

# McDONALD'S FRANCHISE vs. HERBALIFE/FSS DISTRIBUTORSHIP

McDonald's Franchise	Herbalife/FSS Distributorship
<p><b>What It Takes To Build A Business:</b></p> <ul style="list-style-type: none"> <li>• Strong business acumen needed with experience building a business from the ground up</li> <li>• 1-week training at McDonald's University</li> <li>• Hands-On Management – you must run the restaurant yourself</li> <li>• McDonald's requires a 20-year agreement</li> </ul> <p><b>Initial Start-up Costs: \$905,200–\$1,746,000</b> (Source: <a href="http://www.mcdonalds.com">www.mcdonalds.com</a>)</p>	<p><b>What It Takes To Build A Business:</b></p> <ul style="list-style-type: none"> <li>• No Business background needed, many successful FSS distributors only have high school diplomas and no business building skills</li> <li>• Ongoing online, live conference calls and one-on-one training as long as needed</li> <li>• Work-at-Home opportunity with successful mentoring team</li> <li>• No long-term commitments; work just until your dreams come true</li> </ul> <p><b>Initial Start-up Costs: \$199–\$2,690 based on starting inventory</b> (Source: <a href="http://www.free2ndpack.com">www.free2ndpack.com</a>)</p>
<p><b>Additional Start-up Costs:</b></p> <ul style="list-style-type: none"> <li>• \$45,000 franchise fee (\$45,000 renewal fee after required 20 years)</li> <li>• 12.5% ongoing royalty fees</li> <li>• \$100,000–\$150,000 in miscellaneous start-up costs such as initial equipment, inventory, accounts receivables, payroll and insurance</li> </ul> <p><b>Total Additional Start-up Costs: \$145,000–\$195,000</b></p>	<p><b>Miscellaneous Start-up Costs:</b></p> <ul style="list-style-type: none"> <li>• \$200–\$450 from the Getting Equipped list</li> <li>• Herbalife pays 73% of world wide gross sales back to the distributors</li> <li>• Herbalife pays qualified Supervisors 5% Royalties and 2%-7% Bonuses</li> </ul> <p><b>Total Miscellaneous Start-up Costs: \$200–\$450</b></p>
<p><b>Funding Restrictions:</b></p> <ul style="list-style-type: none"> <li>• 40% personal cash investment for new locations; 25% for existing locations (balance may be paid in a maximum term 7 yr. bank loan)</li> <li>• \$420,000–\$776,400 out-of-pocket CASH needed</li> </ul> <p><b>Total Initial Start-up Costs: \$1,050,200–\$1,941,000</b></p>	<p><b>No Funding Restrictions:</b></p> <ul style="list-style-type: none"> <li>• Most people start with either personal funds, a credit card or a small bank loan</li> <li>• \$0 out-of-pocket CASH needed</li> </ul> <p><b>Total Initial Start-up Costs: \$199–\$3,604</b></p>
<p><b>Average annual income for McDonald's franchisee is \$240,000 for each restaurant owned.</b></p>	<p><b>Average annual income for an Herbalife President's Team is \$611,094.</b> (Source: <a href="http://www.herbalife.com">www.herbalife.com</a>)</p>

## U.S. and Canadian Residents Income Disclaimer

The testimonials or incomes presented are applicable only to the particular individuals depicted and are not representative of everyone's income and are not a guarantee of your income, nor are they typical. Each individual's success will be determined by his or her desire, dedication, effort, ability to follow directions and personal talent, as well as, the amount of time dedicated to his or her business. FSSiOffice has contributed to successful business development for some distributors; however, we cannot guarantee that by using our training and marketing system (FSSiOffice) you will achieve success. Your success will depend on many factors such as: how you follow FSSiOffice, methods and procedures which you use, your management skill and experience, your business judgment, economic conditions, the market, and competition in the area in which you have chosen to do business. Actual business earnings will vary, and all individuals considering the business model should carefully consider the business model in its entirety including the costs of engaging in this business.