

By now, all 4800 7-Eleven franchise owners in the U.S. have received copies of the 2019 agreement. Your Executive Team has begun a comprehensive review and will provide detailed analysis in the coming weeks. But, even before we dive deep into the pages, it's clear that this agreement is not good for franchisees. It's also clear that the corporation has little respect for its franchise owners. That is truly disappointing.

Released under the leadership of CEO Joe DePinto, this 2019 agreement contains a revised revenue sharing program which will cut more deeply into the razor-thin profit margins franchisees currently realize. What's more, the agreement contains additional compliance requirements, which will further erode franchisee profitability.

The National Coalition is working with general counsel Eric Karp to prepare a FAQ sheet so all franchisees can better understand how the agreement will impact them. If you have any questions you want us to consider for that FAQ, please email the National Coalition Office at [nationaloffice@ncasef.com](mailto:nationaloffice@ncasef.com).

As part of our analysis, we are also creating a worksheet so franchisees can enter their individual revenue and gross profits and instantly calculate the estimated impact the new revenue sharing plan may have on their own stores.

15 years ago, when Jim Keyes was chief executive of 7-Eleven, they presented us with an equitable agreement that, while not perfect, demonstrated an understanding that unit level profitability was important to the brand. Now, with Mr. DePinto at the helm, we are faced with a dire situation. Franchisees are the lifeblood of this brand, but to look at what's contained in the agreement the 7-Eleven leadership team has put on the table shows us that corporate puts very little value on us and our hard work. Every day, we give our all to this brand. We do it to earn a living and to keep 7-Eleven a leader in the c-store category, but we fear this agreement will make it impossible for us to continue doing so.

Sincerely,  
Your Executive Team