

WELCOME TO CULVER'S®

Culver's was founded in a small town in Wisconsin in 1984. Today, thanks to long hours and hard work - and pretty darn good frozen custard and ButterBurgers[®] – Culver's is expanding to serve new communities. The following briefing provides an overview of our famous food offerings and our unique way of doing business. Of course, mere words won't take the place of your first bite of our juicy ButterBurger hot off the grill or one of our delicious frozen custard cones or sundaes!

The first Culver's restaurant was started in Sauk City, Wis., by Craig Culver and his wife, Lea, along with Craig's parents, George and Ruth. The Culver family grew up in the restaurant business, having operated family restaurants for well over three decades. After bussing dishes and waiting on customers throughout his teenage and college years, Craig also spent four years managing other fast-food restaurants.

On July 18, 1984, the Culver's reopened a former drive-in root beer stand and began building their ideas about quality, freshness and friendliness into a new kind of quick-service restaurant. Culver's and their signature menu items, Frozen Custard and ButterBurgers, were introduced to first-time guests; the quality, fresh-made food for a good value kept guests coming back, again and again.

As the Sauk City restaurant became successful, the Culver's opened their second restaurant in Reedsburg, Wis., in 1987. Soon after, several people approached the Culver family about opening restaurants in other areas. The Culver family decided to branch out and franchise their restaurants, and, consequently, in July 1987 Culver Franchising System, Inc., was created as the franchising arm of Culver's. The first successful locally owned and operated franchised restaurant opened in 1990. In the years that followed, several new restaurants opened throughout Wisconsin and in other states.

Today, locally owned and operated Culver's restaurants are opening around the United States while the Culver family still co-owns six Culver's that also serve as training sites for new franchisees.

CULVER FRANCHISING

Before opening a restaurant, a potential franchisee must successfully complete a 60-hour evaluation that serves as an introduction to Culver's and the Culver's culture, based on small-town, old-fashioned values; genuine friendliness; and an unwavering commitment to quality and cleanliness. Once approved, they enter an intense, 16-week training program with combination of classroom days and with an existing training/family restaurant to learn various aspects of the business.

Culver Franchising System, Inc., (the parent company) along with an operating partner, owns the six family restaurants (Sauk City; Baraboo; Middleton; Spring Green; Richland Center, Wis. & Powell, OH). The company headquarters including the CFSI Learning Center and test kitchen are just up the street from Sauk City in Prairie du Sac, Wis. While in the training program owners receive an overview in operations, sanitation, safety, advertising and marketing, team member recruitment and retention, guest relations, financial management, and leadership.

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FRANCHISEES

Each franchised restaurant is locally owned and operated. To date, dozens of franchisees have become owners/operating partners through a mentoring program where they first work for a local owner themselves and then branch out and open their own Culver's. Several restaurants are owned and operated by dual-generation partnerships. All new franchisees pay an individual franchise fee to use the Culver's name and trademarks, and then are responsible for the land, building the restaurant and purchasing all the equipment.

The franchisee needs to set policies and procedures in accordance with state and federal laws.

Culver's is dedicated to working with franchisees to develop guest loyalty, community partnerships and longterm relationships. As part of Culver's commitment to the locally owned and operated concept and to ensure that every guest who chooses Culver's leaves happy, operating partners must own a percentage of the business entity and work in the restaurant.

SUCCESSFUL COMMUNICATION

Communication is essential to Culver's ongoing success. Regional meetings are held every quarter. Culver Franchising System, Inc., also conducts seminars and an annual reunion to bring franchisees and managers together to discuss a variety of topics and trends. The Franchisee Advisory Council (elected from amongst franchisee peers) meet regularly to discuss the company strategy and direction. All are designed to improve skills, leadership and profitability.

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