



Gloria Jean's™ COFFEES

THE MARKET

Australians love their coffee and as one of Australia's leading specialists, Gloria Jean's Coffees has played a major role in the development and growth of the country's retail coffee market. Selling hand-crafted signature hot and cold coffee drinks, together with a range of single origins, blends and estate whole bean coffees, specialty teas, pastries and coffee accessories.

According to IBISWorld's Cafes & Coffee Shops Market Research Report of May 2012, the Cafes & Coffee Shops Market in Australia is valued at \$5billion. The success of the industry is owed to the nation's love for quality gourmet coffee and the extent to which this is entrenched in the daily routine of many Australian consumers.

Gloria Jean's Coffees is one hundred percent Australian owned and a pioneer in the specialty coffee industry. The company is now in over 39 markets globally, with more than 900 coffee houses and shows no signs of slowing down. The continued growth and success of the brand is attributed to its effective franchising model, stable management and a committed and enthusiastic team who are passionate about excellent coffee and satisfied guests.

ACHIEVEMENTS

Gloria Jean's Coffees has won accolades in the areas of franchising, innovation, retail, and marketing and has been recognised for their quality whole bean coffees.

Some notable awards include being named the 2005 Franchisor of the Year, at the PricewaterhouseCoopers Excellence in



Franchising Awards, while on a global scale Gloria Jean's Coffees has received numerous recognitions including the Award of Excellence for Professionalism and Quality – Romanian Franchise Association, May 2009, and 'Best Foreign Franchise' - Entrepreneur Magazine Philippines, 2007-2009. In addition Gloria Jean's Coffees was awarded the 'Retail Leadership Award' - International Asia Retail Congress in February 2010.

In 2011, Gloria Jean's Coffees was listed in the Top 500 Private Companies by Business Review Weekly Magazine Australia, while more recently the brand has been an Innovation in Retail Finalist in the 2012 BRW AMPCSC Australian Retailer of the Year Awards and was the 2012 Australian Business Award Winner for Community Contribution. The company was also a Bronze Winner in the Espresso Class and Bronze Winner in the Cappuccino Class at the 2012 Sydney Royal Fine Food Show Coffee Competition. .

These achievements are testament to Gloria Jean's Coffees commitment to consistently providing outstanding, personalised service in a vibrant coffee house atmosphere.

HISTORY

In 1995, Nabi Saleh - internationally recognised for his coffee and tea expertise - and Peter Irvine, former Managing Director of Advertising Agency DDB Needham, visited the United States to experience the Gloria Jean's Coffees brand. Nabi and Peter were so impressed with what they saw and experienced, they launched the brand in Australia with the aim of providing Australians with the same high-quality, specialty coffee.

The opening of the first Gloria Jean's Coffees

in Miranda and Eastgardens, Sydney, in 1996, became the testing ground for the future model of Gloria Jean's Coffees worldwide.

The Gloria Jean's Coffees franchise system was born in 1997 and within six years 185 coffee houses had opened, all locally owned and operated by more than 100 Franchise Partners. By 2004, Gloria Jean's Coffees had opened more than 200 coffee houses in every Australian state and territory and had become a nationally recognised and loved brand. In the same year, Gloria Jean's Coffees became Australian owned, after the company bought the international brand rights from the US, for all counties except the USA and Puerto Rico.

The company came full circle in 2009, after Gloria Jean's Coffees International affiliate company, Praise International North America Inc, completed negotiations to buy Gloria Jean's Coffees US retail and franchise operations.

THE PRODUCT

From bean to cup, the handpicking of coffee beans, to the handcrafting of each individual beverage, Gloria Jean's Coffees is dedicated to hand-crafted



coffee, only sourcing from the world's highest quality Arabica beans.

The coffee beans are then meticulously roasted in a state-of-the-art roasting facility in Sydney, Australia, before being packed within hours of roasting to ensure freshness. The result is more than thirty exclusive blends that suit the different tastes of all their guests.

Gloria Jean's Coffees collaborates with not-for-profit organisation The Rainforest Alliance to protect ecosystems and support the communities and wildlife that depends on them. Taking a holistic approach, The Rainforest Alliance works to ensure just wages, health and education for farmers, workers and their families, as well as sustainable agricultural practices and the conservation of biodiversity and habitats for wildlife. The company continues to innovate with their popular Rain Forest Alliance certified cocoa, and a new tea range launching in 2013. Gloria Jean's Coffees purchases coffee from the Cup of Excellence program, which selects the very best coffee produced in a country for that particular year and is the most esteemed award given out to top coffees. Gloria Jean's Coffees have had the Rwanda and the Brazil Cup of Excellence made exclusively available in their coffee houses for a limited time.

RECENT DEVELOPMENTS

The Gloria Jean's Coffees 'Coffee House of The Future' was launched in 2011 with the first coffee house of its kind opening in Norwest, NSW. The coffee house brings a fresh approach to the brand, whilst integrating an element of handcrafted quality in all visual and tangible cues in each of its coffee houses. The floor plan design creates an equal emphasis on beverages, food and merchandise, while still keeping coffee as the hero and providing coffee education for guests. With its strong focus on cutting-edge food options its



general focus on presentation drives interest in the category. Overall, the 'Coffee House of The Future', takes the Gloria Jean's brand to the next level – showcasing the brand's expert coffee credentials, whilst providing quality food options and a welcoming environment.

PROMOTION

In recent years Gloria Jean's Coffees have sponsored TV properties such as Australia's Got Talent and The Amazing Race Australia, incorporating multi-faceted marketing campaigns to drive transactions and build the brand. Both

campaigns were highly innovative and placed Gloria Jean's Coffees in a market leadership position. The brand targeted their guests with product placement, advertising (TV, press, digital and mobile) and in coffee house activity.

Gloria Jean's Coffees has an active campaign and events calendar to launch innovative new drinks such as the new and popular iced tea range and merchandise.

National marketing campaigns are also launched in conjunction with 'With Heart', a Gloria Jean's Coffees global foundation. A major annual fundraising campaign is Cappuccino for a Cause, whereby 50 cents from the sale of every cappuccino on a weekend in October goes towards a chosen charity. This national campaign supports the brand's values of 'belief in people, building and changing lives.'



An ongoing Public Relations program is also part of the brand's success - promoting new products, new coffee house openings, promotions and company news on a regular basis.

BRAND VALUES

Gloria Jean's Coffees is a committed, community-minded brand with a vision to become the most loved and respected coffee company worldwide. The brand is committed to building a unified family, who consistently serve the highest quality coffee and outstanding personalised service in a vibrant store atmosphere. As a business, Gloria Jean's Coffees continues to innovate and provide guests with the ultimate coffee house experience.

CORPORATE SOCIAL RESPONSIBILITY

Gloria Jean's Coffees seeks to have a positive impact in communities locally, nationally and around the world and established 'With Heart' - a



global foundation - in 2009 to help fulfill their commitment of building and changing lives. 'With Heart' focuses on making the world a better place by empowering communities and individuals with opportunities to enrich their lives. Through 'With Heart', Gloria Jean's Coffees' vision is to change the world, one sip at a time. 'With Heart' has raised over \$1.4 million since its inception, supporting non-profit organisations such as Variety – the Children's Charity and Special Olympics Australia. Gloria Jean's Coffees supports over 350 children from coffee growing regions through Compassion and microfinance projects in India, Indonesia and the Philippines through Opportunity International.

Over the last two years, Gloria Jean's Coffees annual fundraising campaign, Cappuccino for a Cause, has raised over \$300,000 for Variety – the Children's Charity. The funds have provided Sunshine Coaches, Liberty Swings and customised equipment for children with special needs, across Australia and won Gloria Jean's Coffees the 2011 Variety International Corporate Award for their outstanding partnership and support.



THINGS YOU DIDN'T KNOW ABOUT GLORIA JEAN'S COFFEES

- Gloria Jean's Coffees sells more than 100,000 cups of hot coffee every day in Australia (and even more if you include iced coffees).
- Gloria Jean's Coffees is 100% Australian owned.
- Gloria Jean's Coffees has opened more than 900 coffee houses across 39 markets worldwide, including more than 430 in Australia.
- It takes approximately 2,000 handpicked coffee cherries to create half a kilo of coffee, depending on the type, size and density of bean.