

FRANCHISE INVESTOR

MAGAZINE



Aroma Joe's Franchise
Opportunity

Costs, Fees and Revenue
figures

The Franchisee
Recruitment Process

Aroma Joe's®



About Us

The first Aroma Joe's establishment opened its doors in East Rochester, New Hampshire in 2000, founded by four cousins from Maine – Marty and Tim McKenna and Mike and Brian Sillon. They shared a love for coffee and a commitment to spreading positive energy to their customers and communities. Their inspiration came from recognizing the shortcomings of their competitors, who offered impersonal service, low-quality products, and little innovation.

Aroma Joe's rapidly became a cherished community hub in both Maine and New Hampshire, appealing to more and more people with its unique approach. In 2012, with the support of Loren Goodridge, a respected Subway franchisee and Development Agent, Aroma Joe's began offering franchise opportunities. Today, there are over 100 shops in the north-east and that number is rapidly growing.

Quality & Sustainability

Our unique coffee blend is cultivated in a sustainable manner, ethically sourced, and carefully roasted in Maine. The 100% Arabica bean blends used for each custom beverage are all 100% Rainforest Alliance Certified, guaranteeing not just sustainable and ethical sourcing, but also a more flavorful, rich, and smooth taste.

The origin of your daily coffee is important! Aroma Joe's exclusive coffee blends are uncommon in the industry since they are both artisan roasted and 100% Rainforest Alliance Certified – a source of pride for us! We handle each bean with equal care, passion, and commitment to excellence. Since the introduction of our new Coffee Program in 2018, we have stayed committed to providing our customers with a high-quality, ethically-sourced exclusive coffee blend that can be enjoyed as hot coffee, iced coffee, or espresso-based beverages, ensuring lasting customer loyalty.



People First

At Aroma Joe's, we are firm believers in the importance of finding the perfect match. Our approach emphasizes the alignment of culture, market presence, and financial obligations to guarantee success. We collaborate closely with prospective franchisees to assess whether our opportunity is an ideal fit for them.

Do you possess qualities such as being sociable, industrious, community-oriented, and committed to supporting others' development? You could be the ideal candidate for becoming our next Aroma Joe's franchisee.

"It's more about helping the people around us, whether they're customers or staff... I've really enjoyed teaching and coaching our young people, helping them grow not just as baristas but as individuals too. The Aroma Joe's community is about making a positive impact, and that's what got me into it." - Multi-Unit Franchisee: Rob Hanson

The Market

The United States coffee market's annual revenue exceeds \$80 billion, with the coffee shop market specifically accounting for around \$28 billion. This is expected to grow by 4% annually, driven by changing consumer habits due to busy lifestyles and long work hours, which are creating a greater demand for on-the-go coffee options. American consumers highly value premium products, especially in their daily coffee choices, leading to a preference for high-quality coffee establishments that prioritize consistency.

Consumer preferences for unique coffee experiences, high-quality beans, specialty drinks, and sustainable practices are causing a shift away from major chains, and more towards locally owned and environmentally responsible brands such as Aroma Joe's.

Sources: Statista and Mordor Intelligence.



1.87 Per Day

The average number of cups of coffee consumed by Americans daily.

4% Per Year

Annual growth projections as reported by Mordor Intelligence.



Unmatched Culture & Customer Service

We encourage our employees to express their individuality by creating an environment without uniforms or a strict atmosphere. Happy employees lead to happy customers, and our reviews reflect that.



Community Engagement & Locally-Owned Feel

Consumers choose coffee shops that align with their social values. Aroma Joe's is dedicated to building a strong sense of community, which is fundamental to our entire system and culture.

Source: Foursquare



Case Study

Rob Hanson - Multi-Unit Franchisee

Background and Motivation

Rob Hanson transitioned from a 20-year career in education to entrepreneurship, driven by a desire for a new challenge and disillusionment with the politics of education. His interest in Aroma Joe's was piqued by a combination of personal discovery and admiration for the brand's values, particularly the integrity of its founders.

Franchise Development

Rob opened his first Aroma Joe's franchise in 2015 in Manchester, New Hampshire. Over the next several years, he expanded his operations to include multiple locations, with his most recent opening in December 2023. His strategic expansion was motivated by the brand's emphasis on community and quality, aligning with his personal values and background in education.

Community and Employee Focus

A cornerstone of Rob's success has been his focus on community involvement and employee development. He leverages his experience in education to mentor and develop his staff, emphasizing the importance of positivity and personal growth. This approach has fostered a strong, community-oriented culture within his franchises.

Challenges and Overcoming Them

Rob recognizes staffing challenges and values a direct management approach. His proactive strategy includes ongoing training and a deep commitment to supporting his team, ensuring his franchises' longevity and expansion. Aroma Joe's strong appeal among young adults creates a unique recruitment advantage, contributing significantly to staffing success and fostering a dedicated following around the brand.

Scalability and Support

The scalability of Rob's franchises is attributed to the support received from Aroma Joe's corporate, including marketing strategies and operational systems. Rob's story highlights the potential for franchisees to achieve significant growth through dedication, community engagement, and leveraging the support structures provided by the franchisor.

Rob Hanson's journey with Aroma Joe's illustrates the opportunities and challenges of franchise ownership. His focus on community, employee development, and the utilization of franchisor support showcases a blueprint for successful franchise expansion grounded in personal values and proactive management.



PICTURED: Erin McCoy – Barista; Meredith Roux – Team Lead; Ciara Fay – Area Marketing Manager; Rob Hanson – Franchise Owner; Brianna Hanson – Area Operations Manager; Tracy Hanson – Franchise Owner.



Mission and Values - We're Very People-y

Aroma Joe's was founded on the brand promise to positively impact people. We are proud to partner with amazing coffee farmers and other suppliers to bring our customers the very best products in an environment of positive energy.

Costs & fees

This business venture necessitates a minimum liquid capital of \$200,000 and a projected investment of at least \$586,599. For comprehensive initial expenses and franchise charges, view out Item 7 below.

Item 7 - ESTIMATED INITIAL INVESTMENT YOUR ESTIMATED INITIAL INVESTMENT (TRADITIONAL MODEL)

Type of Expenditure	Low	High	Method of Payment	When Payment Is Due	To Whom Payment Is To Be Made
Initial Franchise Fee	\$25,000.00	\$25,000.00	Lump sum	When you sign the Franchise Agreement	Us
Real Property	\$3,000.00	\$15,000.00	Lump sum	When you sign lease or shortly thereafter.	Landlord
Leasehold Improvements	\$284,221.00	\$1,042,771.00	As incurred	Pro rata during construction	Vendor
Equipment Package	\$154,000.00	\$203,000.00	Lump Sum	Before equipment order will be placed	Us
Small wares	\$4,000.00	\$8,500.00	Lump Sum	As incurred	Vendor
Opening Inventory	\$18,500.00	\$22,500.00	Lump sum	Within 1 week of Opening	Approved Suppliers
Insurance	\$1,000.00	\$6,000.00	As incurred	Before equipment order is placed	Vendor
Training Expenses (including travel & lodging)	\$2,500.00	\$6,000.00	As incurred	During training	Vendor
Store Development, Architectural and Design Fees	\$7,000.00	\$15,000.00	Lump Sum	As Incurred	Vendors
Engineering/Planning	\$2,000.00	\$30,000.00	Lump Sum	As Incurred	Vendors
Site Development	\$10,000.00	\$280,000.00	Lump Sum	As Incurred	Vendors
Professional Fees	\$1,500.00	\$10,000.00	Lump sum	Before opening	Vendor

Costs & fees Continued

Item 7 - ESTIMATED INITIAL INVESTMENT YOUR ESTIMATED INITIAL INVESTMENT (TRADITIONAL MODEL) CONTINUED

Type of Expenditure	Low	High	Method of Payment	When Payment Is Due	To Whom Payment Is To Be Made
Optional Security System (not including monitoring)	\$1,000.00	\$5,000.00	Lump sum	When order is placed	Vendor
Outside signage	\$30,000.00	\$66,000.00	Lump Sum	Before equipment order will be placed	Vendor
Miscellaneous Expense	\$1,500.00	\$10,000.00	As incurred	As required	Vendor
Additional Funds – three months	\$10,000.00	\$30,000.00	As Incurred	As required	See Note 8
New Store Marketing	\$20,000.00	\$20,000.00	Lump sum	When you place your equipment order after you sign the Franchise Agreement	Us
15% Buffer Fee	\$23,100.00	\$30,450.00	Lump Sum	Before Equipment Order will be Placed	Us
TOTAL	\$597,821.00	\$1,825,221.00			

Costs & fees Continued

Item 7 - ESTIMATED INITIAL INVESTMENT YOUR ESTIMATED INITIAL INVESTMENT (NON-TRADITIONAL MODEL)

Type of Expenditure	Low	High	Method of Payment	When Payment Is Due	To Whom Payment Is To Be Made
Initial Franchise Fee	\$25,000.00	\$25,000.00	Lump sum	When you sign the Franchise Agreement	Us
Real Property	\$3,000.00	\$5,000.00	Lump sum	When you sign lease or shortly thereafter.	Landlord
Leasehold Improvements	\$34,560.00	\$272,693.00	As incurred	Pro rata during construction	Vendor
Equipment Package	\$40,245.00	\$140,000.00	Lump Sum	Before equipment order will be placed	Us
Small wares	\$4,000.00	\$7,500.00	Lump Sum	As incurred	Vendor
Opening Inventory	\$18,000.00	\$22,500.00	Lump sum	Within 1 week of Opening	Approved Suppliers
Insurance	\$1,000.00	\$6,000.00	As incurred	Before equipment order is placed	Vendor
Training Expenses (including travel & lodging)	\$2,500.00	\$6,000.00	As incurred	During training	Vendor
Store Development, Architectural and Design Fees	\$0.00	\$0.00	Lump Sum	As Incurred	Vendors
Engineering/Planning	\$0.00	\$0.00	Lump Sum	As Incurred	Vendors
Site Development	\$0.00	\$0.00	Lump Sum	As Incurred	Vendors
Professional Fees	\$1,500.00	\$10,000.00	Lump sum	Before opening	Vendor

Costs & fees Continued

Item 7 - ESTIMATED INITIAL INVESTMENT YOUR ESTIMATED INITIAL INVESTMENT (NON-TRADITIONAL MODEL) CONTINUED

Type of Expenditure	Low	High	Method of Payment	When Payment Is Due	To Whom Payment Is To Be Made
Optional Security System (not including monitoring)	\$1,000.00	\$5,000.00	Lump sum	When order is placed	Vendor
Outside signage	\$10,358.00	\$40,000.00	Lump Sum	Before equipment order will be placed	Vendor
Miscellaneous Expense	\$1,500.00	\$10,000.00	As incurred	As required	Vendor
Additional Funds – three months	\$10,000.00	\$30,000.00	As Incurred	As required	See Note 8
New Store Marketing	\$20,000.00	\$20,000.00	Lump sum	When you place your equipment order after you sign the Franchise Agreement	Us
15% Buffer Fee	\$6,037.00	\$21,000.00	Lump Sum	Before Equipment Order will be Placed	Us
TOTAL	\$178,700.00	\$620,693.00			

Notes on the following pages.

NOTES:

Note 1. Initial Franchise Fee. The Initial Franchise Fee is \$25,000. the franchise fee for qualified candidates and franchisees.

We currently offer a discount of Note 2. Real Property. We estimate this amount represents a security deposit of one month's rent and payment of one month's rent. You may pay a significantly higher security deposit depending on the location of your AROMA JOE'S® coffee shop. You make direct payments to the landlord for anything due under the lease terms.

Real estate costs vary widely, but we estimate the typical monthly rent expense runs from a low of \$3,000 per month to a high of \$15,000 per month. Your cost may be higher. The typical coffee shop will require approximately 1,600 square feet of leased space. The typical drive-thru kiosk will require approximately 790 square feet of leased space for kiosk plus additional space for drive-thru lanes.

Note 3. Leasehold Improvements. Your local law may require use of a grease trap in your coffee shop. This may increase your leasehold improvement costs by \$8,000 and \$12,000 depending upon the location of the grease trap.

Note 4. Equipment Package. The full cost to purchase the equipment and furniture will range from \$40,245-\$203,000, not including the 15% buffer. When you purchase your equipment items through us, you must request an ACH debit originating from us for the cost of equipment. for the cost of the equipment package, plus a buffer of 15%. We hold the buffer to pay gross receipts tax, delivery charges, additional equipment costs, or other charges you must pay. You are responsible for the payment of any sales tax levied by any state or local taxing authority. We will return any amount left over 90 days after your location is opened and operating for business. You will have to pay them the balance if the buffer of 15% is not sufficient. You will be required to construct your coffee shop in a manner consistent with the layout, design, and appearance provided by us, and you will be required to purchase the equipment recommended by us for your coffee shop.

You may opt to lease your equipment through a third party instead of purchasing the equipment outright. You may also purchase all the equipment outright and have the right to finance the purchase with a lender of your choice. If you do, your costs may vary.

You must use the PC-based POS System and software in your coffee shops with specifications that we have approved. When deciding to lease or buy you should consider that the average life cycle for computer-based POS systems is 3 to 5 years. We estimate the systems and software will cost between \$9,000 and \$15,000. The high end of this estimate considers that most coffee shops will need two separate POS Systems.

Note 5. Insurance. You must obtain and maintain various types of insurance, which are described in Item 8. We estimate that the initial cost of this insurance will range from \$1,000 to \$6,000 per year, depending on factors like size, conditions and location of your premises.



Note 6. Training Expenses. We do not charge a training fee, however, you are responsible for all personal expenses related to training. These include transportation to Maine, lodging, meals, wages, and benefits for yourself and any of your employees.

At our discretion, we may provide a shorter, localized training program for franchisees, but you will be responsible for any local travel costs incurred. While no separate training fee is currently charged for franchisees, this policy may change in the future if we waive the initial franchisee fee at that time. If the Manager you send to training is not your employee and deemed a prospective franchisee, a \$7,500 training fee will apply. Additionally, if you send more than one Manager to training in a single year, regardless of their employment status, a \$750 fee per additional manager will be charged.

Note 7. Store Development, Architectural and Design Fees, Site Development, Engineering/Planning. We may permit you to construct your coffee shop on real estate owned by a third party. You may be responsible for the costs to develop, design, and engineer your coffee shop.

Note 8. Miscellaneous Expenses. You must pay the cost of all permits, licenses, registrations, certifications, legal fees, or other consents required for leasing, constructing, or operating your coffee shop. In addition to these expenses your municipality may assess impact fees on your coffee shop location. Impact fees are charges assessed by your municipality against new development projects, such as your coffee shop, in an attempt to recover the cost incurred by the municipality in providing the public facilities required to serve the new development. Impact fees may vary among municipalities; however, we estimate these fees to be between \$1,500 and \$50,000. These fees are nonrefundable.

Note 9. Additional Funds. This is an estimate only of the range of initial start-up expenses for 3 months. These expenses include payroll costs but do not include Royalty, Advertising Fees, or any allowance for an owner's draw.

Note 10. New Store Marketing. To ensure your location is well known in your area and to drive traffic to your coffee shop, all new, transferred and relocated coffee shops must conduct a new shop marketing campaign designed to raise awareness in your area and to drive traffic to your coffee shop. As such, you are required to spend \$20,000 on marketing activities prior to, during and within 120 days after opening your coffee shop. We will collect this amount when you place your equipment order, after you sign a franchise agreement, and hold the funds until you complete the marketing activities and are given reimbursement from this fund.

Note 11. 15% Buffer Fee. When you purchase your equipment items through us, you will request an ACH debit originating from us for the cost of the equipment package, plus a buffer of 15%. We hold the buffer to pay gross receipts tax, delivery charges, additional equipment costs, or other charges you must pay. You are responsible for the payment of any sales tax levied by any state or local taxing authority. We will return any amount left over 90 days after your location is opened and operating for business. You will have to pay them the balance upon demand if the buffer of 15% is not sufficient.



recommend you choose contractors carefully by obtaining several competitive bids before construction begins. The above figures do not include extensive exterior renovations or “key money” to the master landlord.

We have relied on our experience since 2013 and the experience of our founders since 2000 to compile these estimates. You should review these figures carefully with a business advisor before deciding to purchase the franchise.

All fees, except where noted, are nonrefundable.



As a franchise system, we cannot promise financial success, but we assure transparency. Throughout the recruitment process, you will engage with current franchisees, review our Franchise Disclosure Document (FDD), and grasp a thorough understanding of our operational and product business model. Additionally, you can explore our complete Item 19 below to get insights into the revenue and outcomes of our current franchise owners.

Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Other than the information provided in this Item 19, we do not furnish or provide prospective franchisees any oral or written information concerning the actual or potential sales, costs, income or profits of a franchised business. Item 19 is separated into two sections. Each section includes data from traditional and non-traditional shops that had twelve (12) months of consecutive sales as of December 31, 2024. Of the 120 franchises existing as of December 31, 2024, 112 had twelve (12) months of consecutive sales as of that date, as detailed in the following table:

Shop Type	2024	2023	2022	2021	2020
Coffeehouse & Drive Thru	34	29	24	22	20
Single Drive Thru	49	41	36	33	29
Double Drive Thru	13	13	13	13	13
Total Traditional Franchises	96	83	73	68	62
Non-Traditional	16	12	9	5	5
Total Franchises	112	95	82	73	67



Item 19 Continued

A. STATEMENT OF AVERAGE GROSS SALES BY SHOP TYPE

This statement includes annual gross sales by shop type for all our AROMA JOE'S® Traditional Coffee Shops. It also includes AROMA JOE'S® Non-Traditional coffee Shops, however, as previously noted, we do not actively market the sale of non-traditional shops.

By the end of 2024, we had a total of 120 shops open and operating and 112 shops open and operating with twelve (12) months of consecutive weekly sales. Of the 120 total shops, the following shops were open and operating by State:

New Hampshire 48

Maine 47

Massachusetts 13

Pennsylvania 4

Florida 4

Connecticut 2

New York 1

Rhode Island 1



Item 19 Continued

The tables below show the 2020 through 2024 historical annual sales data, including the High, Low, Average and Median, by shop type. We have also included the number and the percentage of shops that met or exceeded the average for that shop type, by year.

Category	Metric	2024	2023	2022	2021	2020
Coffeehouse & Drive Thru	High	\$1,986,981.00	\$2,032,638.00	\$1,779,478.00	\$1,529,592.00	\$1,190,486.00
	Low	\$231,069.00	\$430,257.00	\$606,051.00	\$542,352.00	\$403,528.00
	Avg	\$979,971.00	\$1,067,297.00	\$1,063,797.00	\$982,864.00	\$826,277.00
	Median	\$899,121.00	\$956,288.00	\$959,254.00	\$913,080.00	\$773,781.00
	# of Shops	34	29	24	22	20
	# Attained or Exceeded Average	16	14	9	9	9
	% Attained or Exceeded Average	47%	48%	38%	41%	45%
Double Drive Thru	High	\$1,926,013.00	\$2,006,389.00	\$1,885,253.00	\$1,817,745.00	\$1,555,765.00
	Low	\$567,883.00	\$591,905.00	\$540,689.00	\$497,425.00	\$422,730.00
	Avg	\$1,015,056.00	\$1,028,594.00	\$967,876.00	\$910,019.00	\$745,079.00
	Median	\$1,053,105.00	\$1,058,330.00	\$1,023,317.00	\$969,919.00	\$671,971.00
	# of Shops	13	13	13	13	13
	# Attained or Exceeded Average	7	7	7	7	6
	% Attained or Exceeded Average	54%	54%	54%	54%	46%



Item 19 Continued

Category	Metric	2024	2023	2022	2021	2020
Single Drive Thru	High	\$1,498,955.00	\$1,451,187.00	\$1,460,080.00	\$1,459,199.00	\$1,251,355.00
	Low	\$441,367.00	\$479,497.00	\$557,533.00	\$601,430.00	\$453,626.00
	Avg	\$947,675.00	\$954,054.00	\$897,600.00	\$865,456.00	\$715,686.00
	Median	\$925,593.00	\$930,200.00	\$874,165.00	\$854,948.00	\$715,318.00
	# of Shops	49	41	36	33	29
	# Attained or Exceeded Average	24	17	17	16	14
	% Attained or Exceeded Average	49%	41%	47%	48%	48%
Non Traditional Shops	High	\$1,202,143.00	\$1,250,117.00	\$1,113,902.00	\$1,087,314.00	\$751,341.00
	Low	\$130,931.00	\$380,169.00	\$389,189.00	\$495,478.00	\$361,037.00
	Avg	\$640,767.00	\$689,640.00	\$631,887.00	\$662,086.00	\$484,995.00
	Median	\$599,864.00	\$617,641.00	\$636,950.00	\$579,584.00	\$452,705.00
	# of Shops	16	12	9	9	5
	# Attained or Exceeded Average	6	4	5	3	1
	% Attained or Exceeded Average	38%	33%	56%	60%	20%

ASSUMPTIONS

Most of the 112 shops are located in densely populated suburban areas. The market in which you operate your coffee shop or kiosk may be in a smaller urban or suburban area.

General Comments Regarding Financial Performance Representations

The representations above are historic financial performance representations about existing outlets in the Aroma Joe's system.

Some outlets have sold this amount. Your individual results may differ. There is no assurance you will earn as much.

Written substantiation for the financial performance representation will be made available to prospective franchisees on reasonable request.

What's Next?

1 INQUIRY + INITIAL CALL

We appreciate your interest in our brand and are excited to dive into the Franchise Discovery Process with you! First, we begin with a quick initial call to learn more about you and talk briefly about our process.

2 FRANCHISE APPLICATION

Mutual transparency is an important part of the Discovery Process. After our first call, we ask you to share more details about yourself by filling out our confidential franchise application.

3 Q&A CALL

This is when we really kick things off and start to dig in together. The Q&A call gives you the chance to get some of your key questions answered and have a more in-depth discussion about the brand, business model, support, etc. We'll also go over the FDD review process.

4 FRANCHISE DISCLOSURE DOCUMENT

After our Q&A Call, you'll receive a copy of our then-current Franchise Disclosure Document (FDD) via DocuSign. Spend some time reading, reviewing, and jotting down questions and points needing clarification. We'll go through them during our FDD Review Call.

5 BACKGROUND CHECK

We perform background and credit checks on all potential franchisees for a few reasons. First, your credit score may be an important factor in making sure you can secure financing—if you intend to do so—and we can help. Second, it identifies any factors that could impact your ability to obtain a business license.

6 IN-SHOP DISCOVERY DAY + VALIDATION

Catch a glimpse into a busy day in the life of an owner and see what operational excellence looks like. You'll also kick off validation—speaking with franchisees about their experience—so prepare some questions you can ask while at the shop and jot down anything you'll want.



7

STRATEGIC VISION PLAN

Your chance to take everything we've discussed since our first call and put it into a cohesive vision statement to make sure we're aligned before moving ahead. The executive team will review and evaluate your Strategic Vision Plan during the final approval process.

8

MEET THE TEAM - DISCOVERY DAY

You are cordially invited to our headquarters in Scarborough, ME, to spend the day with the Aroma Joe's Franchise support team. Be prepared with any remaining questions for the team and for an interview with the CEO and COO.

9

EXECUTIVE APPROVAL

After Discovery Day, the executive team comes together to make a final decision on our mutual compatibility based on the factors we've discussed - cultural fit, background, financials, market opportunity, your Strategic Vision Plan, and feedback from the franchise development and support teams.

10

FRANCHISE AGREEMENTS AND SIGNING

Congratulations on reaching the final step in the Franchise Discovery Process! Upon receiving approval from the executive team, we'll request the information needed to draft your franchise agreement, discuss timing, cover next steps, and send everything to you for signing.

We'd love to welcome you to the Aroma Joe's family!





Aroma Joe's
FIND YOUR FUEL

Aroma Joe's®

Franchise Opportunity