



Franchise Prospectus

Something for All Occasions



## About Us



Cakes & Bakes was first established in 2002 in East Ham, East London after we saw a gap in the market for boutique cake shops. With the public's increased demand for high end celebration cakes, it has grown exponentially over the past 20 years and the trend is set to continue. We've seen an increase in the demand for vegetarian and egg-free products and are excited to be positioned to also cater to that need.

Cakes & Bakes products are handmade and freshly produced in our kitchen by qualified bakers and chefs. Our recipes combine a special blend of ingredients to deliver that sensational taste only to be found in our stores.

In our flagship shop we now have a sit down offering with teas, coffees, cakes, scones, crème brûlée, cheesecakes, cupcakes, brownies, biscuits, cookies and more. All cakes, desserts and pastries are all baked and decorated in our central bakehouse in Romford. Our Cakes & Bakes shops just add the finishing touches like fruit, chocolates and personalised messages. But as a franchisee you will get to decorate the cakes from scratch.



We also offer online ordering and have a fleet of delivery vans to offer delivery anywhere within the M25 – including a same day delivery option on selected cakes.

Our customers seem to love what we do and have played an integral part in our Cakes & Bakes success story.

Cakes & Bakes has gone from strength to strength. We now have 11 shops located in Romford, Leyton, Edmonton, Walthamstow, Goodmayes, South Woodford, Sutton, Norwood, Ilford Lane, Rayners Lane & Ruislip Manor and we don't want to stop there. We want to expand Cakes & Bakes across the Country and introduce our delicious fresh made cakes to a city near you.



## Our Customer Offering

Cakes & Bakes has something for all occasions, from the special birthday cake to the big celebratory wedding cake, plus everything in between. With over 100 various flavours and designs to choose from, there is something for everyone. Besides, we think all our novelty cakes are special!

Our cakes can even be personalised by adding photos and personal messages and we'll deliver it to our customer's doorstep right in time for the special occasion.

We also sell brownies, biscuits, savoury pastries, drinks (hot and cold) and party items (balloons, candles and cake toppers). These items are a lesser revenue stream than our celebration cakes but still very popular.

Our core customers are predominantly women aged 25-45. Being London based, we cater to a very multicultural customer base, we have seen a huge demand for eggless and fresh cream cakes which we sell a huge amount of and also have a with egg range and buttercream offering. 99% of our products are also Halal, and we also have a small vegan range of cakes which we are looking to expand.





"Excellent customer service from start to delivery.

Cakes are delicious and so freshly made they last a few days; our cakes were eaten very quickly with everyone wanting a second slice. Definitely will reorder at the earliest opportunity." – Tracy Harris



# Why Franchise?

#### Lack of Time?

Few opportunities offer the flexibility of running your own business. The Cakes & Bakes franchise allows you to set your own hours and work around family commitments. Build the life you deserve!

#### Lack of Money?

We have built some excellent relationships with the major lenders who will support potential franchisees with their initial franchise fee, subject to their normal lending criteria. We are more than happy to put you in touch with our contacts at the banks, who can answer any of your questions.

#### Do I Need Experience?

Initial training is comprehensive and time will be spent ensuring that you will be able to manage your own Cakes & Bakes business.

#### How do I Make Money?

You will be given the tools to operate your business from the outset, which means you have the freedom to reach your potential when you start your business.

#### Fear of Failure?

The UK Franchise Industry is in fantastic shape!

- The Franchise Industry contributes £15 billion to the UK economy an increase of 46% over the past 10 years
- Over half of franchisees are now declaring an average turnover that exceeds £250,000
- Employment has continued to increase with one-third of franchisees employing 10 or more staff
- An incredible 97% of franchisees are running in profitability
- An impressive 91% of franchisees have declared satisfaction with their franchisor
- 80% of franchised brands are UK-owned and developed

Sourced from the BFA/NatWest Franchise Survey

Franchising is a fantastic way to boost your income whilst being your own boss. With Cakes & Bakes you can be sure that we will be with you every step of the way helping you to build a profitable business alongside our already established and successful brand.



## Why Cakes & Bakes?

# We are One of the UK's Fastest Growing Cake Brands!

At Cakes & Bakes we pride ourselves on creating high quality, great tasting cakes and savoury products that meet our customers' demand for celebration cakes and sweet treats.

Our cakes are baked to our own recipe to create that unique taste our customers have come to recognise as the Cakes & Bakes experience. That, coupled with our exceptional level of customer service and dedication to strict operational standards, is why we stand out from our competitors. Everything we do is geared toward making it easy for all our franchisees to replicate the same standards wherever they are.

With our brand positioned at its most opportune period for growth, this is an exciting time to join us. We offer massive opportunity for growth as we continue to develop our brand as a leading provider of celebration cakes for all occasions in the UK.

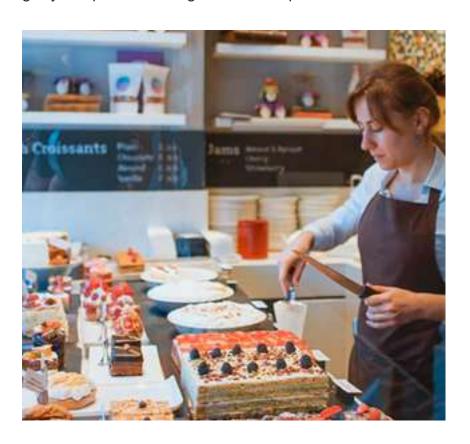






# The Opportunity

With a Cakes & Bakes franchise you will be able to benefit from our marketing activities and receive training, advice and support to manage and run your own high street Cakes & Bakes shop. Build and grow a profitable business without having to start from scratch or go it alone. Much of the legwork has already been done for you plus you'll be given plenty of support to get you up and running as soon as possible.



#### **Your Role**

You have the opportunity to own your own Cakes & Bakes business in your chosen territory. You will be providing our delicious and freshly made cakes to your customers. We will supply baked sponges and all ingredients; your role will involve decorating and finishing your customer's cakes.

#### **Our Role**

We will provide you with all of the necessary tools to help you launch your Cakes & Bakes business with confidence. This will include materials, equipment, help with fitting-out your premises and much more!

#### **Training & Support**

Comprehensive training will be provided at the start of your franchise journey to help get you up to speed with how we operate as well as our systems, policies and procedures. You will also receive continued support from our head office team throughout the life of your Cakes & Bakes franchise.

#### Marketing

Marketing materials will be provided including support with marketing, social media and with your initial launch to spread the word about your new Cakes & Bakes business.



# The Opportunity

#### **Your Franchise Benefits**

- The rights to own and operate a Cakes & Bakes franchise, to use the trademarks and trade name, in a defined territory, for a period of 5 years or 10 years for a Regional Development Franchise
- Full initial training
- On-territory training
- Franchise operations manual
- · Launch marketing and PR package
- Fully equipped retail shop fit (turnkey)
- Initial cake stock
- External bespoke Cakes & Bakes signage



"Top pâtissiers! Yummilicious cakes and fantastic service! What more can you ask for! It makes any occasion wonderful! Thank you to all at Cakes & Bakes - you are amazing!" – Alma L







## Franchise Models



#### Cakes & Bakes Shop



This franchise model allows you to take orders for decorative cakes in your local area. We will supply the baked sponges and all of the ingredients so you will be able to decorate your customer's cakes to perfection, whatever the occasion!

#### Perfect for:

High streets, small towns and town squares.

#### Cakes & Bakes Kiosk



Cake connoisseurs can grab a gift or bite to eat on the-go. Our Cakes & Bakes kiosk is perfect for shopping centres, food halls. A Cakes & Bakes Kiosk is only available to existing Franchisees.

#### Perfect for:

High footfall areas such as shopping centres and food halls.





#### **Cakes & Bakes at Norwood**

Cakes and Bakes Norwood was established in December 2019, and it became our first South London Store. It's situated in the heart of one of South London's busiest commuter districts. The store is on the corner of the high street surrounded by a number of restaurants, shops and cafes. It's just a simple 2-minute walk from Norwood Junction Station, a glance away from the renowned South Norwood Clock Tower and a 5-minute walk away the famous Selhurst Park, home of Crystal Palace F.C. With many schools and colleges nearby, this area is populated with families from all cultures making this store a 'one stop shop' perfect for any family celebration.

Rest assured that our showstopping window display gives the best visibility to any potential passing trade and alongside our helpful and engaging team, it makes buying or ordering a cake an easy and relaxed experience!











#### **Cakes & Bakes at Sutton**

Cakes and Bakes Sutton was established in September 2020 and is situated in close proximity to an Asda Superstore which is approximately a 10-minute walk along the high street to Sutton station. Sutton high street is the sixth most significant retail centre in London. Our store is surrounded by an array of diverse restaurants and major retail brands.

Our bustling and busy branch provides the local community with all they need to celebrate any occasion throughout the year. Alternatively, customers can 'drop in' to grab something sweet and tasty for the perfect 'on the go' or surprise treat to takeaway! Our friendly and informative team are all willing to help and give advice to customers, whether it's placing orders for our delicious counter cakes or even help designing a bespoke cake. This store is widely known throughout the Sutton area and enjoys a loyal and returning customer base.











#### **Cakes & Bakes at Goodmayes**

Our Goodmayes branch, formed in 2020, is based in a highly populated and culturally diverse area. Ample parking can be found in the nearby Tesco Superstore, the high footfall from the busy main area, presents many opportunities for passing trade. This store is conveniently situated opposite Goodmayes Station. The store is open until late which is extremely beneficial to commuters who can pick up a late, last-minute cake to take home!

The team at Goodmayes are knowledgeable and friendly and always able to help customers with ordering or answering any questions, especially those with dietary requirements. Based on the corner of the high street, the store's appealing window display entices customers in from the street to choose from a vast selection of fresh delicious cakes and sweet treats, all of which can be customised with a personalised message within minutes!











#### **Cakes & Bakes at South Woodford**

Our South Woodford branch is located in George Lane where there are several leading retails stores, including Marks and Spencer and Waitrose. This area has a high income demographic profile where residents enjoy the village atmosphere, particularly along the main shopping street where the store is located. South Woodford also has a busy Central London Underground station which provides daily commuter footfall to the store. This branch has instore seating which gives a unique customer experience. The store provides delightful and delicious cakes, sweet treats, and milkshakes, which customers can enjoy either instore or in the park area opposite.

The staff are always on hand to help and are guaranteed to give customers a warm and friendly welcome. Our South Woodford branch has a fantastic reputation which brings in regular and repeat business throughout the year.









### Meet the Team



**Ashok Duppati**CEO

Ashok is the Co-founder & Director of Cakes & Bakes as well as the Founder & CEO of technology based company BluPace. With a double master's in computer application and business administration, his drive and determination to succeed began at an early age. He is a serial entrepreneur with the capability of building bootstrap businesses and taking them to great heights.

Ashok is a result-oriented dynamic leader having roots in the technical side as well as having a passion for the food industry. His forward-thinking, versatile and resourceful attributes have helped take Cakes & Bakes from a single shop to a successful and expanding group.

With a track record of implementing business strategies and a background in innovative technologies and improving IT systems, Ashok is perfectly positioned to continue to grow and support the Cakes & Bakes brand.

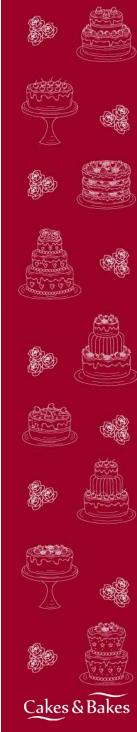


**Dheeraj Siripurapu** 

Dheeraj has a computing background having completed his master's in computer science at Middlesex University. He has used his IT knowledge to build successful businesses in IT, restaurants and party supplies before co-founding Cakes & Bakes.

Dheeraj's IT background and attention to detail has pushed him to excel in building business operations. He has taken grassroot businesses to multimillion pound turnover companies using his IT process driven strategy.

With an entrepreneurial outlook Dheeraj can spot a gap in the market and build the foundations required for a thriving business, just as he has done for Cakes & Bakes.



### Meet the Team



### Isabel Scheepers Customer Services and Sales Manager

Isabel is a very early point of contact with the the company for every new Franchisee. It is Isabel who manages the initial enquiries and sends Franchise Information to everybody.

Based in Pretoria, South Africa - Isabel is a very experienced administrator with a huge appetite for work and a reputation for fast turnaround.

Isabel, her husband and daughter are in the process of relocating to Europe, specifically to Portugal where the family originally came from generations ago.



Marcus Bennion
Franchise Director

Marcus and his colleagues supervise the development of our growing Franchise Network including Recruitment, Business Planning, Siting, Funding, Contracting and Onboarding.

A former Army Officer Marcus brings a structure and discipline to the Franchise Division allowing Franchisees to flourish benefiting from the right support at the right time in their journey whilst ensuring that our network grows according to our Strategic Plan.

Marcus joined with one ambition, and that is to add value to all our clients. One meeting with him is all you need to feel his passion for our business and to share in his enjoyment in seeing his work, bring success to others, in their dreams to own and run a franchise business.



## **FAQs**



# How quickly can I get started with my Cakes & Bakes franchise?

Every franchise launch is unique and individual, we will work with you to get you up and running as quickly as possible. All our initial training is done on a one-to-one basis and this enables you to get your Cakes & Bakes business off the ground.

## How much can I earn in my Cakes & Bakes franchise?

As soon as we have met you will be provided with a confidential Franchise Information Memorandum amongst many other important pieces of information. The FIM comprises of a detailed three-year franchise business plan that provides full revenue, expenditure and profit and loss information.

# Can I take trade and professional references on the company?

Of course! We would expect nothing less. The FIM provided at our first face-to-face meeting contains much of our reference material, but we are happy to provide further information that you require in order that you can make an informed decision.

#### Can I resell in the future?

Yes, you can (on the terms set out in our Franchise Agreement including our approval of the purchaser as a new franchisee). This is generally why most of us start a business in the first place. Should you decide at some point to retire or move on, our franchise agreement is for five years; you therefore have an asset that is resaleable at a premium price.

#### How can I finance my franchise?

We have built some excellent relationships with the major lenders who will support potential franchisees with their initial franchise fee, subject to their normal lending criteria. We are more than happy to put you in touch with our contacts at the banks who will be happy to answer any of your questions.

Of particular importance to those establishing a Cakes & Bakes franchise, we have a loan facility in place with The Start Up Loans Company. This is a UK government lending initiative where new start franchises can borrow unsecured and at a low rate of interest up to £25,000 for the purchase and establishment of the business. Additional funding is available as required.



# Are You Right for Us?

Cakes & Bakes are looking for ambitious and selfmotivated individuals to join the already fantastic team!

You will need to be a people person who is passionate about quality and providing a fantastic customer service.

Cakes & Bakes franchisees must be prepared to work hard, be persistent, patient and willing to learn. You must plan and balance activities, build the right team and make sacrifices.

You do not need to be a baker to join our franchise, you will receive all the training you need in order to get setup and running your Cakes & Bakes business successfully.

As a franchisor we will be entering into a partnership with you, which involves significant levels of trust and confidence from both sides. The recruitment process involves a significant investment in time, money and effort with any new franchisee.

Whilst we encourage ideas and innovation, for brand protection it is essential that our system and proven business model is followed by all franchisees.

As a franchisee, not only will you be expected to adhere to the system, but you will also be expected to be able to work well with the rest of the team.



"I had to get a birthday cake on short notice as the baker I had plans with was unfortunately in contact with a COVID patient. I had one day to get a cake. Ordering was easy as the steps to choose the cake, flavours, size etc was clearly defined. On top of that I still got a call from the company to be sure they got my order correctly and it was exactly what I wanted. Delivery was as scheduled. The cake looked even prettier than in the picture and it tasted great as well." — Patience A





### What's Next?



Love cake and have a sweet tooth?

#### Looking to take control of your lifestyle?

## Are you ready to earn a fantastic income in a thriving industry?

If having read through the prospectus you believe you have the necessary skills and desire to become a Cakes & Bakes franchisee, then you are ready to take your application further!

The next step is to provide you with answers to your questions regarding the franchise and then arrange for you to come and meet the team.

You will also be provided with a confidential Franchise Information Memorandum (FIM) that explains at length the unique operating methods of Cakes & Bakes complete with a projected profit and loss over the first three years of the franchise.





# Something for All Occasions





















# Cakes & Bakes

#### Cakes & Bakes Ltd

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