply Inventory	\$110,000 - \$150,000
Training Expenses	\$1,000 - \$3,000
Grand Opening Advertising	\$5,000 - \$10,000
Miscellaneous Opening Costs	\$1,500 - \$2,500
Insurance (three months)	\$360
TOTAL:	\$317,860 - \$605,860

Notes: The amounts included are the estimated new store opening costs based on a 2,500 to 3,500 sq. ft. store. Above amounts do not include applicable taxes. Franchise Agreement is for 10 years.

CURRENT OPPORTUNITIES

We are currently seeking owner-operators with a passion for pets to join Canada's fastest growing pet specialty chain.

Visit petvalu.com/franchise for a complete list of current store opportunities. We'll provide the training and support you need to turn this opportunity into a success!

ROYALTIES AND PROMOTION FUND

Royalties for a Pet Valu franchise are 6% of gross sales. Bosley's by Pet Valu franchises have a different royalty structure.

Promotion Fund is currently 2.5% of gross sales. All of our stores contribute to this promotion fund, which is then used for national marketing campaigns



“ One of the best things about owning a Pet Valu franchise is the opportunity to build a business with a partner who is truly invested in your success and is willing to help out in any way they can. We’ve built something of our own while giving us the flexibility and freedom to start our own family. We’ve become a part of our local community which provides us with a great sense of accomplishment and pride. ”

– **Scott and Cassandra MacLeod,**
Multi-unit Franchisees since 2012, Winnipeg, MB.

“ As a franchisee, I feel I am a valuable partner with my franchisor. We work together to improve and grow our businesses. Every day I am able to go to work and interact with my customers and help them with all their pet challenges and needs. I am very fortunate to work in an industry that allows me to work one-on-one with customers who we enjoy and are committed to their pets. ”

– **Jamie Dale,**
Franchisee since 2004, Parry Sound and Gravenhurst, ON

“ With all business ownership you get out of it what you put in. Partnering with Pet Valu has given us the tools to succeed and executing their proven strategy is made easy with ongoing support. Pet Valu provides a template that gives you the confidence to jump in with both feet and has also allowed us the flexibility to add our own considerable local flavour. The results for us have been beyond our expectations. For somebody that can trust a proven system and build upon it, with the drive to set goals and a knack for motivating a team, partnering for success with Pet Valu is an excellent choice. ”

– **Daniel and Shannon Homeniuk,**
Franchisee since 2015, Sherwood Park, AB

ASK OUR FRANCHISEES

“ Pet Valu expects franchisees to work hard to drive the business but the field support personnel are not afraid to roll up their sleeves and help out. Everyone we deal with in the franchise support group has on some occasion gone above and beyond our expectations in solving problems. ”

– **Wilf Clarke and Lina Goncharenko,**
Franchisees since 2011, Halifax, NS

“ Owning a pet food and supply store had been a dream of ours. Starting from scratch would have been an insurmountable challenge but in buying a Pet Valu franchise we got immediate name recognition as well as access to all of the best suppliers and product without having to spend years building those relationships. We made a profit on our first day and continue to grow the business month after month. ”

– **Bart and Shelley Garner,**
Franchisees since 2010, London, ON

FRANCHISEES CHECKLIST

Are you ready to join Canada's largest pet specialty franchise? Answer the questions below to help you evaluate if Pet Valu is the right franchise for you!

ARE YOU...

- A minimum of 21 years of age?
- Energetic and dedicated?
- Driven to be successful?
- Customer service oriented?
- Looking to start the family business you've always dreamed of?

DO YOU...

- Have a passion for pets?
- Enjoy working with people?
- Want to make a difference in your community?
- Want to be your own boss?
- Want to be part of a dynamic and recession resistant industry?

Kick-start your career today! Visit our website to request a Franchise Information Kit or contact our franchising department at 1-800-845-4759 or franchising@petvalu.com



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