

# FRANCHISE GUIDE

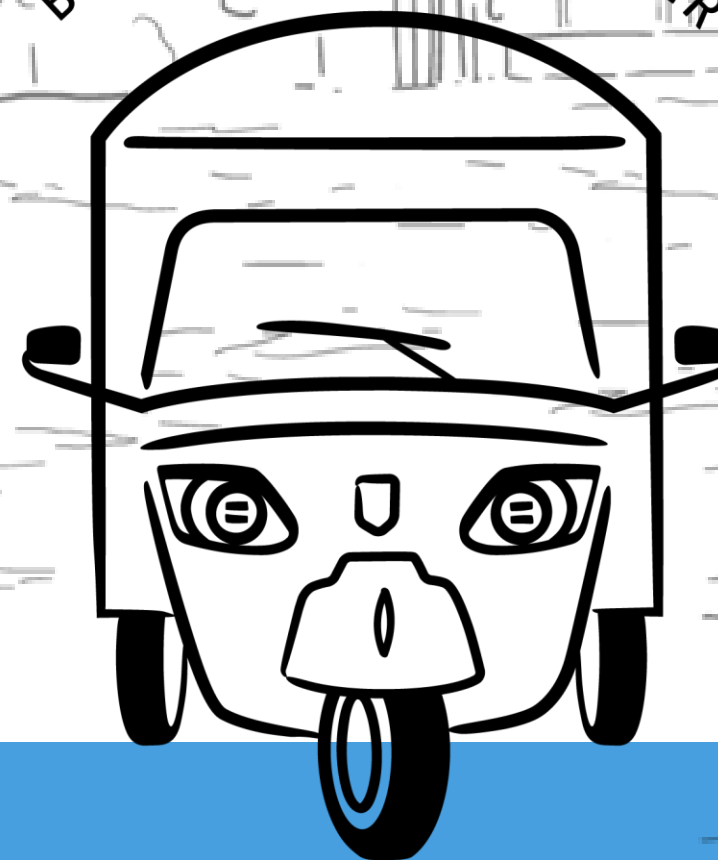
FOR ENTREPRENEUR PARTNERS  
(AKA: FRANCHISEES)

*“The cutest coffee truck with the  
most delicious coffee and bakes.*

*It’s perfect.”*

PRETTY CITY LONDON

DEAR COCO  
BREWING A LOVE LETTER



# A MESSAGE FROM ANT & SAM

Welcome to the Dear Coco® Franchise Guide!

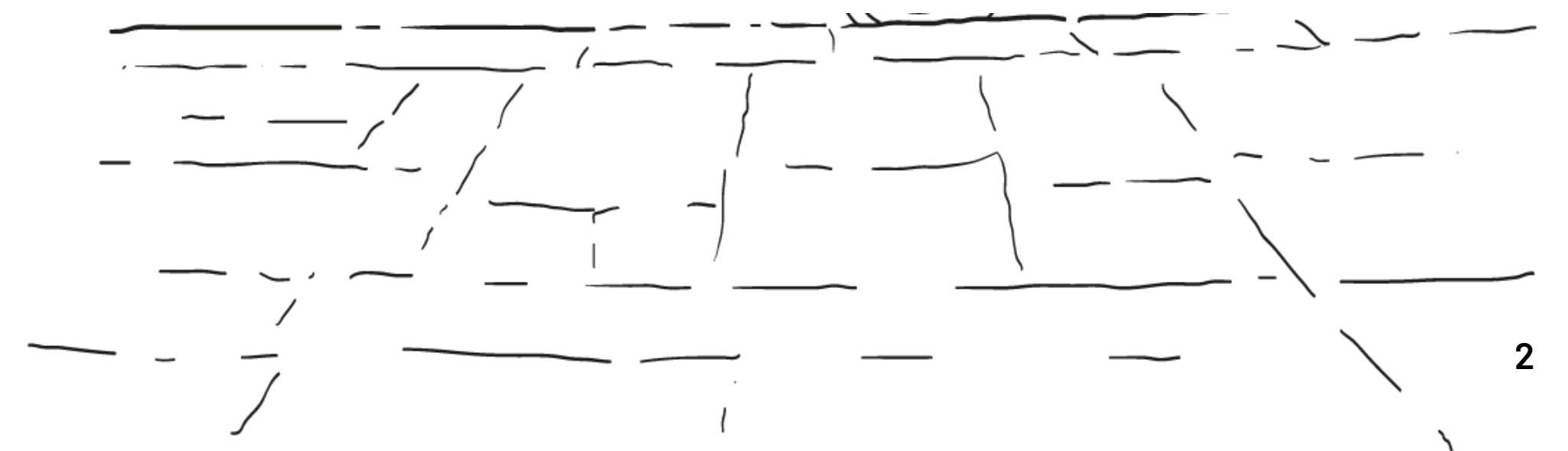
If you're reading this, you might be an aspiring coffee entrepreneur, an experienced barista who wants to be your own boss, or a coffee lover hoping to make a career from your passion. Perhaps you're just curious about the beautiful little coffee truck that in three years has soared to impressive levels of revenue and profit, and attracted a global following.

Compared to traditional cafes, and many other small businesses, a Dear Coco coffee truck requires less startup capital, but can be significantly more profitable (up to 5x more than most cafés). You can earn nearly £100,000 per year as an owner/operator. And specialty coffee is one of the fastest-growing categories in hospitality, forecast to double in size over the next 7 years. For these reasons, and many others, we believe Dear Coco is one of the best franchise models anywhere.

Our Truck No. 1, which began as a love letter to Ant's youngest daughter, Coco, changed his life. Dear Coco's mission now is to change the lives of others through coffee truck ownership, and bring more incredible coffee to more people and places.

Let's brew!

*Ant & Sam*



# WHY SPECIALTY COFFEE, AND WHY DEAR COCO?

Join one of the  
world's fastest-growing  
hospitality categories<sup>1</sup>

Earn nearly  
£100,000 per year<sup>2</sup>

Get everything you need  
to succeed, from the  
world's most successful  
coffee truck

Return your initial  
investment quickly,  
potentially within one year<sup>3</sup>

Get started for  
just £64,000

Be part of a winning team  
of proven hospitality and  
business professionals



1. [SPECIALTY COFFEE MARKET SIZE, SHARE & GROWTH REPORT 2023-2030](#) BY GRAND VIEW RESEARCH

2. SEE SLIDE 8. EARNINGS OF £97,051 BASED ON FINANCIAL RESULTS ACHIEVED BY TRUCK NO. 1, IF OPERATING 7 DAYS PER WEEK, 52 WEEKS PER YEAR

3. OUR CHISWICK TRUCK NO. 1 ACHIEVED THIS IN LESS THAN ONE YEAR (YEAR 1 NET PROFIT/FREE CASH FLOW OF GREATER THAN INITIAL INVESTMENT)

# ABOUT DEAR COCO

*In three years, Dear Coco has become the world's most popular and successful coffee truck, with a cult local and global following.*

- Our Truck No. 1 in Chiswick launched in 2021 serving premium, specialty coffee from a beautifully converted Piaggio Ape on the banks of the River Thames
- This one small truck has delivered 30%+ net profit margins every year, on revenue that grew to £184,407 in 2024 trading only 6 days per week
- At the same time, Dear Coco has become the most followed coffee truck on Instagram



As seen in, at or on:



#1 2024  
Most Popular Session

**FLTR**

#1 2023  
Most Popular Article

**BARISTA**  
MAGAZINE



PRETTYCITYLONDON





# SECRETS OF OUR SUCCESS

*Why has our Truck No. 1 been so successful?*

- **Front-of-House** – Our unique combination of incredible coffee, intentional menu design, beautiful aesthetics, branding, fixed trading location, and wonderful service makes Dear Coco a destination for locals and visitors alike, with significant repeat patronage
- **Back-of-House** – We designed a business model with low capital expenditure and low operating costs, high gross and net profit margins, and the world’s best suppliers and operational systems
- **Community** – From the beginning, we’ve been sharing almost everything with our customers and fans. Ant’s storytelling has captured the hearts and minds of a local community, and a global followership that now numbers tens of thousands



# SECRETS OF *YOUR* SUCCESS

*Street trading can be tough. Dear Coco is for the best of the best. So what do you need to be an Entrepreneur Partner?*

- **A Passion for Coffee** – You should have, or be able to develop or recruit, top-tier barista skills. We'll provide all the training you need, but you must bring a passion for coffee
- **Grit & Determination** – This is the one characteristic that every successful entrepreneur shares. The good news is you'll be part of a supportive team, sharing highs, lows and special moments
- **A Location** – Whether you plan to trade on public or private land, your location is key. We'll help you make the right decision
- **(Some) Starting Capital** – It's common to underestimate the investment required to launch a top-tier specialty coffee truck. As with most businesses, you'll need some capital to start



# DEAR COCO OWNERSHIP SCENARIOS

Think you've got what it takes?

These scenarios illustrate revenue and profit potential, based on the proven performance of Chiswick Truck No. 1.

Scenarios 1 and 2 show **owner/operator** returns. Scenario 3 is how we run Truck No.1, as an **owner**, and uses our actual financial results for 2024.



ACTUALS:  
TRUCK NO.1  
IN 2024

## CHISWICK TRUCK NO. 1 CASE STUDY

SCENARIO 1:	SCENARIO 2:	SCENARIO 3:
<b>OWNER / OPERATOR</b> <i>Trading 7 days per week</i>	<b>OWNER / OPERATOR</b> <i>Trading 6 days per week</i>	<b>OWNER</b> <i>Trading 6 days per week</i>
Open 52 weeks per year	Open 50 weeks per year	Open 48 weeks per year
Ant is the Weekday Barista  Ant hires a Weekend Barista	Ant is the Weekday Barista  Ant hires a Weekend Barista	Ant doesn't work any barista shifts  Ant hires Weekday & Weekend Baristas
Sales Forecast <sup>1</sup> = <b>£225,700</b> Net Profit, inc. Ant's salary = <b>£112,850</b> <sup>2</sup> If adjusted for Network Fees = <b>£97,051</b> <sup>2</sup>	Sales Forecast <sup>1</sup> = <b>£192,100</b> Net Profit, inc. Ant's salary = <b>£96,000</b> <sup>2</sup> If adjusted for Network Fees = <b>£82,553</b> <sup>2</sup>	Sales Actuals = <b>£184,407</b> Net Profit inc. Ant's salary = <b>£58,444</b> <sup>2</sup> If adjusted for Network Fees = <b>£45,536</b> <sup>2</sup>

Scenarios assume approximately 1 hour per day spent by owner or representative on open/close/admin/operational tasks outside of trading hours if truck is in a fixed position day and night, or 1.5-2 hours per day if the truck is stored in a different location overnight.

1. SALES ARE DEPENDENT ON VARIOUS FACTORS, INCLUDING PITCH LOCATION. FIGURES AND ASSUMPTIONS REFLECT CHISWICK TRUCK NO. 1'S 2024 FULL-YEAR PERFORMANCE

2. NET PROFIT SHOWN HERE IS BEFORE TAX, AND IF YOU HAVE ANY EQUIPMENT FINANCING, BEFORE ANY DEBT SERVICE COSTS

# 2022 FINANCIAL BREAKDOWN

You've seen the high-level numbers. Now let's take a look at Truck No. 1's financial performance for 2022-2024 in more detail.

- In 2022, the first full year of operation after launching in May 2021, Truck No. 1 delivered **£57,925** in net profit, representing a **40%** net profit margin
- These results were achieved while trading just **5** days per week
- Ant repaid the entire cost of Truck No. 1 in less than one year from opening



## DEAR COCO CHISWICK COFFEE TRUCK

### *2022 Financial Performance*

<b>TOTAL REVENUE:</b>	<b>£144,560</b>
TRADING 50 WEEKS, 5 DAYS PER WEEK	
<b>OPERATING COSTS:</b>	<b>£86,635</b> (60% of Total Revenue)
Wages	£27,500
Coffee (inc. bags, oat milk, chocolate)	£18,792
VAT	£17,347
Bakes	£10,119
Miscellaneous Costs	£1,331
Milk	£4,336
Disposables	£4,550
Utilities	£1,560
Rent (Street Trading Licence Fees)	£1,100
Business Rates	Nil
Marketing	Nil
<b>NET PROFIT:</b>	<b>£57,925</b> (40% Net Profit Margin)
THIS IS THE MONEY ANT RECEIVED FROM THE BUSINESS	

# 2023 FINANCIAL BREAKDOWN

## DEAR COCO CHISWICK TRUCK NO. 1

### *2023 Business Highlights*

- Debt level was **zero**
- YoY growth of **+16%** was achieved while trading one less week and doing fewer private events than 2022
- Traded **5** days per week, delivered net profit of **£54,409** (32% net profit margin)

### MAJOR UNPLANNED COSTS

- Replacement coffee machine (£4K)

### KEY PRODUCT GROSS MARGINS

- Flat White (specialty coffee, double shot @ £3.30): 82%
- Bakes (@ £2.90): 60%

### MILK SALES SPLIT

- Dairy Milk: 75%
- Oat Milk: 25%

### SALES SPLIT BY CATEGORY

- Coffee: 84.7%
- Bakes: 10.6%
- Little Sweet Shop: 4.7%

### MOST POPULAR COFFEES

- Flat White: 32%
- Latte: 22%
- Cappuccino: 19%



## DEAR COCO CHISWICK COFFEE TRUCK

### *2023 Financial Performance*

<b>TOTAL REVENUE:</b>	<b>£168,233</b>
TRADING 49 WEEKS, 5 DAYS PER WEEK	(+16% vs. 2022)
<b>OPERATING COSTS:</b>	<b>£113,824</b>
	(68% of Total Revenue)
Wages	£35,964
Coffee (inc. bags, oat milk, chocolate)	£21,909
VAT	£15,616
Bakes	£10,478
Repairs & Maintenance	£5,177
Miscellaneous Costs	£8,470
Milk	£4,005
Little Sweet Shop	£3,465
Disposables	£3,123
Payment Terminal Fees	£2,944
Utilities	£1,435
Rent (Street Trading Licence Fees)	£1,231
Business Rates	Nil
Marketing	Nil

**NET PROFIT:** **£54,409**  
(32% Net Profit Margin)

THIS IS THE MONEY ANT RECEIVED FROM THE BUSINESS 10

# 2024 FINANCIAL BREAKDOWN

## DEAR COCO CHISWICK TRUCK NO. 1

### *2024 Business Highlights*

- Debt level was **zero**
- Marketing spend was **zero**
- YoY growth of **+10%** was achieved while trading one less week, losing our biggest event client due to budget cuts representing £12,000 in lost revenue, not increasing our prices or changing our menu offering
- Traded **6** days per week, delivered net profit of **£58,444** (32% net profit margin)

### MILK SALES SPLIT

- Dairy Milk: 74%
- Oat Milk: 26%

### SALES SPLIT BY CATEGORY

- Coffee: 80%
- Bakes: 15%
- Retail Items: 5%

### INSTAGRAM UPDATE

- Followers: 76.8K (increased 60K in 12 months)
- We receive 3 million views a month (on average)

### KEY PRODUCT GROSS MARGINS

- Flat White (specialty coffee, double shot @ £3.30): 82%
- Bakes (@ £2.90): 60%

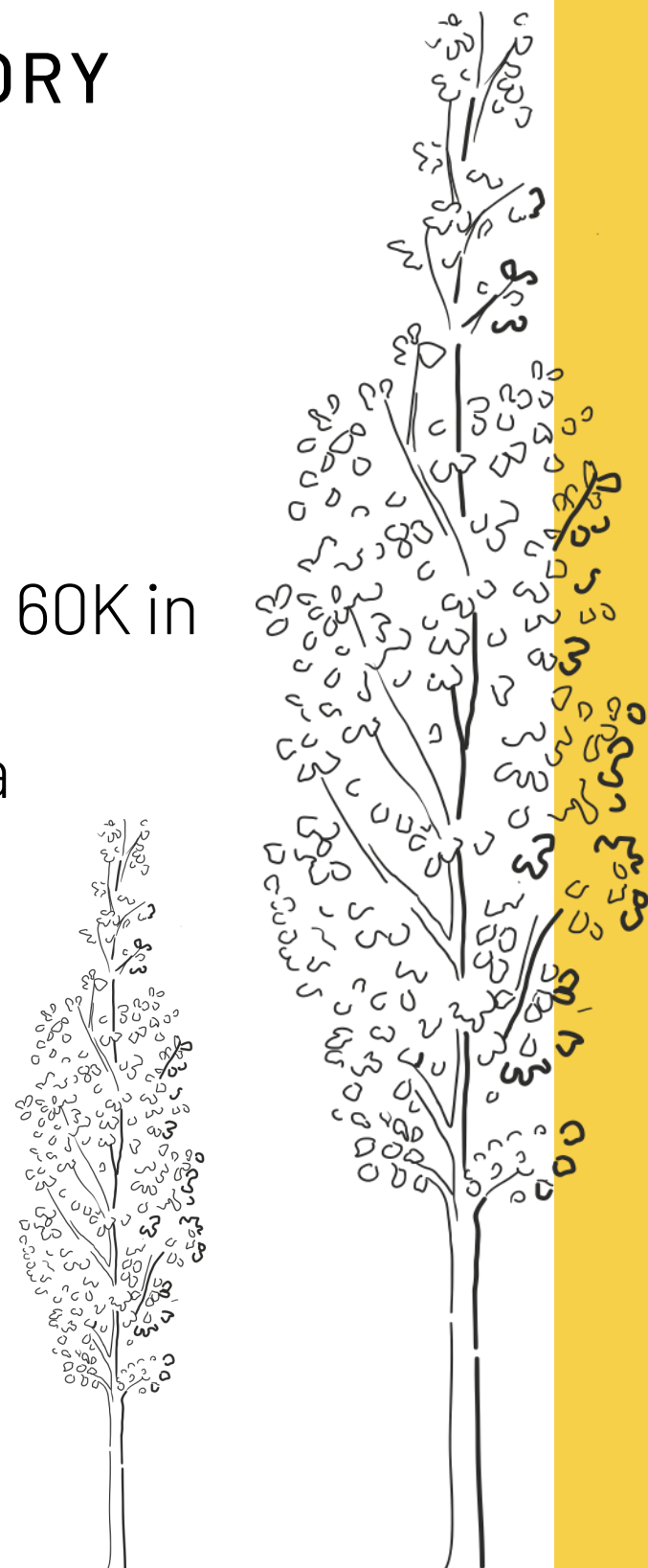
## DEAR COCO CHISWICK COFFEE TRUCK

### *2024 Financial Performance*

<b>TOTAL REVENUE:</b>	<b>£184,407</b>
TRADING 48 WEEKS, 6 DAYS PER WEEK	(+10% vs. 2023)
<b>OPERATING COSTS:</b>	<b>£125,962</b>
	(68% of Total Revenue)
Wages	£48,853
Coffee (inc. bags, chocolate)	£22,938
VAT	£17,518
Bakes & Other Food Items	£12,070
Milk (inc. oat milk)	£7,523
Packaging & Disposables	£3,325
Payment Terminal Fees	£3,002
Insurances & Vehicle Tax	£2,982
Repairs & Maintenance	£1,698
Fees & Subscriptions	£1,579
Utilities & Petrol	£1,515
Miscellaneous Costs	£1,728
Rent	£1,231
(Street Trading Licence Fees)	
Business Rates	Nil
Marketing	Nil

**NET PROFIT:** **£58,444**  
(32% Net Profit Margin)

THIS IS THE MONEY ANT RECEIVED FROM THE BUSINESS 11



# DEAR COCO FRANCHISE COSTS

We provide everything you need to be successful – from the truck, coffee and suppliers, to your operational systems and training, and coaching and support. We can also help you with financing.

## *Initial Investment*

### ONE-TIME COSTS

#### COFFEE TRUCK & EQUIPMENT

£39,500

- Includes your customised fully electric Dear Coco Piaggio Ape, premium La Marzocco & Victoria Arduino coffee equipment, and everything you need to start trading
- Further customization possible, including on-board battery pack that enables trading without mains power

#### FRANCHISE FEE

£24,500

- Secures initial 10 (5+5) year term, subject to Franchise Agreement

## *Ongoing Franchise Fees*

### PAID WEEKLY

#### NETWORK FEE

- For locations generating <£3,500 in gross sales, per week
- For locations generating ≥£3,500 in gross sales, per week

£190

or

7%



# DEAR COCO VS...

## *Traditional Cafés*

## *Going Alone*

**HALF THE COST  
TO START**

**5X  
MORE  
PROFITABLE**

**7X  
FASTER  
PAYBACK**

**80%  
FAILURE RATE**

**GET  
EVERYTHING  
YOU NEED**

**BE PART OF  
A TEAM**

- Traditional cafés typically require £100-200K of initial investment<sup>1</sup>, including build-outs, equipment, lease commitments, and working capital (vs Dear Coco's £64K)
- Specialty coffee cafés have an average net profit margin of <7% (vs Dear Coco's 32%)<sup>2</sup>
- Assuming £150K initial investment, £300K annual revenue, and 7% net profit margin (£21K net profit), investment payback for a traditional café takes 7 years (vs Dear Coco's 1 year)<sup>3</sup>

- 60% of hospitality businesses fail in the first year, and 80% fail within five years<sup>4</sup>. Dear Coco's success is the exception, not the rule
- Dear Coco offers a proven model, and we provide everything from turn-key truck and equipment to training and operational systems
- Entrepreneurship and small business ownership can be hard and lonely. With Dear Coco, you're part of a winning team

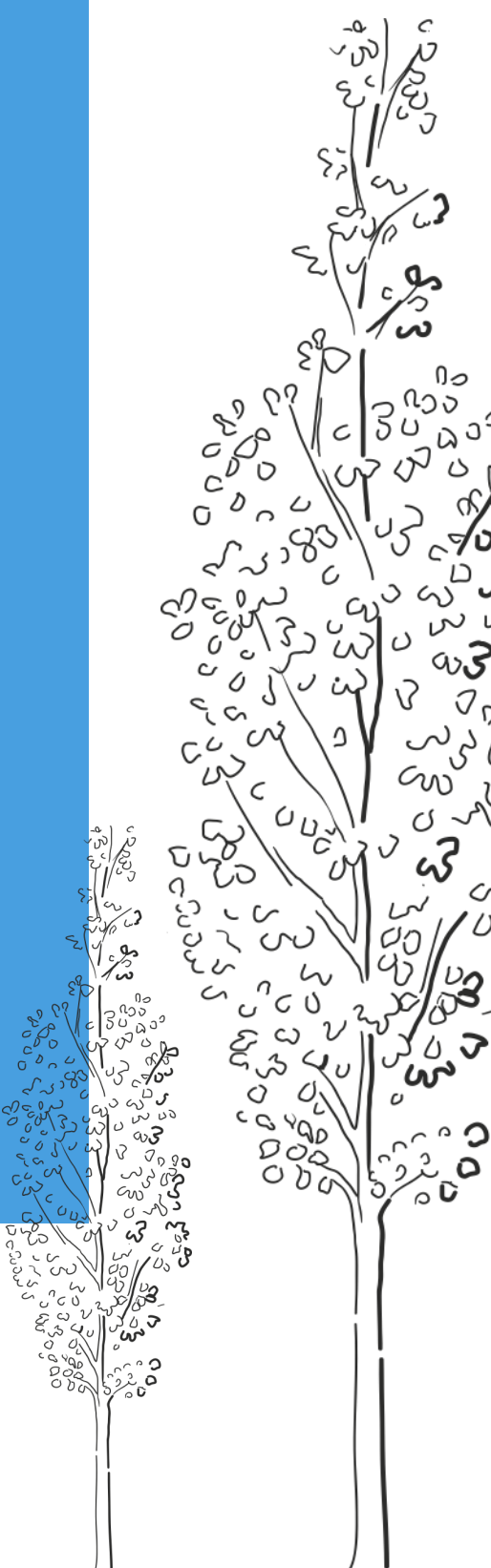


1. [SPECIALTY COFFEE ASSOC. FINANCIAL BENCHMARKING REPORT](#), SHOWING AVERAGE STARTUP CAPITAL FOR COFFEE RETAILERS OF US\$175K

2. [SPECIALTY COFFEE ASSOC. FINANCIAL BENCHMARKING REPORT](#), SHOWING AVERAGE RETAILER NET PROFIT MARGIN OF 6.8%; DEAR COCO NET PROFIT MARGIN SHOWN HERE IS BEFORE NETWORK FEES

3. TRADITIONAL CAFÉ: £150K ÷ £21K = 7.1 YEARS. DEAR COCO: £64K COULD PAYBACK IN ONE YEAR USING CHISWICK TRUCK NUMBERS FOR NET PROFIT/FREE CASH FLOW (BEFORE NETWORK FEES)

4. [CNBC: THE REAL REASON MOST RESTAURANTS FAIL](#)



# ABOUT ANT & SAM



**ANT DUCKWORTH**  
Founder & CEO

Former International Marketing Director for global brands, Ant is an Australian surfer, father of three daughters and coffee lover.

Ant brings 12 years' hospitality experience running highly-awarded restaurants, cafes and bars in Sydney, Melbourne and London.

Ant spent 16 years leading International Experiential Marketing and Brand Partnership teams within some of the world's most powerful brands.

Ant is Founder & CEO of Dear Coco, focused on building the world's next great coffee company and enabling other coffee entrepreneurs.



**SAM CHANDLER**  
Co-Founder & Chairman

Former Silicon Valley CEO, startup founder, father, serial entrepreneur and investor, Sam is a renowned business builder, and Australian coffee tragic.

Sam founded, took public and recently sold his software company, Nitro, to a private equity firm for \$560 million.

Sam brings over two decades of private and public company CEO and board experience, and is a former EY Australian Emerging Entrepreneur of the Year.

Sam is Co-Founder and Chairman of Dear Coco, and Founder & Managing Partner of Laneway Ventures, backing Dear Coco's UK and global expansion.

Coco →

LET'S BREW!

CLICK HERE TO START  
YOUR FRANCHISE  
APPLICATION ONLINE



DEAR COCO

Coffee | Bakes | Little Sweet Shop

@dearcocolondon