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HEADLINE: Brazilian franchise market is attracting new international investors;
New investors want to establish their brands in the country

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BODY:

São Paulo - The maturity of the Brazilian franchise market - the sector moved R\$34.4 billion in 2005 - is attracting new international investors. Some do not yet have master franchisers, but they already are announcing their interest in the country as a certain destination for growth; others believe in the market, even after frustrated attempts.

The company **Franchise Growth System (FGS)**, one of the biggest in the United States in developing and selling master franchises, is looking to launch at least five American brands in the food and health segment in Brazil. Among them, the Tacone fast food chain, which has 30 points-of-sale in California and another 145 in construction; the luncheonette Counter Burger; and City Kitchen, a kind of buffet for commercial buildings. "The three brands all pertain to the same company, which is very interested in Brazil. The big advantage is that the master franchise has three chances of success with its brands, with different publics," said **FGS** international vice-president Bashir Manji. "Shopping Iguatemi is a good sales point for Tacone but not for City Kitchen, which would fit better in the center of the city." The three are growing in the United States. For Tacone, the attraction is colorful stores that emphasize different and healthful flavors. In the "Flavor Space" within the store, the client chooses the flavors and the sauces and the food is prepared before his eyes - a system similar to the Brazilian Spoleto or the American Subway. © 2006 NoticiasFinancieras - Gazeta Mercantil - All rights reserved

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