

CASA DO PÃO DE QUEIJO AT ABF FRANCHISING EXPO 2007

Modular store and legal advisory for rental contract management are some launchings of the company for this year

Casa do Pão de Queijo, leader in numbers of franchises in the cafeteria segment in Brazil, will be present at ABF Franchising Expo, from June 27th to 30th at Expo Center Norte, in São Paulo. In a 50 sqm stand located at B-22 Street, the company, which counts 456 franchisee stores spread throughout Brazil, will present its support services for franchisees and a new store format: modular. Casa do Pão de Queijo will invest more than R\$ 1 million in services for franchisees this year and bets in an aggressive growth: inaugurate 60 stores until December.



Casa do Pão de Queijo offers three store formats: P1, with 80 sqm, (street stores); P2, between 30 sqm and 40 sqm, (shopping center and hypermarket stores); and P3, up to 20 sqm (kiosks or stores installed inside of another store). During the fair, the company will launch an unedited format in the franchise segment, called modular. The new model has been strategically created to shelter a unit in

places in which the rental period is short, such as, for instance, inside of a parking lot. "The modular store is a sort of container, between 25 sqm and 50 sqm, with the great advantage concerning the possibility of being transferred as the interest of the client", explains Renata Rouchou, Casa do Pão de Queijo's expansion manager. This store has an initial investment of R\$ 200 thousand and allows the franchisees to customize the space, according to their needs, since it doesn't lose brand features.

Those interested in having a brand franchise, as well as the current franchisees, will also know the newest support service offered by Casa do Pão de Queijo: the legal advisory for contract management. Unedited support among franchise companies in the Country, the legal advisory for contract management assists and guides the current chain franchisees through information on contract renewal dates, for instance. The service is carried out by a law firm specialized in the franchise field and has the supervision of Casa do Pão de Queijo. "The law advisory is an innovative support among franchise chains in the Country", highlights Renata.

Store renovations, recycling training for shop assistants and supervised visits are still part of the support services for franchisees. "Casa do Pão de Queijo analyses each renovation request and, when they are approved, the franchisee receives a subsidy to update the establishment. For this year, the goal is to renovate at least 30 stores", explains the expansion manager.

The training for shop assistants is another innovation. The goal is to train 80% of 3 thousand employees up to June 30th, in order to unify the chain unit client service. “There will be more than 80 presence teams, in São Paulo, Rio de Janeiro, Salvador and Brasília. The Brazil remainder will be by satellite, with immediate interaction, so that the employee interferes and communicates with the instructors”, explains Renata. At the end of the training, everyone will receive a DVD with detailed information concerning the company: product features, launchings, and history of the company, among others.

Casa do Pão de Queijo has been the pioneer in the implantation of a computerized check-list, for three years. In this system, the franchisees have on-line access and can verify the analysis that has been performed in their establishments and, thus, improve faster the lame aspects. Nowadays, Casa do Pão de Queijo innovates once again and offers another support for stores: supervisors’ and advisors’ visits. Through those services client service, cleaning, price table, among others items of the franchisee store are evaluated. When intercalating services – only for stores that don’t keep the score required by the franchiser –, Casa do Pão de Queijo aims to achieve a store excellence level higher than 70%.

Awarded brand

Casa do Pão de Queijo received two important prizes in 2006: the *Selo de Excelência em Franchising* (Excellence in Franchising Stamp) and Prêmio Alshop/Visa 2006 (2006 Alshop/Visa Award).

The *Selo de Excelência em Franchising* (Excellence in Franchising Stamp), which represents the recognition of the company quality and excellence in relation to its operation as a franchiser, has the objective of stimulating the improvement of the companies’ operation level, through the valuation of best practices and professionalism before the franchise system. “For Casa do Pão de Queijo, to receive the stamp means a certificate of its good capacity of practicing the franchising system according to the ABF’s Solemnity-Regulation Code. It still means the commitment of being responsible for a continuous and permanent improvement of its methods and systems, in agreement with the highest standards of corporate ethics”, evaluates Renata.

Another prize received by the company and that reserves distinguishment is the Alshop/Visa 2006, promoted by *Associação Brasileira de Lojistas de Shopping – Alshop* (Brazilian Association of Shopping Center Shopkeepers) and that recognizes shopkeepers from all over the Country. 48 prizes were awarded, in two election categories: Consumer and Academy. This year, Casa do Pão de Queijo has been indicated among the three best of the Consumer category.

In the *Guia das Franquias 2006* (2006 Franchise Guide), special edition of the magazine *Pequenas Empresas & Grandes Negócios* (Small Companies

& Great Businesses), which makes an independent evaluation of the Country's franchises, Casa do Pão de Queijo competes in the cafeteria segment. It is produced with GVconsult support, advisory center linked to Fundação Getúlio Vargas (FGV) of São Paulo, and brings the ranking of the 450 best brands and all information about each of the companies in order to guide the franchisee. Last year, Casa do Pão de Queijo received five stars.

Service:

ABF FRANCHISING EXPO 2007

Date: June 27th to 30th

Schedule: from Wednesday to Friday, from 1:00 p.m. to 9:00 p.m.; Saturday, from 12:00 a.m. to 6:00 p.m.

Casa do Pão de Queijo Stand: Rua B-22 (B-22 Street)

Place: Expo Center Norte – Pavilhão Azul (Blue Pavilion)

Address: Av. José Bernardo Pinto, 333

About Casa do Pão de Queijo

Casa do Pão de Queijo has operated in the food sector for 40 years. It combines tradition and innovation in more than 450 franchisee stores in the main shopping centers, hypermarkets, galleries, streets and avenues all over Brazil. Yearly it assists nearly 30 million people, serves more than 30 million cheese buns, 22 million cups of coffee and 7.1 million puff pastry (salty and sweet).

The chain is supplied by an own industrial plant, with the support of homologated suppliers. High quality food is produced in accordance to rigid quality controls. Moreover, it is recognized for constantly bringing news for the menu, through the launching of products.

Casa do Pão de Queijo, which in 2000 received subsidy of the investment fund managed by *Banco Pátria* (Pátria Bank), to continue its expansion, is also present in hospitals, stores, bookstores, rentals, airports, bus stations and universities. In 2006 it was elected the third most admired brand in the fast food segment, according to an Interscience research, and invoiced R\$ 180 million. Currently it employs 200 people and creates 5,200 indirect employs.

CASA DO PÃO DE QUEIJO IS SYNONYM OF TRADITION AND INNOVATION

Founded in 1967 by the engineer Mário Carneiro, Casa do Pão de Queijo is one of the largest snack chains in Brazil. With more than 450 franchises spread in the main shopping centers, hypermarkets, galleries, streets and avenues, the company is leader in number of franchisee units in the cafeteria segment in the Country. In 2006, it invoiced R\$ 180 million and the growth expectancy for 2007 is 15%.

Everything started with Dona Arthêmia's exclusive cheese bun recipe, mother of the business founder, which used to have such a success among friends that the family decided to open a small store at Largo do Arouche, in the city of São Paulo. The small store succeeded so much that once sold, in only one day, 42 thousand cheese buns. In the 80's, Casa do Pão de Queijo reached the mark of 13 own stores and, to continue expanding, it adopted in 1987 a new business model based on franchises, currently, the main businesses of the company. Nowadays there aren't own stores.

In 2000, the company received a subsidy of the investment fund managed by *Banco Pátria* (Pátria Bank). Since then, the business has grown vertiginously and, thus, three store formats were launched: P1, with 80 sqm, usually street stores; P2, between 30 to 40 sqm, usually shopping center and hypermarket stores; and P3, up to 20 sqm (kiosks, towers or stores installed inside of another store).

With the new formats, several different products were incorporated to the chain menu, such as juices and sandwiches. The success was immediate. Presided by the executive and Dona Arthêmia's grandson, Alberto Carneiro Neto, Casa do Pão de Queijo yearly assists nearly 30 million people, serves more than 30 million cheese buns, 22 million cups of coffee and 7.1 million puff pastries (salty and candy).

In order to stimulate the expansion and, at the same time, ensure the high standard of products sold in stores, in 2001 Casa do Pão de Queijo established in Itupeva, countryside of the State of São Paulo, an own plant, with the support of more than 100 homologated suppliers. High standard food is produced according to the rigid chain quality controls.

Currently, the Southeast of Brazil represents the largest market for the company, with 327 stores mainly located in São Paulo and in Rio de Janeiro. However, the expressive growth around the Country can already be noticed: the Northeast region concentrates 63 establishments, the South 25, the North has 21 units and the Central-West accumulates 20 stores.

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