

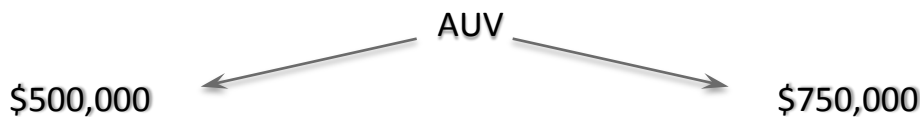
SUBWAY CASE STUDY

Estep and Company, Inc., Subway Franchisee, incurred the following average equipment service/repairs expenses per restaurant for 2012 (40 total Indiana stores). This is used as the baseline for comparing Franchisee cost savings for Green Memberships for two stores with yearly AUV of **\$500,000** and **\$750,000**.

Equipment Service Expense (Fleet Average, 2012):

	MONTHLY	YEARLY
LABOR (Including Overhead)	\$410	\$4,920
PARTS & EQUIPMENT REPAIR	\$221	\$2,652
VEHICLE FUEL/TRAVEL	\$64	\$768
TOTAL EQUIPMENT SERVICE EXPENSE*	\$884	\$8,340

*NOTE: These costs do not include building facilities maintenance, utilities, trash, pest control, and/or rent expenses.



Total Equipment Service Expense for 2012 accounted for **1.7%** of the store's AUV.

Total Equipment Service Expense for 2012 accounted for **1.1%** of the store's AUV.

The yearly costs for an SMR Membership would be as follows:

PLATINUM \$5,520/YR (1.10% of Sales)
GREEN \$3,300/YR (0.66% of Sales)
 SILVER \$2,640/YR (0.53% of Sales)

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SAVINGS

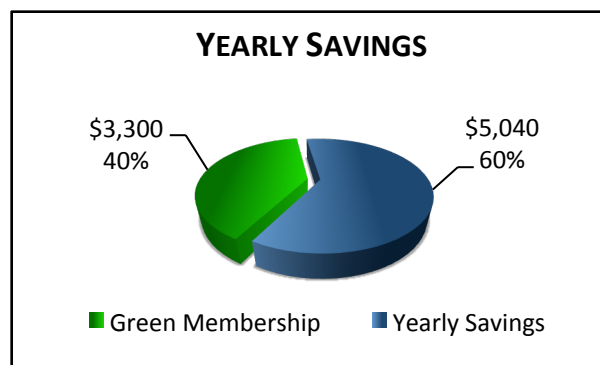
PLATINUM \$2,820/YR* (0.57% of Sales)
GREEN \$5,040/YR* (1.01% of Sales)
 SILVER \$5,700/YR* (1.14% of Sales)

The yearly costs for an SMR Membership would be as follows:

PLATINUM \$5,520/YR (0.74% of Sales)
GREEN \$3,300/YR (0.44% of Sales)
 SILVER \$2,640/YR (0.35% of Sales)

↓
SAVINGS

PLATINUM \$2,820/YR* (0.38% of Sales)
GREEN \$5,040/YR* (0.67% of Sales)
 SILVER \$5,700/YR* (0.76% of Sales)



*Note these figures don't include additional parts/equipment required during PM services. Actual savings will vary based on individual age and condition of store, and severity of work required to properly maintain equipment to IPC ServiceNet standards.