



Start a NY Bagel Style Café & Deli

A guide to start-up options

An informational report prepared by UnhappyFranchisee.Com

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NY Bagel Café & Deli (Advertised on Craig's List) - BUYER BEWARE!!!!

You may have seen ads like the one below on Craigslist or on a franchise advertising website. The ads promise that you can own a beautiful NY Bagel Café & Deli franchise for their special, limited-time discounted franchise fee of \$19,500 (or sometimes \$17,500).

The headlines for the ads usually read like this:

"NY BAGEL CAFE & DELI"

"OWN A NY BAGEL CAFE OPPORTUNITY"

"NY BAGEL CAFE BRAND NOW AVAILABLE IN FL"

"N.Y. Bagel Cafe & Deli / MARCH SPECIAL \$17500"

Some intentionally don't mention the company name in the headline:

"COFFEE DELI BREAKFAST/LUNCH OPPORTUNITY"

"OWN A FOOD FRANCHISE OPPORTUNITY - \$19500"

What the ad claims:

*NY Bagel Cafe & Deli, a 20 year old **leading bagel Franchisor** is now offering, **for a limited time only**, an exceptional Special Spring 2015 program within the [city, state] areas... During our [season, month, year] Special Promotion and for a Limited Time Only our Franchise Fee is reduced to a onetime fee of \$19,500.*

What NY Bagel Café isn't telling you:



NY Bagel Cafe franchise ads do not mention that the Cafes pictured have already failed. NY Bagel Craig's List ads show the exteriors of now-closed franchises in Wesley Chapel, NC, Newark, NJ and El Paso, TX. Of 34 franchises opened, all but 4 have closed.

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"Leading bagel franchisor." With fewer than 10 locations open and an estimated 30 closed, this company is nowhere near a leading franchisor. Leading bagel franchisors include Bruegger's, Noah/Manhattan Bagels, Einstein Bros, Big Apple Bagel, and others.

"Limited time only" They keep changing the name of the promotion, but the "discounted" fee is always the same, either \$17,500 or \$19,500.

Beautiful photos are of failed stores The NY Bagel Café ads show many beautiful stores. Sadly, most, if not all, of those stores were closed and their franchise owners lost their entire investments. Many went bankrupt and some lost their homes.

Typical NY Bagel Café & Deli Ad on Craigslist:

orange county.craigslist.org/bfd/4937594420.html

orange co > for sale > business/commercial - by dealer

reply prohibited [?] Posted: 4 days ago

★ N.Y. Bagel Cafe & Deli / MARCH SPECIAL - \$17500

Not legally registered to sell franchise in California

more ads by this user

- [safety tips](#)
- [prohibited items](#)
- [product recalls](#)
- [avoiding scams](#)

Photos of Closed Stores

Screenshot taken 3/22/15 9:07 pm

NY Bagel Cafe & Deli, a 20 year old leading bagel Franchisor is now offering, for a limited time only, an exceptional Special Spring 2015 program within the OC area.

"With positive same store sales growth and 96% brand awareness, NY Bagel is poised to add a 1000 new restaurants in the next 10 years. Be the next NY Bagel Franchisee to build a drive-thru, dine-in, in your market!"

Our Franchise Fee is a reduced onetime fee of \$17,500 and all monies required for the build-out, equipment, furniture & fixtures, inventory, lease & security deposits, working capital is 100% financed. "ONLY CASH REQUIRED \$17,500". EVERYTHING NEEDED TO OPEN YOUR STORE IS 100% FINANCED OVER THE \$17,500 FF.

HURRY, Special Program with reduced Franchise Fee ends soon!!!

Untrue Statements

LOW FIXED \$500.00 A MONTH ROYALTY FEE !!!!
NO PERCENTAGE OF MONTHLY SALES..... ever !!!

Additionally, we are now introducing our "Master Point Store Program In The State of CA." . Allow us to use your NY Bagel Cafe & Deli store to sell new franchises and we'll pay you a piece of every Franchise Fee received and on every new franchise sold. NO SELLING. We do all the work

We do:

- Free In Store Training
- Free Site Location
- Free Feasibility and Demographic Studies on Sites
- Free Lease Negotiations with landlord

For full details
Call: Mr. Dennis
(688)550-8020 toll free

• do NOT contact me with unsolicited services or offers

Mr. Dennis is Dennis Mason.
Google "Dennis Mason franchise" to learn more.

Learn more at UnhappyFranchisee.Com

post id: 4937594420 posted: 4 days ago [email to friend](#) [best of](#)



What the ad claims:

Our NY Bagel Café & Deli franchised stores offer over 20 different varieties of award winning, true 5 oz. New York style, par-baked, Kosher & Halal bagels...

What NY Bagel Café isn't telling you:

NY Bagel Café & Deli bagels are not proprietary. NY Bagel Café sources its bagels from Davidovich Bagel Bakery in New York. Anyone can order from Davidovich. In fact, Davidovich has a licensing program and will help you get set up with your own bagel store with no upfront fee and no royalties. See our information on the Davidovich Bagel licensing program in the next section.

NY Bagel Name is not Trademarked. The US Patent & Trademark Office denied this franchise company's attempt to register its name, saying it is not distinctive enough. So as long as no one in your immediate market is already using it, you could probably open a "NY Bagel Café & Deli" and sell Davisson Bagels without paying franchise fees.

What the ad claims:

All monies required for the build-out, equipment, furniture & fixtures, inventory, lease & security deposits, working capital is 100% financed. "ONLY CASH REQUIRED \$19,500". EVERYTHING NEEDED TO OPEN YOUR STORE IS UP TO 100% FINANCED OVER 10 YEARS AND OVER THE \$19,500 FRANCHISE FEE BASED ON CREDIT...

What NY Bagel Café isn't telling you:

NY Bagel does NOT provide financing. Despite the misleading claim in the ad, NY Bagel Café doesn't provide financing and does not get financing for you. Many victims claim that once the company received their fee, NYB gave them a list of "approved lenders" and told them it was their responsibility to go get the funding. Most of the lenders on the list are either no longer in business or don't want anything to do with NY Bagel Café. Victims report that when they couldn't get funding, the company gets nasty and refuses to issue a refund.

Victims reported that the only lenders who will work with them wanted to sign them up for a bunch of credit cards with unsustainably high interest rates that will likely ruin their credit.

What the ad claims:

*Additionally, we are now introducing our "Master Point Store Program." Allow us to meet or refer new prospective Franchisees to your NY Bagel Cafe & Deli store in order to offer new prospective Franchises a NY Bagel Café & Deli franchise and **we'll pay you a part of every***

Franchise Fee received and on every new franchise sold. NO SELLING ON YOUR PART. We do all the sales. Last month we gave one of our current Franchisees three (3) checks...

NY Bagel Café franchisee endorsements aren't trustworthy. NY Bagel Café franchisees can make up to \$5,000 by getting you to sign up for the franchise. How trustworthy do you think their recommendations are? If franchisees is struggling to make payroll and rent, do you think they'll tell you the truth and lose out on the \$5,000 commission they'll get if you sign up?

What the ads claims:

For full details

Call: **Mr. Dennis** for details and a meeting at one of our franchised stores
(888)550-8020 toll free

What NY Bagel Café isn't telling you:

"Mr. Dennis" is Dennis Mason. Dennis Mason is a rather infamous franchise seller with a history of franchisee lawsuits, bankruptcies, fraud allegations and failed franchisors. For more information on him, search "Dennis Mason" on UnhappyFranchisee.Com.

If you've supplied information or paid a fee to NY Bagel Café, contact UnhappyFranchisee@Gmail.Com in confidence.

In our opinion, two individuals named Joseph Smith and Dennis Mason, aided and abetted by a network of complicit 3rd parties, are running a lucrative franchise scheme that promises trusting individuals the opportunity to join a young, successful franchise chain and own their own bagel cafés upfront fees ranging from \$17,500 – \$29,500.

NY Bagel Café claims that they provide 100% financing for the rest of the approximately \$100,000 – \$200,000 investment, and that the initial franchise fee is refundable if the franchisee turns out not to be creditworthy.

UnhappyFranchisee.Com research indicates that the majority who sign franchise agreements with NY Bagel Café & Deli are neither provided funding nor have their initial fees of \$17,500 – \$29,500 refunded. Dennis Mason & Joe Smith, we believe, simply keep the upfront fees, knowing that their victims can't afford to hire a lawyer and won't be able to collect a judgement even if they are awarded one.

We believe that those who ARE able to obtain funding and manage to open a NY Bagel Café will likely lose dramatically more than just their franchise fees.

Our research indicates that more than 90% of the NY Bagel Café locations that opened have shuttered their doors, and the franchisees' investments were lost.

Despite being provided proof of violations of franchise and business opportunity laws and anti-fraud statutes, so far the Federal Trade Commission (FTC), state franchise regulators, state attorney generals and the FBI have (so far) failed to protect citizens by shutting down this operation.

NY Bagel Café continues to run deceptive ads on Craig's List, continues to harvest franchise fees from undercapitalized franchisees, and continues to brag about store openings even in states where they cannot legally sell franchises.

If you have contacted this company, given them your information to them, signed their franchise agreement or sent them any money, you should contact UnhappyFranchisee@Gmail.com for more information and assistance.

Where to go for more information:

[UnhappyFranchisee.Com](http://www.unhappyfranchisee.com)

[NY Bagel Café Franchise Scam Overview](http://www.unhappyfranchisee.com/ny-bagel-cafe-franchise-scam-overview/)

<http://www.unhappyfranchisee.com/ny-bagel-cafe-franchise-scam-overview/>

Davidovich Bakery Licensed Store Opportunity (No Franchise Fee)

Information supplied by Davidovich Bakery, Woodside, NY.



OWN YOUR OWN DAVIDOVICH BAKERY LOCATION

While many bagel companies claim their products are the best, only one Bagel Brand can, truly, be number #1. At Davidovich Bakery we take pride in the fact that we are the #1 bagel in the world, not because we say we are, but because the experts do. If you don't believe us ask:

- Andrew Zimmern
- The History Channel
- ABC News
- The Jon Stewart Show
- 30 Rock
- The Wall Street Journal
- The Village Voice
- TIME
- Forbes
- The NY Daily News
- The Discovery Channel
- The Forward
- Many, many more

Now entrepreneurs all over the world have a chance to open their own bagel bakery in partnership with the most trusted name in the business, Davidovich Bakery.

Davidovich Bakery is pleased to introduce its Davidovich licensing program. Here are some of the benefits of this amazing program:

1. Reduced Labor Costs. Ask any Baker and they will tell you that making bagels is one of the most labor intensive items they can produce. By becoming a Davidovich approved store-owner you get the benefit of producing and selling the most respected bagel in the world, but we do ALL THE WORK. Mixing, Rolling, proofing, boiling and Par Baking are all done in our historic facility in the heart of NYC. You receive a “bake ready” product that can be prepared to perfection in no time at all and without all of the costly labor.

2. Lower Equipment Costs. As a participant in the Davidovich license program you eliminate costly equipment such as mixers, formers, refrigeration, proofers, and even deck ovens. This savings of heavy



equipment and the space they occupy will lead to lower costs and higher profits; all without sacrificing the quality of the products.

3. Great Products. Davidovich's ParBaked Bagels are 5 oz, hand made, kettle boiled, plank baked using, only, the best ingredients, including the world famous NYC water. They are also Kosher, under the supervision of the OK, one of the leading supervising agencies.

They are dark and crisp on the outside and chewy on the inside. Our bagels come in a variety of terrific flavors.

These are the bagels the Polish Immigrants brought with them to the Lower East Side and changed culinary history forever.

4. Full Technical and Sales Support. When you are a Davidovich Bagel Licensee you receive full technical and sales support from our dedicated, knowledgeable and enthusiastic team. Whether you are an experienced Foodie, or just looking to learn about the bagel business, we can assist you in preparing, serving, and selling our world famous Davidovich Bagels. We can assist in selecting the requisite new equipment, maximizing usage of existing equipment, creating Point of Sale material and much, much more. As we continue to build our brand and increase our market penetration your investment, and business traffic, will naturally appreciate.

5. Brand Strength. As a Davidovich licensee you have full authority to use approved Davidovich Intellectual property, logos, and images. You will be able to proudly call yourself "A licensed Davidovich Bagel reseller".

So if you are looking to start your business, or if you are an existing business owner looking to become associated with a "destination" product, beloved by consumers around the world, to upgrade your business image contact us TODAY. Find out why "All other bagels wish they were a Davidovich Bagel too!" ®

For more information contact:

Marc Fintz

Davidovich Bakery

<http://www.DavidovichBakery.com>

50-29 69th Place

Woodside, NY 11377

212-391-2870 x113

800-352-2280 (Fax)



Bagel Store Franchise Options

There are a number of bagel franchise options available, from established, leading franchise companies like those offered by Einstein Noah Group to new innovative start-ups.

Einstein Bros Bagels

Einstein Bros. has long hung its hat on staples like Darn Good Coffee and a bagel-baking heritage that has become the cornerstone of their freshly baked products, and of their franchise model. From in-store environments that ooze warmth and a menu stuffed with delicious possibilities, Einstein Bros. has become a franchise segment leader, ranked 8th in Fast Casual's 'Top 100 Mover and Shakers.' Einstein Bros. franchisees enjoy a solid corporate infrastructure, filled with industry veterans and experienced leadership at all levels. Franchisees have access to topical training materials and ongoing field support.

Units in Operation: 350

Founded: 1995

Franchising Since: 2006

Investment: \$492,100 - \$858,400

Franchise Fee \$35,000

Royalty: 5.0%

Liquid Capital Required: \$536,300

Net Worth Required: \$1,000,000

Contact information:

Einstein Noah Restaurant Group, Inc.

555 Zang Street, Suite 300

Lakewood, CO 80228

Phone: 303.568.8000

Website: einsteinnoah.com

Bruegger's Franchise Corporation

Bakery-cafe known for our authentic bagels. We have a new look and an expanded menu, and we continue to lead the quick casual segment.

Franchised Units: 103

Company Owned Units: 155

Business Established: 1983

Franchising Since: 1993

Start-up Cost: \$100,000

Total Investment: \$330,400 to \$559,400

Contact Information:

Kelly Tope

Director, Franchise Development

159 Bank Street

Burlington, VT 05401

Tel (802) 660-4020

Fax (802) 660-4034

Big Apple Bagels/My Favorite Muffin

Big Apple Bagels was founded in Deerfield, Illinois in 1993. In addition to bagels, the restaurant's menu includes muffins, omelets, coffee, sandwiches, salads and soups.

Number of Locations: 82

Founded: 1993

Total Investment: \$273.3K - \$397.1K

Total Investment: \$273,300 - \$397,100

Franchise Fee: \$25,000

Ongoing Royalty Fee: 5%

Term of Franchise Agreement: 10 years, renewable

Financial Requirements

Net Worth: \$350,000

Liquid Cash Available: \$100,000

Contact information:

Big Apple Bagels Corporate Headquarters

500 Lake Cook Road, Suite 475

Deerfield, Illinois 60015

1-800-251-6101

Website: bigapplebagels.com

Manhattan Bagel

Manhattan Bagel is an established and vibrant, fast casual bagel cafe with over 65 owned restaurants. Located primarily in New Jersey, New York, Pennsylvania and Delaware, Manhattan Bagel is a part of the family of fast casual brands owned, licensed and franchised by publicly traded Einstein Noah Restaurant Group, Inc. Since their beginnings in 1987, Manhattan Bagel has enjoyed a reputation for excellent tasting food and beverages. They assist their franchisees with an experienced team of Franchise Consultants who provide beneficial business insights and procedures. Added support comes from an in-house marketing department that provides contemporary, timely, and professional support initiatives.

Units in Operation: 73

Founded: 1987

Franchising Since: 1991

Investment: \$521,300 - \$778,900

Franchise Fee: \$25,000

Liquid Capital Required: \$225,000

Net Worth Required: \$450,000

Contact information:

Einstein Noah Restaurant Group, Inc.

555 Zang Street, Suite 300

Lakewood, CO 80228

Phone: 303.568.8000

Website: manhattanbagel.com/

Between Rounds Bakery Sandwich Cafe

When Jerry Puia moved from New York to Connecticut he knew something wasn't right--there were no bagel shops. With the help of his brother Joe, Puia opened The Bagel Stop in Hartford, Connecticut, in 1990. When the company began franchising in 1992, its name changed to Between Rounds.

Between Rounds shops combine a bagel shop and a catering service with two of the most profitable sections in a supermarket--the deli and the bakery.

Number of Locations: 4

Founded: 1990

Began Franchising: 1992

Total Investment: \$313,000 - \$416,000

Franchise Fee: \$25,000

Ongoing Royalty Fee: 5%

Term of Franchise Agreement: 10 years, renewable

Financial Requirements

Net Worth: \$1,000,000

Liquid Cash Available: \$300,000

Contact information:

Between Rounds

19A John Fitch Blvd, Route 5

South Windsor, CT 06074

Phone: (860) 291-0323

Website: betweenroundsbagels.com



OLD NEW YORK DELI & BAKERY CO, INC

Old New York Deli & Bakery Co. Inc, a California corporation, offers franchises for the operation of Old New York Deli & Bakery Co restaurants which are fast casual New York style deli, bakery and cafe restaurants, offering a full breakfast, lunch and dinner menu, made from scratch breads, rolls, pastries, authentic boiled and hearth baked bagels, 100% certified organic coffee, beer & wine and a full service take out deli in a fast casual environment.

Number of Locations: 3

Founded: 2011

Began Franchising: 2011

Total Investment: \$683,400-\$1,107,000

Franchise Fee: \$35,000

Ongoing Royalty Fee: 5%

Term of Franchise Agreement: 10 years

Financial Requirements

Net Worth: \$1,000,000

Liquid Cash Available: \$700,000

Contact Information:

Old New York Deli & Bakery Co.

4972 Verdugo Way

Camarillo, California 93012

Telephone: (805) 383-1490

Website: oldnewyork.com

Joey Bag a Donuts Franchising LLC

Number of Locations: 1

Founded: 2009

Began Franchising: 2012

Total Investment: \$207.7K - \$587.8K

Startup Costs, Ongoing Fees and Financing

Total Investment: \$207,700 - \$587,800

Franchise Fee: \$30,000

Ongoing Royalty Fee: 5%

Term of Franchise Agreement: 10 years, renewable

Financial Requirements

Net Worth: \$500,000

Liquid Cash Available: \$250,000

Contact information:

1118 Park West Blvd

Mount Pleasant, South Carolina

843-856-JOEY (5639) or Toll Free 888-987-JOEY(5639)

Website: Joey-Bag-A-Donuts.com

A word of advice: Always do your due diligence and seek professional counsel before purchasing any franchise or business opportunity. We do not endorse any particular franchise, nor contend that any of the information in this guide is correct. Please use it as a starting point for your own independent research.

Remember: If an opportunity sounds too good to be true, that's because *it is*.

Learn from the experiences of franchise owners who have gone before you by thoroughly reviewing the uncensored posts and discussions here:

UnhappyFranchisee.Com