



Thank you for your enquiry in regard to operating a BLOCKBUSTER® franchise.

You may be aware that the BLOCKBUSTER® brand is a global entertainment brand represented in over 30 countries. As a franchisee you enjoy the power of being associated with a brand leader. Your business will be marketed through a range of promotional and advertising programs. As a franchisee you also have access to training and operations systems.

A commonly asked question amongst prospective franchisees is “How much does it cost to operate a BLOCKBUSTER® franchise?” The answer to that is dependant on a number of variables including the size of the store, location and projected revenue for the specific franchise.

Details of establishment costs are contained in the BLOCKBUSTER® Disclosure Document. This is a confidential document that is e mailed to prospective franchisees once they have been approved in terms of their financial capacity to own a BLOCKBUSTER® franchise and their suitability against specific competencies.

To assist you with your initial enquiry, a typical range of establishment costs are:

- Equipment and fixtures: \$100,000 to \$200,000
- Inventory: \$100,000 to \$150,000
- Initial franchise fee: \$50,000
- Legal fees, state duties and taxes and other payments: \$20,000
- Additional funds in terms of working capital: \$50,000

If you are seeking to purchase an existing BLOCKBUSTER® franchise the purchase price may include a figure for goodwill. In such cases the initial franchisee fee would not apply.

In order to proceed more formally with your interest in owning and operating a BLOCKBUSTER® franchise you will need to complete the attached application form. The application must be accompanied by a non refundable application fee of \$1,000 and all necessary supporting financial documentation. Failure to provide the requisite information will delay processing of your application and may necessitate return of the original application.

We would encourage you to visit a number of BLOCKBUSTER® stores to familiarize yourself with our brand. A list of stores may be accessed through the Store Locator icon shown on the front page of our web site www.blockbuster.com.au

We look forward to receiving your application.

Rob Ellis
Director Franchise