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Support Services

El Chico Today

El Chico Background

El Chico Cafe Background

El Chico's story begins nearly eighty years ago, in 1926, when Adelaida Cuellar's ("Mama") homemade tamales drew crowds at a county fair outside Dallas, Texas.

Adelaida and Macario Cuellar immigrated to this country from Mexico in the early 1900's. Like so many people who have come here, they were looking for a better life. The Cuellars started a little farm in Kaufman County where they worked hard to make ends meet.

To help the family, Adelaida opened a stand at the Kaufman County Fair selling chili and tamales. People loved her food. The fair came to an end, but the demand for Mama Cuellar's cooking did not. With the help of her 12 children and her crowd-pleasing recipes, she opened a small cafe.

In 1940, five of her sons moved Mama's kitchen to Oak Lawn in Dallas, Texas. They named the restaurant El Chico, and it quickly became a Dallas tradition. It wasn't long before the brothers built restaurants throughout the Dallas-Fort Worth area and eventually, throughout the Southwest.



El Chico Today

El Chico Cafe Today

Our restaurants reflect over sixty years of changing tastes and styles and our guests' preferences. We have taken care to preserve heritage while updating the decor and adding exciting new tastes to our menu. The strength of El Chico comes from the simple fact that we have been in this business so long we know how to improve traditional favorites and how to introduce our guests to the next level of great Mexican food through new product development.

The Top Shelf™ menu items are our signature products and include everything from enchiladas to quesadillas to margaritas. This is our system of delivering quality food and large portions at a value that is unsurpassed. Our menu items are prepared fresh daily and made by hand. We even feature daily blackboard specials to ensure that we provide our guests with a wide variety of choices for every palate. Additionally, we offer a selection of premium imported tequilas to ensure that each guest's margarita is just right.

We have implemented a new restaurant design that is modern and sophisticated. We call it the Cafe format and it features a crisp, clean and understated décor. It captures the feel and tone of interior Mexico. This design when combined with our superior food and service provides our guests with a unique and memorable dining experience.



Support Services

El Chico Restaurants, Inc. is part of an organization with 65 years of restaurant experience and 35 years of franchise experience. We operate over 100 company owned restaurants and 25 franchise restaurants in 18 states and Canada. These decades of experience as a restaurant operator and franchisor enable us to offer our single-unit and multi-unit franchisees the highest level of support. The following are services we offer our franchisees:

Site Selection

We are ready to assist you in locating a site for your El Chico Cafe. Over the years we have developed site selection criteria you can use as a guideline in locating your new restaurant. While we do not select your site for you, we will be available to consult with you based on our experience in selecting sites for our own units. We will review your site choices and help you make an evaluation based on building criteria, market area, site characteristics and access.

Construction

We provide a set of restaurant plans and will work with you to develop a layout to fit the particular characteristics of your site. Our construction personnel can visit your site and offer recommendations for necessary modifications. We can also assist you with remodeling enhancement programs, equipment specifications, source lists, document/permit review and design review.

Training

We understand the value of consistent and comprehensive training standards. Our Training Department has developed a detailed and extensive program to prepare your management team to run the restaurant.

At our management training facility in Dallas, Texas, we will provide your management team with training on how to run your El Chico Cafe. In addition to classroom instruction, there is hands-on front and back of the house training in a corporate restaurant. We also have developed training programs for your employees that cover all aspects of operating your restaurant from food preparation techniques to service standards.

El Chico Restaurants, Inc. will send a team of experienced trainers prior to your opening to train new crew members. They will provide hands-on training during the opening for both the front and back of the house. The training team will remain on-site after the restaurant opens as a support unit for the management team.



Operational Support

The El Chico Operations Manual provides operating procedures and policies to help you run your restaurant. We will provide you with recipes, manuals, and materials covering food preparation, portioning and service.

Our Operations Department gives you help where you need it - in your restaurant. A Franchise Operations Consultant with years of restaurant management experience will be on-hand to help you with your opening. Your consultant will continue to support you and your management team with periodic in-store visits to help you analyze your operations, provide new product training and update your management team on new procedures to maximize your operations.

Purchasing

The Purchasing Department negotiates services and price agreements with approved suppliers and distributors. You will be provided the systems and products that are identified as the approved core menu to create brand alignment and to leverage the purchasing power of our company.

Information Technology/POS Support

The IT Department offers comprehensive POS support starting with setup and installation. On an ongoing basis, we can provide POS Hotline support, software database changes and hardware depot services.

Marketing and Advertising

The El Chico Marketing Department's mission is to create top-of-mind awareness while building the brand image in each of the communities we serve. Marketing campaigns are developed to support the overall positioning of the El Chico brand. Marketing supports these objectives by developing and executing electronic media advertising, local store marketing programs, print programs, promotions and point of purchase merchandising. These marketing tools are made available to our franchisees as they are developed.



Franchise Cost Information

Initial Franchise Fee

The initial franchise fee is \$35,000 per restaurant.

Development Fee

(if you choose to develop multiple units in an exclusive geographic area)

The development fee is individually negotiated for each geographic area based on a variety of factors, including the number and location of Franchised Restaurants to be developed, an evaluation of market conditions such as market penetration of Franchised Restaurants and Company-Owned Restaurants, the area's size, population, and per capita income, and other demographic and psychographic data.

Royalty Fee

The continuing royalty fee is 5% of gross sales.

Estimated Range of Initial Investment

	Estimated - Low	Estimated - High
Initial Franchise Fee	\$35,000	\$35,000
Land and Site Preparation	\$290,000	\$830,000
Construction Costs, Signs and Landscaping	\$650,000	\$800,000
Furniture, Fixtures, and Equipment	\$375,000	\$425,000
Licenses	\$1,000	\$5,000
Insurance	\$14,000	\$20,000
Opening Inventory and Pre-Opening Expenses	\$75,000	\$150,000
Additional Funds	\$50,000	\$75,000
Training Costs	\$60,000	\$190,000
Total	\$1,550,000	\$2,530,000

More detailed information regarding these cost estimates is found in the Uniform Franchise Offering Circular (UFOC).



Site Guidelines

- High visibility end cap and freestanding locations approximately 5,500 square feet, located no more than 100 feet from the main road.
- Sources for strong lunch and dinner business: trade area mix of offices, hotels and retail with surrounding residential.
- Median HH incomes above the MSA average.
- Per capita incomes above the MSA average.
- Strong co-tenancy consisting of retail, entertainment venues such as movie theaters, daily needs and/or lifestyle centers.
- Minimum of 30,000 vehicles per day along the main frontage road.
- In-line locations will be considered if they meet the above criteria and are not more than 50 feet from the road, have signage clearly visible to passing traffic and exceptionally strong co-tenancy of shopping center.
- Maximum signage as allowed by code with ability to secure tenant panel shopping center signage and/or individual monument sign.
- The ability to incorporate patios awnings and umbrellas adjacent to the premises

Utility Guidelines

- HVAC - One ton per 100 sq. ft.
- Make up air and exhaust shaft to accommodate Type I Hood
- Electrical - 800-amp service at 120/208V-3P-4W
- 6-inch Sanitary Sewer and appropriately-sized grease interceptor as required by local code
- 3-inch Plumbing vent stack and ability to vent directly through the roof
- 2-inch Water line with separate meter to the premises
- 3 mil. BTU natural gas line capacity.
- Meet all ADA requirements for all means of ingress/egress



How to Apply

El Chico Cafe is seeking individuals or organizations who meet the following minimum characteristics:

- You or a member of your team must have restaurant management experience.
- Minimum financial net worth of \$1 million with liquidity of \$250,000.
- Knowledge of real estate and trade areas in your desired markets.
- Enthusiasm, drive and passion for the restaurant industry

To receive an El Chico Cafe Franchise Application, please complete and fax this request form to 972-888-4288 or mail to:

El Chico Cafe Franchising
12200 Stemmons Fwy, Suite 100
Dallas, TX 75234

First Name: _____ Last Name: _____

Address: _____

City: _____ State: _____ ZIP: _____ Country: _____

Business Phone: _____ Home Phone: _____ E-mail: _____

Company Name: _____

Market you wish to develop: _____

How did you learn about this franchise opportunity? _____

To be approved as a franchisee, you must meet these minimum financial requirements: \$1 million net worth with \$250,000 liquid. Are you financially qualified? YES ___ NO ___

Do you have experience as an owner/operator of a food service business? YES ___ NO ___

Do you currently own or operate a restaurant business? YES ___ NO ___

This information is not intended as an offer to sell, or the solicitation of an offer to buy, a franchise. If you are a resident of one of the states or countries that regulate the offer and sale of franchises, we will not offer you a franchise unless and until we have complied with applicable pre-sale registration and disclosure requirements in your jurisdiction.

