

Hi,

Being a Dominos Franchisee for more than 9 years, we have some many problems which is unaddressed for .

1) **DISCOUNTING**: Each and everyday there is massive discounting by Dominos head office, we are not against discounting but franchisees are suffering due to that . Menu price for a traditional pizza is \$13.95 but customers always have access to \$7.95 voucher thus franchisees cant make much money to cover the overall cost. Pizzas are sold from \$5 too, which franchisees want to be sold at \$6.95.

2) **CUSTOMER SATISFACTION**: The pizza box says if you are not happy you get your full money refunded back and you get order \$100 and customer simply can say they are not happy , they get their money back without any hassle, also keeping the pizzas. Yes we are happy to give them back for the store mistakes, but we are being punished even if its Dominos fault and why would franchisee pay when they follow all the standard procedure while making pizzas, it should be paid by franchisor.

3) **FOOD COST**: The food cost is very high as Dominos has their markup price. This cannot be verified by franchisees as we pay premium price.

4) **ONLINE ESTORE CHARGES**: These are the charges when online ordering is used by customer its about an average of \$1000/month on average per store. Australia has 685 stores thats \$685000/month wow.

5) **STORE INSURANCE**: On average we pay \$5000 a year premium, but if we want to claim for any repairs the excess is \$5000 thats a ripoff.

6) **OTHER CHARGES**: There are lot of other charges which cannot be verified by Franchisees. ONLINE MERCHANT FEES, PAYPAL FEES, SOLICITORS FEES, ADFUND. Dominos charges 12.5% from royalties, adfund plus other cost which also includes above charges.

7) **CEO SALARY**: [REDACTED] salary for 2016 was highest in ASX listed company \$21,026,386 where as franchisees are struggling.

8) **15MIN/20MIN DELIVERY**: For extra \$3 or \$5 customer can get deliveries in 15mins/20mins , if not delivered on time the customer gets free pizza. This is how it works

As soon as the customer finalise their order , it come on the instore make screen as expedited order, even if there is 100 pizzas on the screen , this has to be made and put through oven (7.25mins is oven cooking time) so hardly any mins left to deliver pizzas which puts drivers life in risk for driving hazardously. And moreover not fair on other customers who has ordered before and then they get late pizzas , then they complaint and we have to give them free.

9) **ABUSIVE CUSTOMERS**: Mostly customers are abusive towards staff if they get it wrong as they have to rush to meet the demand of the customers . When we have 15-16 years kids working in the store its not a good scenario.

10) **MANDATORY FEES**: If you fail OER its just an audit of the store, You are fined \$7500 thats way to

high.

11)**LEASE MANAGEMENT:** Dominos holds most head lease in their name so they have more control over franchisees. Any issues from landlord we don't have any say when it comes to repairs, we have to bear the cost.

12)**SPLITTING STORES:** Most stores been told to split but once they split the sales are half than previous sales, franchisees struggle to make money. Dominos has markup price in building New stores.

13)**BAS/ATO PAYMENTS:** Most franchisees are in payment arrangement with ATO, paying interest as they don't have money to pay ATO.

14)**NEW PROMOTIONS:** Any new product which are not selling fast, is sold cheaper and franchisee bearing the loss.

15)**STAFF PRESSURE:** Local Australian staff don't work much in dominos as it's a pressure job, so choice is hiring international students who don't have choice working under pressure.

In short Dominos head office is making money but franchisees are not and being treated as keep the store or exit. Most Franchisees put all their savings to become a Dominos Franchisee without realising the actual fact. Later on end up stress. Most will not complaint fearing they will be targeted. If you want to really know what franchisees going through you need to drop in to each franchisee stores without informing them then only they will open up. No matter Dominos almost sold all their corporate stores to new franchisees.