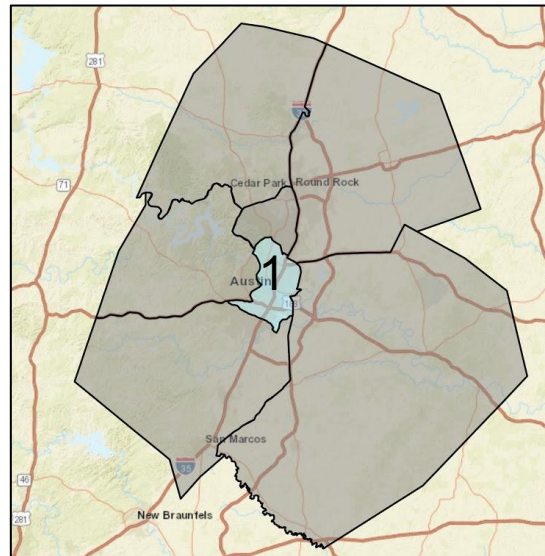
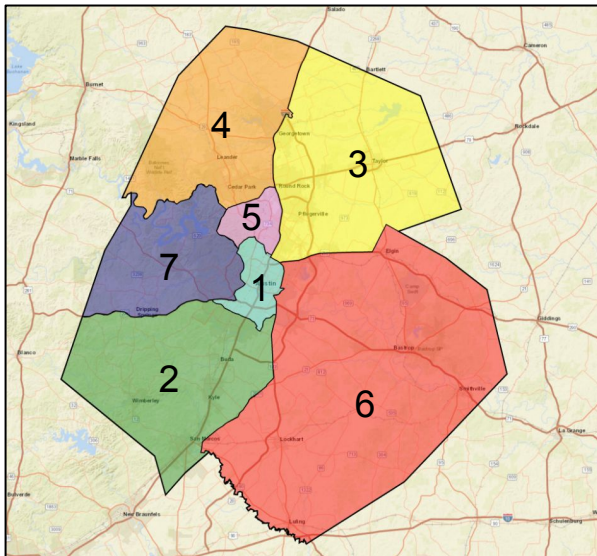


DEFINING FRANCHISE TERRITORIES

Q: Why do you generate franchise territories?

A: An MSA is composed of various unique and distinct areas, each offering the franchisor various levels of market values and expectations; therefore, it is critical to define territories. Each franchise territory contains an analysis on store capacity (potential number of locations) based on psychographics, income, population, etc. These territories are then ranked based on the opportunity (share of wallet). The franchisor should look at all the territories to understand that no two territories are created equal. While it is understandable to look at the top territories in the MSA, there is still value to be had across all territories. The maps below highlight an MSA broken down into 7 territories (map on left), while the map on the right indicates that territory 1 would represent the area with the highest potential.



Rank	Franchise Territories
1	Central Territory
2	Southwest Territory
3	Northeast Territory
4	Northwest Territory
5	North Central Territory
6	Southeast Territory
7	West Territory