

Brand Review

Bricks & Minifigs

The Agenda

(A copy of these slides will be available at the end, and you'll be able to access this presentation on demand)

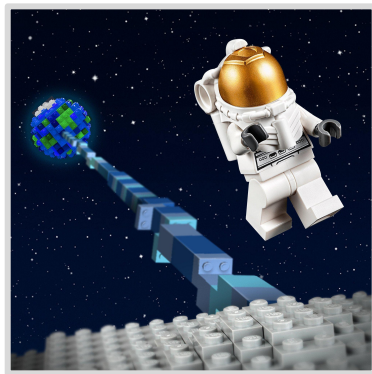
1. LEGO® & The Aftermarket
 2. Bricks & Minifigs
 3. Financials
 4. Territories & Real Estate
 5. Technologies & Relationships
 6. Training & Support
 7. Next Steps
 8. Your Questions
-

LEGO® Aftermarket

The LEGO® Opportunity



Proven Product



Endless Supply



Unlimited
Audience



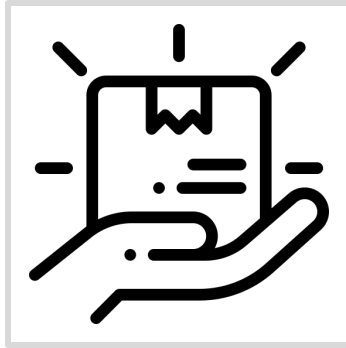
Unregulated
Aftermarket

Aftermarket Opportunities

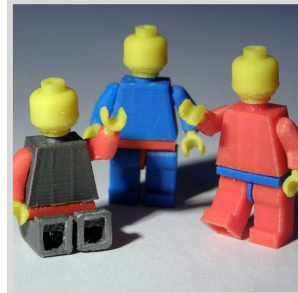
Buying



Selling



Community



Bricks & Minifigs

What is Bricks & Minifigs?

- Brick & Mortar & Online Store
- 10+ Years of Success
- Founded by David Ortiz & John Masek

- Buy, Sell, & Trade LEGO®
- New, Used, & Retired
- Sets, Minifigs, Bulk
- Aftermarket Accessories
- Custom Printing

- Community Hub
 - Parties & Events
-

Financials

Fees and Royalties

\$25k

(\$20k @ 20% Veteran
Discount)

Initial Franchise Fee

6%

Monthly Royalty on
Gross Revenue

1%

Monthly Marketing
Fund Fee

\$2k

(Every 5 Years)

Franchise
Renewal Fee

\$10k Franchise Fee for each subsequent unit (in multi-unit operations)

Initial Investment

Between \$99,120 and \$225,075, which includes:

- Initial Franchise Fee
- Initial Inventory
- Retail Location
 - Scouting, Build-out, Rent
 - Signage, Grand Opening Marketing
 - Furniture, Fixtures, Technology, Hardware
- Staffing for 3 months
- Insurance for 12 months
- \$7,500-\$25,000 additional working capital

Funding Resources

Typically funded through:

- SBA Loans - liquid capital
- HELOC - home equity
- ROBS - retirement accounts

Consultant groups are available for help, but you're welcome to pursue funding through any direction you wish.

We'll connect you in Step 3, if you'd like.

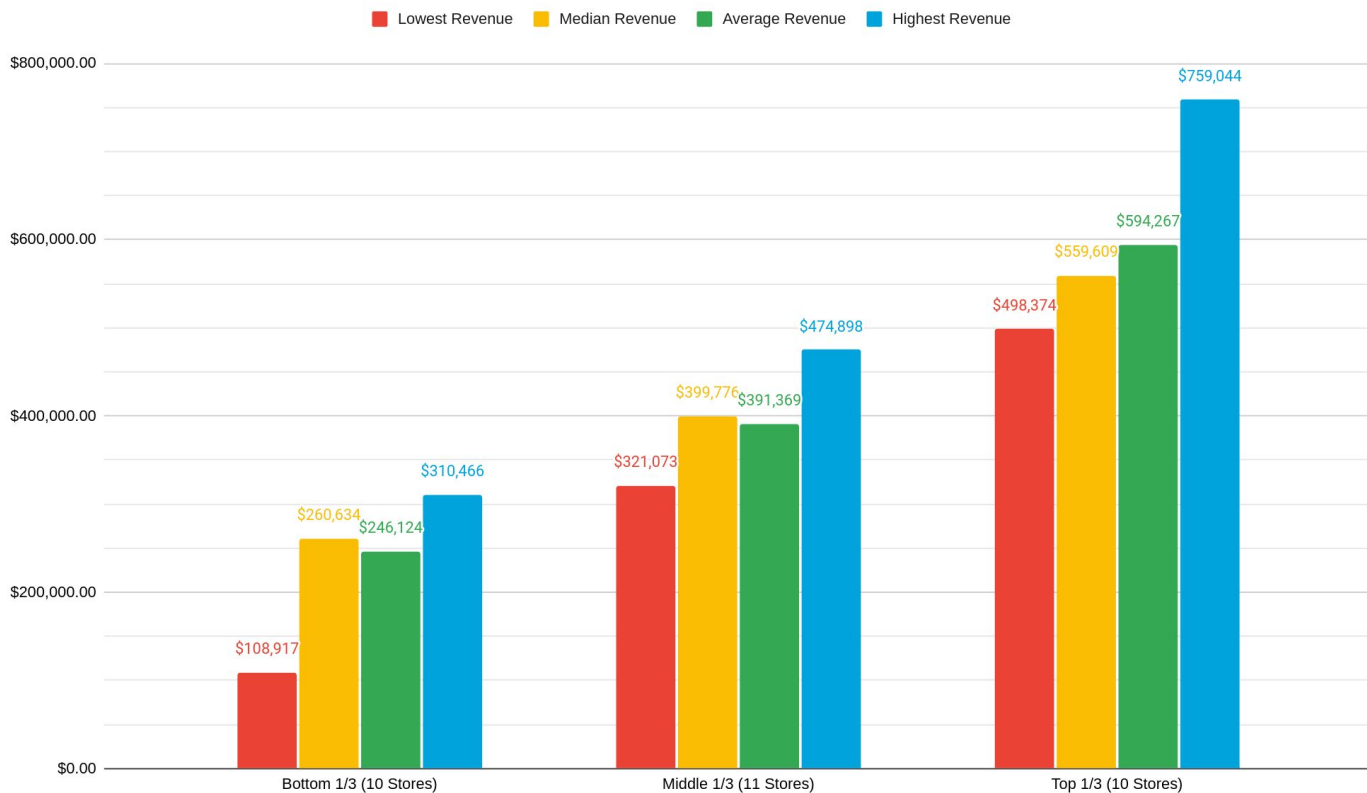


Jodi Rowell



Revenue Breakdown

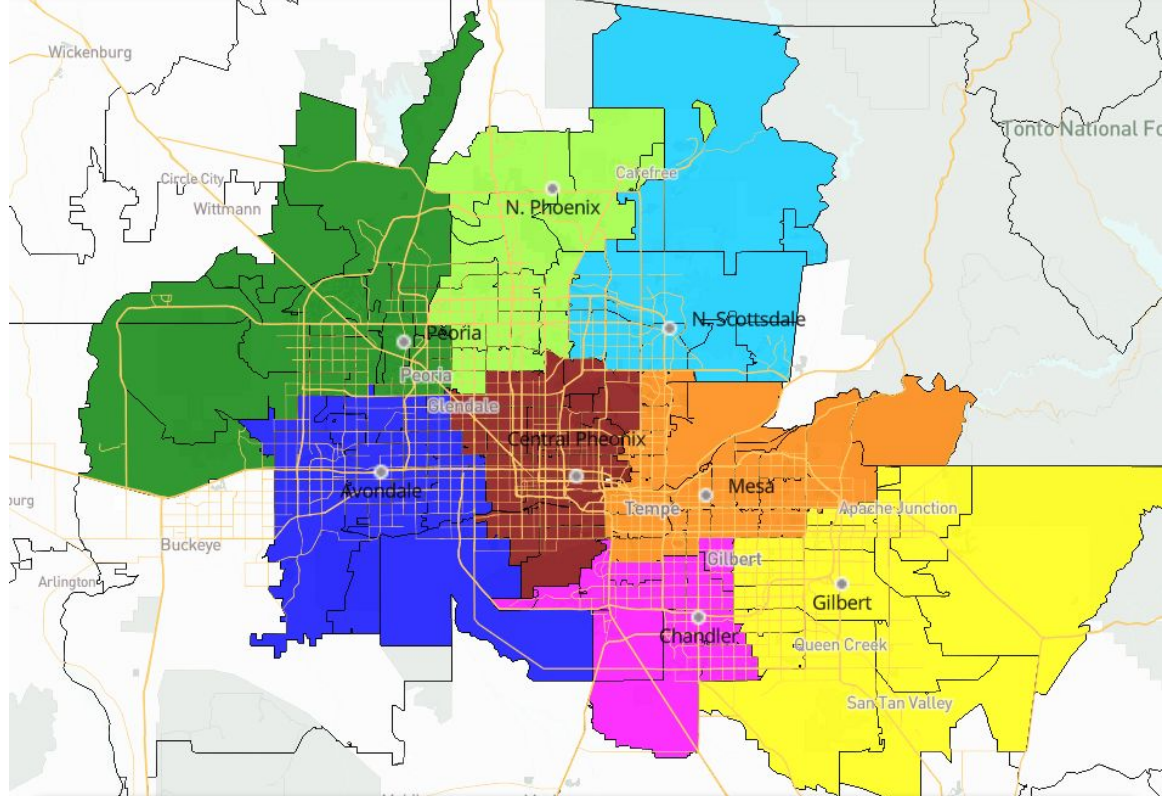
Franchisee Owned Businesses during 2021



What do we provide?

Protected Territories

- Collaborative environment
- 1 store per territory
- Protected by your Franchise Agreement
- Factors for selection:
 - Population
 - Income
 - Demographics
- Self-sustaining: not limited by population, income, other stores, etc
- Typically 20-40 miles across



Alignment

Menu



Col #	Name	Description	Count	Dev%	Balancing Chart	Population (2019)	Aggregate Income (2019)
1	*Unassigned		0			0	0
2	Avondale		15	-6		547,629	12,952,363,436
3	Central Phoenix		25	49		870,394	22,115,812,142
4	Chandler		11	-28		421,458	18,382,285,750

Retail Locations

2,500–3,000 sq ft, ~\$20/sq ft/yr

Morrow Hill will help you:

- Find potential locations
- Negotiate more favorable leases
- Decrease expenses
- Push for landlords to conduct the build-out themselves

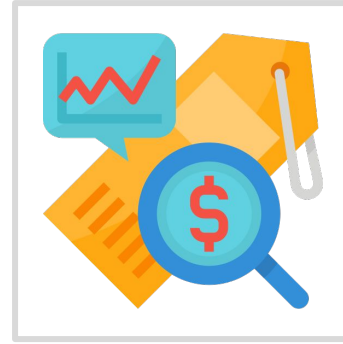
Morrow Hill is available to franchisees at no extra cost.



Technologies



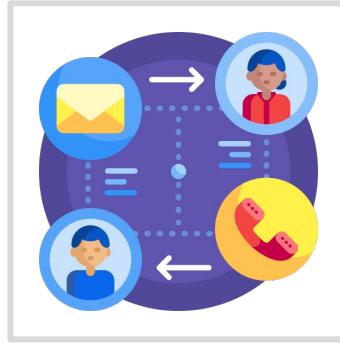
Point of Sale
System



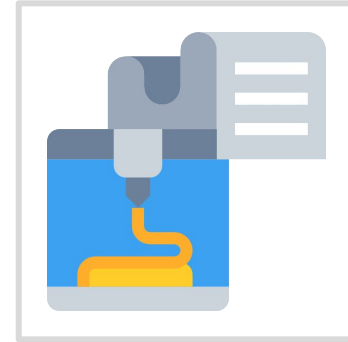
Pricing to Sell
System



eCommerce
Platform



Franchisee
Communication
Network



Custom LEGO®
Printer & Laser
Cutter

Relationships



The LEGO®
Group



Vendors



Franchise
Owners



Community
Members

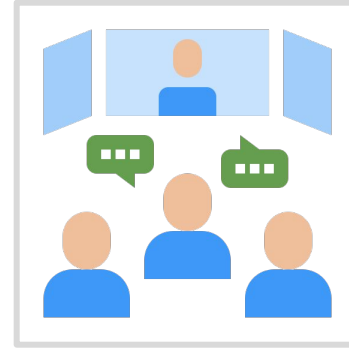
Training & Support

Initial Training



- 35 hours of virtual training
- 35 hours of hands-on, in-store training at Corporate store in Orem, Utah
 - Up to 5 attendees included
- 3 days of training with staff member during Grand Opening

Ongoing Training & Support



- Day-to-day training
- Big Changes
- Store Visits
- BAMcon
- On-Demand Initial Training, In-Person (~\$300/trainer/day)

Onboarding Process

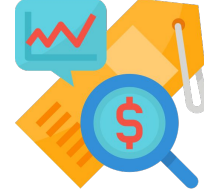
Usually 3-4 months long.



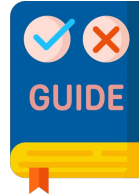
1. Step 8



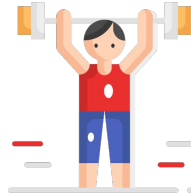
2. Welcome Call



3. Technologies



4. Operations
Manual



5. Training



6. Initial Inventory



7. Website



8. Real Estate



9. Grand Opening!

What's Next?

About 2 months long.

- Step 1: Introductions ➤ Confidentiality Agreement
- Step 2: Brand Review ➤ **Request For Consideration**
- Step 3: RFC Review ➤ Maps & Franchise Disclosure Document
 - (Optional meeting with Jodi from Tenet Financial Group)
- Step 4: Territory, Finances, & Funding with David Ortiz
- Step 5: Review FDD (Legal Info, Financial Figures)
- Step 6: Discovery Day (Meet the Team)
- Step 7: Final Validation (Talk to Franchisees)
- Step 8: Signing the Franchise Agreement

Questions?

Write them down!