



Planning



Training



Selling



Endless Opportunities



The Gelsosomo's Pizzeria Franchise



Hello - Welcome To The Gelsosomo's Family!

Dear Prospective Franchisee:

Thank you for your interest in Gelsosomo's Pizzeria.

Quality is the driving force behind our success. Here at Gelsosomo's, we offer you a systematic franchising program, access to know-how and expertise that comes from more than 25 years of experience in the pizza industry, plus the potential for growth into a nationwide campaign.

Our concepts of keeping your investment low, keeping the operation simple and offering a superior product have propelled Gelsosomo's into quite an exciting period of growth. We are seeking highly qualified individuals to join the Gelsosomo's family as new franchisees. Business or public service experience, personal financial qualifications and a proven track record of success are important factors in our evaluation of you as a prospective franchisee.

Gelsosomo's care in recruiting, screening, training, developing, and retaining qualified franchisees - together with our unique relationship with these people - has been a key factor in both our growth and the growth of our franchisees.

Gelsosomo's is a way of doing business. Our system has been proven to be exceptional. Evidence of this is seen through the thousands of smiles and returns of satisfied customers. Also, our consistent quality has translated into happy franchisees and an excellent rate of growth. Because of this, "*Here at Gelsosomo's, you are one of the family!*"

This brochure provides a brief overview of Gelsosomo's Pizzeria, as well as the requirements for owning and operating a Gelsosomo's Pizzeria restaurant business. Information on applying for a franchise is located in the back of this brochure.

Gelsosomo's Pizzeria is a registered trademark in all 50 states and is on file in the US Patent and Trademark Office.

Again, thank you for your interest in Gelsosomo's Pizzeria.

Thomas R. Gelsosomo
President and Founder

The History

Born into an Italian family in Roseland, a South Chicago Italian neighborhood, Tom Gelsosomo has always loved great Italian food. As an aspiring young entrepreneur who had worked hard in restaurants in the late 1970's, Tom wanted to share his love for Italian food with people through his Gelsosomo's (*Jel-sah-so-mos*) Pizzeria restaurant concept.

Tom decided to open his first restaurant in Portage Indiana in 1979, an expanding community, in which he felt there was a large market for his concept. Tom purchased an existing Italian restaurant, a building that was characteristic of Italian architecture, that he felt was perfect for his concept.

Through the loyalty of his many customers, which ultimately led to his restaurants' success, Gelsosomo's became an institution in the Northwest Indiana community. Every year to show his appreciation, Tom gives back to the community by sponsoring youth sports such as little league, football, basketball. Gelsosomo's also sponsors organization events such as church, union, and donations to local non-profit organizations.

The Timeline

1979 – Tom Gelsosomo opens his first restaurant in [Portage, Indiana](#).

1989 – Gelsosomo's Pizza won an award naming them the Best Tasting Pizza in Porter County.

1990 – Gelsosomo's Franchise Corp. founded. The new franchise company was given clearance by the State of Indiana to begin its franchise expansion program.

1990 – A site in [Chesterton, Indiana](#) was chosen. Mr. Ron Nabhan opens the first franchise.

1991 – Gelsosomo's growing popularity was proven when their pizza was named Best Tasting Pizza in Northwest Indiana.

1995 – Experiencing much success at his Chesterton location, Mr. Nabhan opens a carryout and delivery location inside Innman's Recreation Center in [Valparaiso, Indiana](#).

2000 – A new site in Valparaiso, Indiana was selected for a full service restaurant to relocate the pizzeria at Innman's Recreation Center.

2003 – A site was chosen in [Michigan City, Indiana](#) for a full service restaurant.

2005 – The train depot in Saint Joseph, Michigan was selected for a full service restaurant. The depot was converted to a Gelsosomo's Pizzeria, which is at historical Silver Beach.

2007 – A site was chosen in [Crown Point, Indiana](#) for a full service restaurant.



Gelsosomo's and You

Gelsosomo's success is accredited to our franchise owners - an elite group of individuals. In fact, these are the people who have endorsed and insured our system; thus, achieving the level of an outstanding business organization. This has been a major key to our success.

However, Gelsosomo's is aware that the success is a two way street - the key to our franchisees' success is Gelsosomo's itself. Our training and support programs are of the most rigid and of the highest caliber. What are we seeking in our franchisees? Among other qualities:

- ⊕ The ability to motivate and train people
- ⊕ An entrepreneurial spirit and a
- ⊕ Strong desire to succeed.
- ⊕ The ability to manage finances.
- ⊕ A willingness to personally devote full time and best efforts to the day-to-day operation of the restaurant as an on-premises franchisee.
- ⊕ The willingness to complete a comprehensive training and evaluation program on a part-time basis in order to become proficient in **all** aspects of the restaurant business.
- ⊕ The ability to meet the financial requirements that are outlined in the information sheet in the back of this brochure.

The rest of this brochure will explain and answer many of the questions about the return for your commitment.

"We are looking for people who are aggressive, who are risk-takers, who are willing to be more than a franchisee. We are looking for first class people who will help the Gelsosomo's system achieve success as well as achieving personal and business success for themselves."

TOM GELSOSOMO
President and Founder
1990

Advantages as a Franchisee

Being a Gelsosomo's Franchisee offers you many advantages. From the training by and support of a solid organization to the opportunity to own a thriving and successful business.

Essentially, here's what you receive when you become a Gelsosomo's Franchisee:

- ⊕ The chance to own your own business and the rewards that come from being responsible for your own success. Yet, with Gelsosomo's unique approach to training and support, you are in business for yourself but not by yourself.
- ⊕ The tools to help you in your business: Local support in the areas of operations, training, advertising, marketing, real estate, construction, purchasing, and equipment. To be responsive to your needs, Gelsosomo's maintains a support office to assist the franchisee with any questions he may have: before, during, and after the setup stage. We provide ongoing consulting for our franchisees.
- ⊕ The enjoyment that comes from working with people, from your restaurant crew to your customers and community.
- ⊕ The opportunity to contribute to the success of Gelsosomo's Popeye, Seven Cheese Calabrese, and Hot & Spicy Pizzas have all been developed from ideas generated by franchisees.
- ⊕ Personal growth and business knowledge from Gelsosomo's extensive training and from your experience as a franchisee.

Gelsosomo's encourages an open exchange of ideas between the Company and its franchisees.

As a Gelsosomo's franchisee, you will experience a unique relationship with the Company - one that is unparalleled in the full service restaurant/carry-out & delivery industry.

Gelsosomo's leadership position continues to be built on respect the Company shows its franchisees.

"We're offering a business system - a method or vehicle for doing business, which has not only been proven to be effective for our company, but for the companies of our franchisees as well."

CHUCK TEEL
Executive Director of
Marketing & Sales
1997

Your Agreement with Gelsosomo's

Gelsosomo's is successful because it involves a combination of system standards and individual opportunities. As a franchisee, you agree to work within the Gelsosomo's system.

Gelsosomo's Pizzeria franchisees must personally devote their full time and best efforts to the day-to-day operation of the business. You cannot qualify for a franchise if you intend to be an absentee or part-time owner.

Not only does Gelsosomo's grant franchises to individuals, but also to corporations and partnerships as well. Gelsosomo's will locate the restaurant under its development program which seeks to be responsive to changing demographic factors, customer convenience and competition.

You equip the restaurant at your own expense with kitchen equipment, lighting, signage, seating and decor. While none of the equipment is purchased from the Company, it must meet Gelsosomo's specifications.

To maintain uniformity, franchisees must use Gelsosomo's:

- ⊕ Formulas and specifications for menu items
- ⊕ Methods of inventory control, bookkeeping, accounting, and marketing.
- ⊕ Trademarks and service marks, and
- ⊕ Concepts for restaurant design and equipment layout.

As a franchisee, you must operate the franchise according to Gelsosomo's standards - Quality product, Exceptional service. Competitive pricing, and Cleanliness.

Your payments to Gelsosomo's are outlined in the information sheet in the back of this brochure.

"Gelsosomo franchisees have more opportunity than ever to grow their business. The many restaurant opportunities available through our low-cost approach include urban and rural areas as well as new unique locations that make it convenient for our customers to enjoy Gelsosomo's great pizza!"



TRACY GELSOSOMO
Vice-President
1995

Your Gelsosomo's Pizzeria

In selecting a site, the Company's marketing staff evaluates overall market development, population, traffic patterns, restaurant market share in the given area, and site size as well as other factors. Our restaurants are developed in order to build an effective marketing network that will meet customer demand and provide customer convenience on an ongoing basis.

Gelsosomo's maintains a group of real estate, architectural, construction, engineering, equipment and purchasing partners whose goal is to assure that Gelsosomo's maintain a competitive edge in the industry.

The architectural, construction, and engineering partners make sure that Gelsosomo's Pizzerias are not only highly advanced and efficient, but maintain customer appeal.

Gelsosomo's works with many independent suppliers and distributors throughout the Midwest to make sure that the food, paper products, equipment and other supplies you but meet Gelsosomo's quality control specifications and high standards at a low cost.

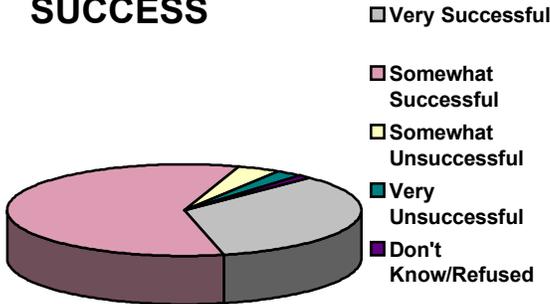
We teach you the full service/carry-out & delivery business and the Gelsosomo's Pizzeria system during an extensive training program for you and a key employee at one of our Gelsosomo Pizzeria facilities. You will learn food preparation, administrative methods, local marketing strategies, and all the other skills you will need to keep your business moving in the right direction. In addition, during your first weeks of operation, we will spend several days at your unit making sure everything is going smoothly.

You will receive the Gelsosomo's Pizzeria Operations Manual which details the Gelsosomo's system. It takes you through the day-to-day operations, and includes procedures on employee training, cooking methods, food preparation and procedures. The Operations Manual removes the guesswork from your new business.



About Franchising

OVERALL SUCCESS



Franchising is one of the most effective systems for distribution of goods and services know today. It combines the entrepreneurial drive and ambition of the small businessman with the experience and expertise of a larger company. The result is often a rewarding partnership for both parties.

As a franchise owner, you are given access to years of business experience without attending the school of "hard knocks." You sell a product that has been well accepted in many markets or a brand name that people are already familiar with. The operation and control of your business has been established, assisting you in the running of your business.

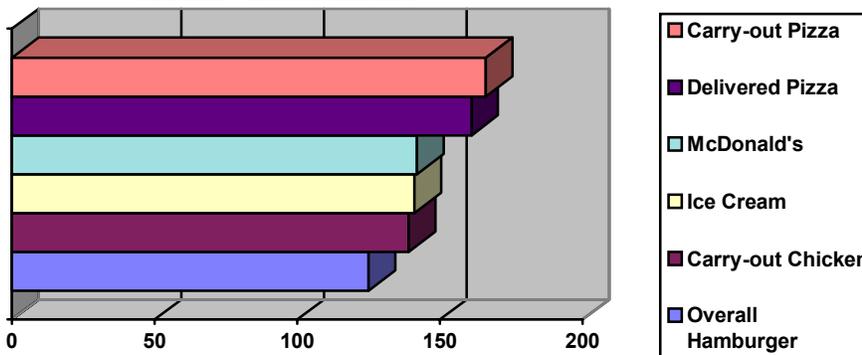
In contrast to purchasing an independent business, buying a franchise is an investment not only in your store, but in the franchising company as well. If the chain expands, your individual business may build greater equity. Government statistics show the failure rates of franchises are significantly lower than those of individuals starting a new business on their own.

When you join a franchise, you are joining a team. The members of the that team have mutual goals. Together they work to build the company's sales image, and reduce common expenses. As a member of the team, you can increase your knowledge of site selection, lease negotiations, and store leasehold improvements or construction. Years of experience are needed in these areas.

The Gallup Organization, Inc. of Princeton New Jersey conducted market research for the International Franchise Association (IFA) of Washington D.C. The overall purpose of this market research was to determine, among franchise owners in different companies, their attitudes and opinions with regard to their franchise-owning experience. To accomplish the objective of this study, Gallup interviewed, by telephone, a national sample of 944 franchise owners across the continental United States during November and December of 1992. Above is just one result of Gallup's study on success.

Pizza is the Top Family Meal!

FAMILIES WITH CHILDREN



"Franchising is the most successful marketing concept ever created," said John Naisbitt, author of *Megatrends 2000*. Sales through franchised outlets now exceed \$760 billion yearly, accounting for more than 30% of the nation's Gross Domestic Product.

The Gelsosomo's Pizzeria Menu

Pizza

- I. Sausage
- II. Cheese
- III. Mushroom
- IV. Green Pepper
- V. Canadian Bacon
- VI. Pepperoni
- VII. Ham
- VIII. Onion
- IX. Half Sausage, Half Cheese
- X. Anchovy
- XI. Olive - green or black
- XII. Sausage & Pepperoni
- XIII. Meatball
- XIV. Hot Peppers - Ortegas
- XV. Ham & Onion
- XVI. Sausage & Onion
- XVII. Sausage & Hot Pepper
- XVIII. Thick Crust
- XIX. Sausage & Green Pepper
- XX. Sausage & Mushroom
- XXI. Mushroom, Green Pepper, & Cheese
- XXII. Mushroom, Green Pepper, Sausage, & Cheese
- XXIII. The Works - Sausage, Pepperoni, Ham, Mushroom, Green Pepper, & Cheese
- XXIV. Hot & Spicy
- XXV. Veggie
- XXVI. Sausage, Pepperoni, & Mushroom
- XXVII. Seven Cheese

EXTRA INGREDIENTS - Fresh Bell Pepper, Pineapple, Fresh Garlic, Braided Crust.

- Stuffed Spinach Pizza "Popeye"
- Stuffed Pizza " Calabrese"
- Taco Pizza
- Deep Dish Pizza

*Pizza sizes are available in:
6, 10, 13, & 15 inch.*

Appetizers

Garlic Bread
Pizza Bread
Tomato Bread
Bread Sticks
Mozzarella Sticks
Soup (Seasonal)
Jalapeno Poppers
Buffalo Wings

Salads

Italian Antipasto Salad
Spinach Salad
Dinner Salad
Chicken Caesar Salad

Pastas

Spaghetti
Mostaccioli
Fettuccine
Ravioli
Lasagna
Tortellini
Combo Pasta Plate
Stuffed Shells
Spinach Stuffed Shells
Veal Parmesan
Chicken Parmesan

Sandwiches

Italian Beef
Sausage
Meatball
Ham
Stromboli
Submarine
Veal Parmesan
Combo Beef & Sausage
Veggie Sub
Chicken Breast

Frequently Asked Questions

The following questions and answers are designed to provide basic information regarding the structure, costs, and support systems of the Gelsosomo's Pizzeria franchise program.

1. **Q: What will the franchise cost?**
A: The initial franchisee fee is \$25,000. However, the total investment can be anywhere from \$160,000 to \$420,000 depending upon restaurant type.
2. **Q: What types of franchises are available?**
A: There are two franchise packages available: individual restaurants offering carryout and delivery services or full service dining facilities offering carryout and delivery services.
3. **Q: How much cash or liquid assets are initially required to acquire a franchise?**
A: The initial cash investment is a minimum of \$75,000.
4. **Q: Will Gelsosomo's Franchise Corp. finance the remaining balance of the cost of the franchise?**
A: No. The Company does not provide financing. The remaining cost may be financed through a bank or other appropriate institution.
5. **Q: How much money can I make?**
A: profitability varies depending upon a number of factors, including sales, location, occupancy and operating costs and the ability of the franchisee to manage and control the business. For real life experiences, we encourage you to contact our franchisees regarding the profit and loss of the Gelsosomo's Pizzeria.
6. **Q: What about advertising?**
A: Building recognition of the Gelsosomo's Pizzeria name is an essential, ongoing objective that benefits everyone. Each calendar month the franchisee must spend 3% of gross sales on local advertising and promotion, with guidance from Gelsosomo's Franchise Corp. These monies are not payable to the franchisor. However, if the franchise implements a national or regional advertising campaign, the franchisee is required to pay 2% of gross sales to Gelsosomo's Franchise Corp.
7. **Q: What is the charge for continuing services?**
A: The monthly continuing services and royalty fee for an individual franchise is 3% of gross sales derived from your Gelsosomo's Pizzeria.

The Gelsosomo's Pizzeria Franchise

New franchisees enter the Gelsosomo's system by acquiring a franchise for a new restaurant.

The following financial resources are considered for acceptance into the franchise training program. We require a minimum of **\$75,000** of non-borrowed personal resources to consider an individual for a franchise.

Non-borrowed personal resources considered are:

- Cash on hand
- Securities, bonds, and debentures
- Vested profit sharing (net of taxes)
- Business or Real Estate Equity (exclusive of personal residence)

Gelsosomo's Franchise Corp. does not provide financing or loan guarantees.

NEW RESTAURANTS

Initial Costs:	\$25,000 Initial franchise fee paid to Gelsosomo's Franchise Corp.
Equipment & Pre-Opening Costs:	Typically these costs range from \$160,000 to \$420,000. The size of the restaurant (square footage), area of the country, pre-opening expenses, inventory, selection of the kitchen equipment, signage, leasehold improvements, and style of decor are all variables of new restaurant cost.
Term:	7 years
Ongoing fees:	A monthly fee based upon the restaurant's gross sales performance of 3.0%.

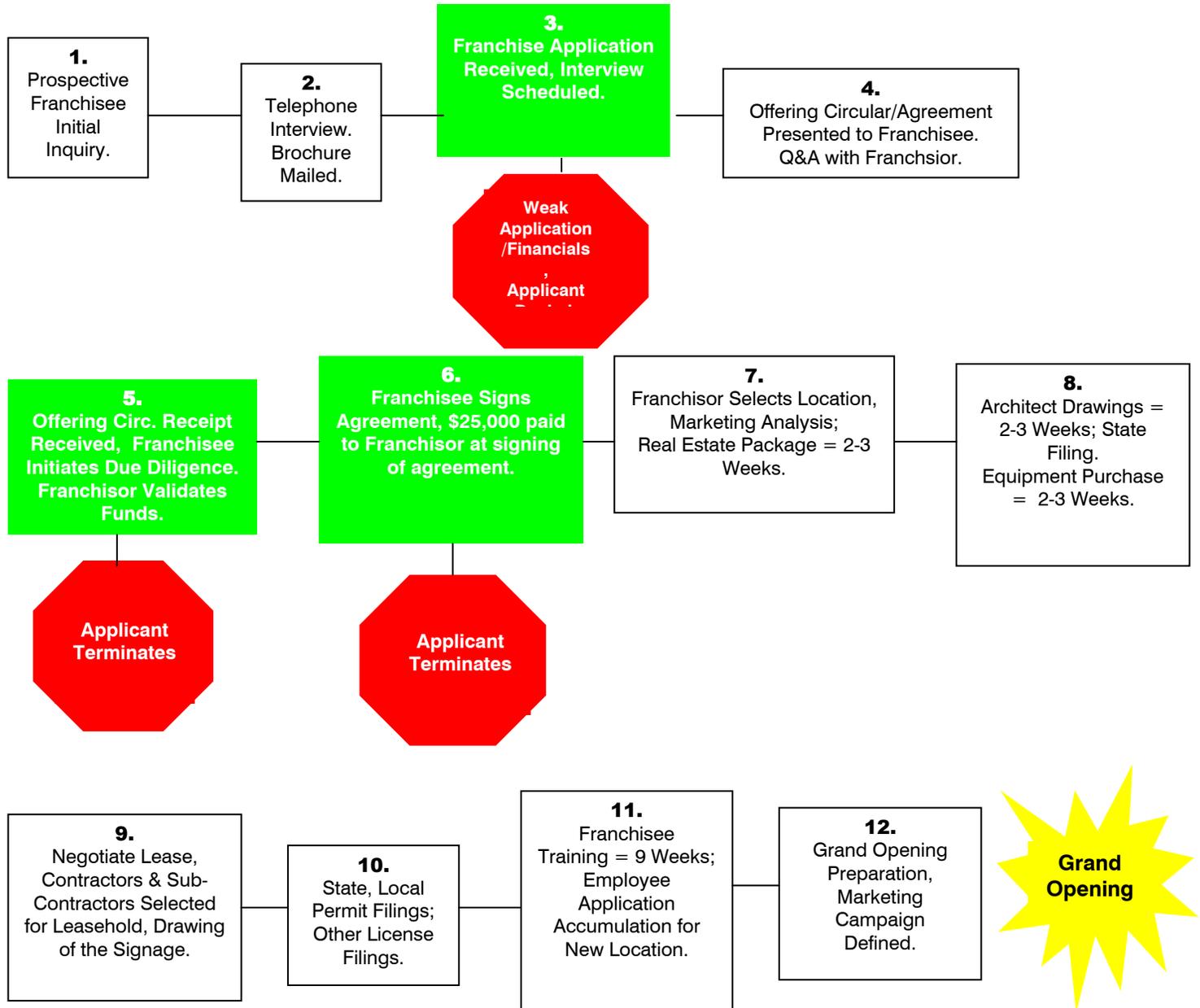
Franchise Capital Requirements

Carry Out Restaurant	Lower Cost Restaurant 1200 ft	Moderate Cost Restaurant 1400 ft	High Cost Restaurant 1600 ft	Time of Payment
Initial Franchise Fee	\$ 25,000	\$ 25,000	\$ 25,000	Franchise Agreement signing
Equipment (includes technology)	\$ 65,000	\$ 74,750	\$ 104,650	COD
Architect/Engineer Fees	\$ 2,000	\$ 2,300	\$ 3,220	COD
Leasehold Improvements	\$ 35,000	\$ 40,250	\$ 56,350	½ Down payment; ½ completion
Lease Deposit	\$ 6,000	\$ 6,900	\$ 9,660	Lease signing
Outside Signage	\$ 3,500	\$ 4,025	\$ 5,635	½ Down payment; ½ completion
Opening Inventory/Small wares	\$ 4,000	\$ 4,600	\$ 6,440	COD
Insurance Down payment	\$ 1,000	\$ 1,150	\$ 1,610	Policy signing
Management Training (30 Days)	\$ 1,500	\$ 1,725	\$ 2,415	During Training
Hourly Employee Training (2 Weeks)	\$ 2,000	\$ 2,300	\$ 3,220	During Training
Legal & Accounting (Startup Costs)	\$ 1,500	\$ 1,725	\$ 2,415	Before opening
Grand Opening Advertising	\$ 2,250	\$ 2,588	\$ 3,623	Before opening
Licenses/Permits	\$ 500	\$ 575	\$ 805	As required
Miscellaneous	\$ 1,000	\$ 1,150	\$ 1,610	As required
30 Days Working Capital	\$ 7,500	\$ 8,625	\$ 12,075	As required
Total Capital Investment	\$ 157,750	\$ 177,663	\$ 238,728	

Full Service Restaurant	Lower Cost Restaurant 3000 ft Seating for 100	Moderate Cost Restaurant 4000 ft Seating for 175	High Cost Restaurant 6000 ft Seating for 250	Time of Payment
Initial Franchise Fee	\$ 25,000	\$ 25,000	\$ 25,000	Franchise Agreement signing
Equipment (includes technology)	\$ 90,000	\$ 108,000	\$ 156,600	COD
Architect/Engineer Fees	\$ 3,000	\$ 3,600	\$ 5,220	COD
Leasehold Improvements	\$ 85,000	\$ 102,000	\$ 147,900	½ Down payment; ½ completion
Lease Deposit	\$ 10,000	\$ 12,000	\$ 17,400	Lease signing
Outside Signage	\$ 5,000	\$ 6,000	\$ 8,700	½ Down payment; ½ completion
Opening Inventory/Small wares	\$ 8,000	\$ 9,600	\$ 13,920	COD
Insurance Down payment	\$ 2,000	\$ 2,400	\$ 3,480	Policy signing
Management Training (30 Days)	\$ 3,000	\$ 3,600	\$ 5,220	During Training
Hourly Employee Training (2 Weeks)	\$ 4,000	\$ 4,800	\$ 6,960	During Training
Legal & Accounting (Startup Costs)	\$ 3,000	\$ 3,600	\$ 5,220	Before opening
Grand Opening Advertising	\$ 2,250	\$ 2,700	\$ 3,915	Before opening
Licenses/Permits	\$ 1,500	\$ 1,800	\$ 2,610	As required
Miscellaneous	\$ 1,000	\$ 1,200	\$ 1,740	As required
30 Days Working Capital	\$ 7,500	\$ 9,000	\$ 13,050	As required
Total Capital Investment	\$ 250,250	\$ 295,300	\$ 416,935	

All total investment figures represent approximate costs based on the size of your store, location, and the extent of renovations required. A lower cost store is one that would require fewer leasehold improvements, less seating and fewer equipment expenditures. Moderate and higher cost stores may require extensive interior renovations, extensive seating and additional equipment. Therefore, it may not be possible to build a store for the lower or moderate total investment cost listed.

Franchise Development Flow Diagram



An application for a franchise can be found at the back of this brochure.

Submitting an application does not obligate you or Gelsosomo's in any way. It is simply the first step in a process that is designed to evaluate you.

All applications reviewed, and interviews are arranged for candidates who exhibit potential for success within our system. The interview generally covers your background, goals, business experience, financial status and interest in Gelsosomo's Pizzeria, as well as your suitability for the unique challenges of owning and operating a Gelsosomo's Pizzeria restaurant.

QUESTIONS?

We hope this brochure has answered many of your questions about becoming a Gelsosomo's Pizzeria franchisee.

For additional information, please refer to the list of frequently asked questions. An envelope is also included for mailing your application.

This advertisement is not an offering. An offering can only be made by a Franchise Offering Circular filed first with the Indiana Secretary of State and the respective registration states.