

A step-by-step guide to **Starting Your Own Vending Business**



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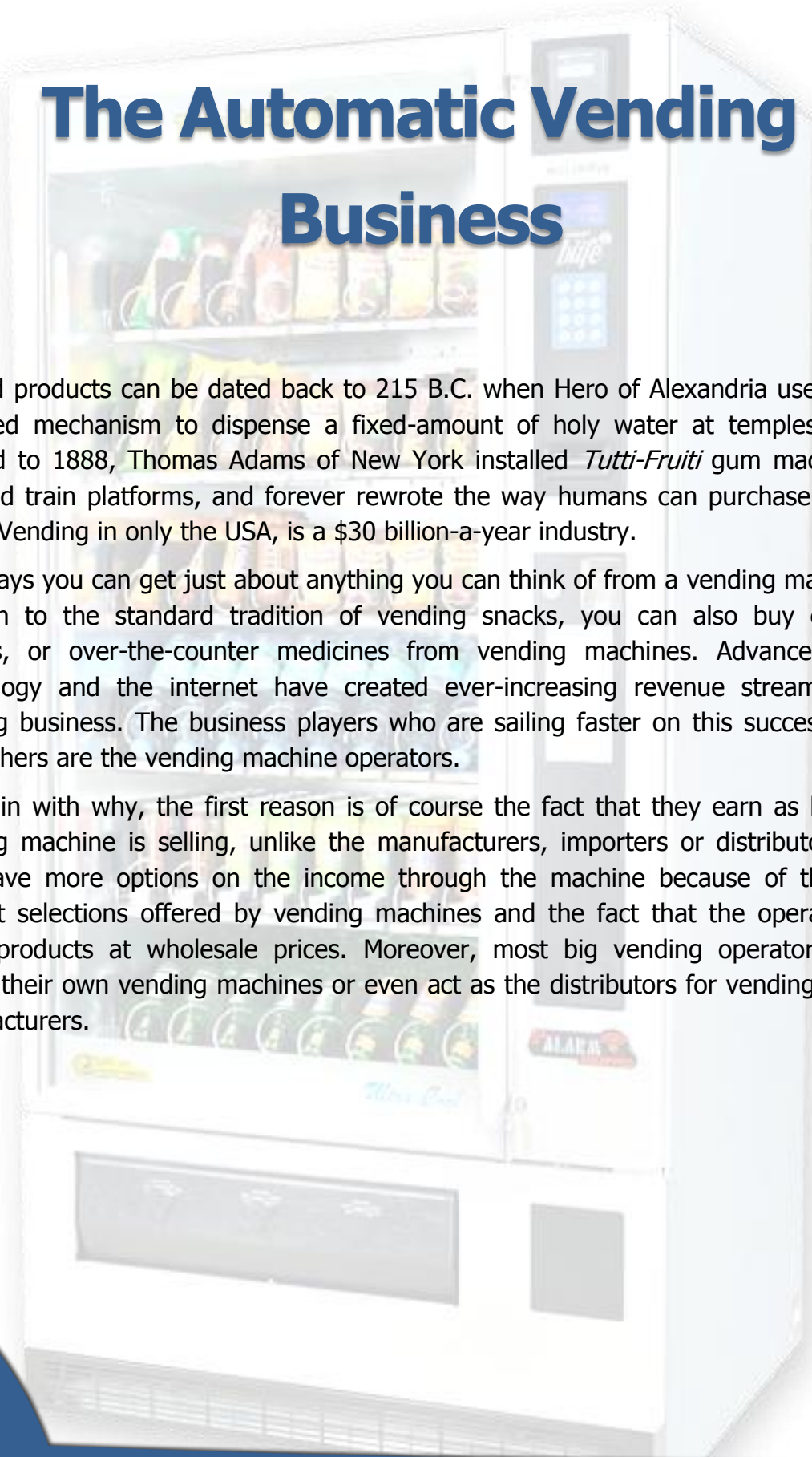
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The Automatic Vending Business

A large white vending machine with multiple shelves of snacks and a coin slot on the right side. The machine is filled with various snacks, including bags of chips and boxes of cereal. The title "The Automatic Vending Business" is overlaid on the top part of the machine.

Vended products can be dated back to 215 B.C. when Hero of Alexandria used a coin-operated mechanism to dispense a fixed-amount of holy water at temples. Moving forward to 1888, Thomas Adams of New York installed *Tutti-Fruiti* gum machines on elevated train platforms, and forever rewrote the way humans can purchase products today. Vending in only the USA, is a \$30 billion-a-year industry.

Nowadays you can get just about anything you can think of from a vending machine. In addition to the standard tradition of vending snacks, you can also buy electronic devices, or over-the-counter medicines from vending machines. Advancements in technology and the internet have created ever-increasing revenue streams in the vending business. The business players who are sailing faster on this success stream than others are the vending machine operators.

To begin with why, the first reason is of course the fact that they earn as long as a vending machine is selling, unlike the manufacturers, importers or distributors. They also have more options on the income through the machine because of the varied product selections offered by vending machines and the fact that the operators buy these products at wholesale prices. Moreover, most big vending operators usually import their own vending machines or even act as the distributors for vending machine manufacturers.

Why start a vending business?

The idea of machines making money for you while you relax in a bed or work hard at another job, sounds almost too good to be true. Of course, like all lucrative business opportunities, the vending business also requires a few details to be carefully handled and we will come to that later in this book.

You start earning from day one!

Once your vending machines are functioning and stocked with products, they start earning money for you without much further investment. There are hardly many businesses out there where the cash flow can be predicted so correctly before they start moving towards the break-even point.

Day and night, every day!

There's no doubt that when you compare the working-hours of your vending machine to those of a salesperson (or even three salespersons!), the machine scores far more. Your vending machine is like a sales person who works 24 x 7 without a single break in the whole year!

Stable and continuous returns on your investment

Once you have knowledge of the machines' usage history, you can predict the returns more correctly than most other business start-ups. With a simple but smart setup, your vending machine will not require any maintenance charge before your first break-even point is achieved.

Part-time to full-time

You can start your vending business even without quitting your full-time work. Whether your work is a nine-to-five job or your own business, buying and then operating your vending machines can be carried out part-time. Once your vending business starts and the profits start growing, it will make increasingly more sense to be your full-time work.

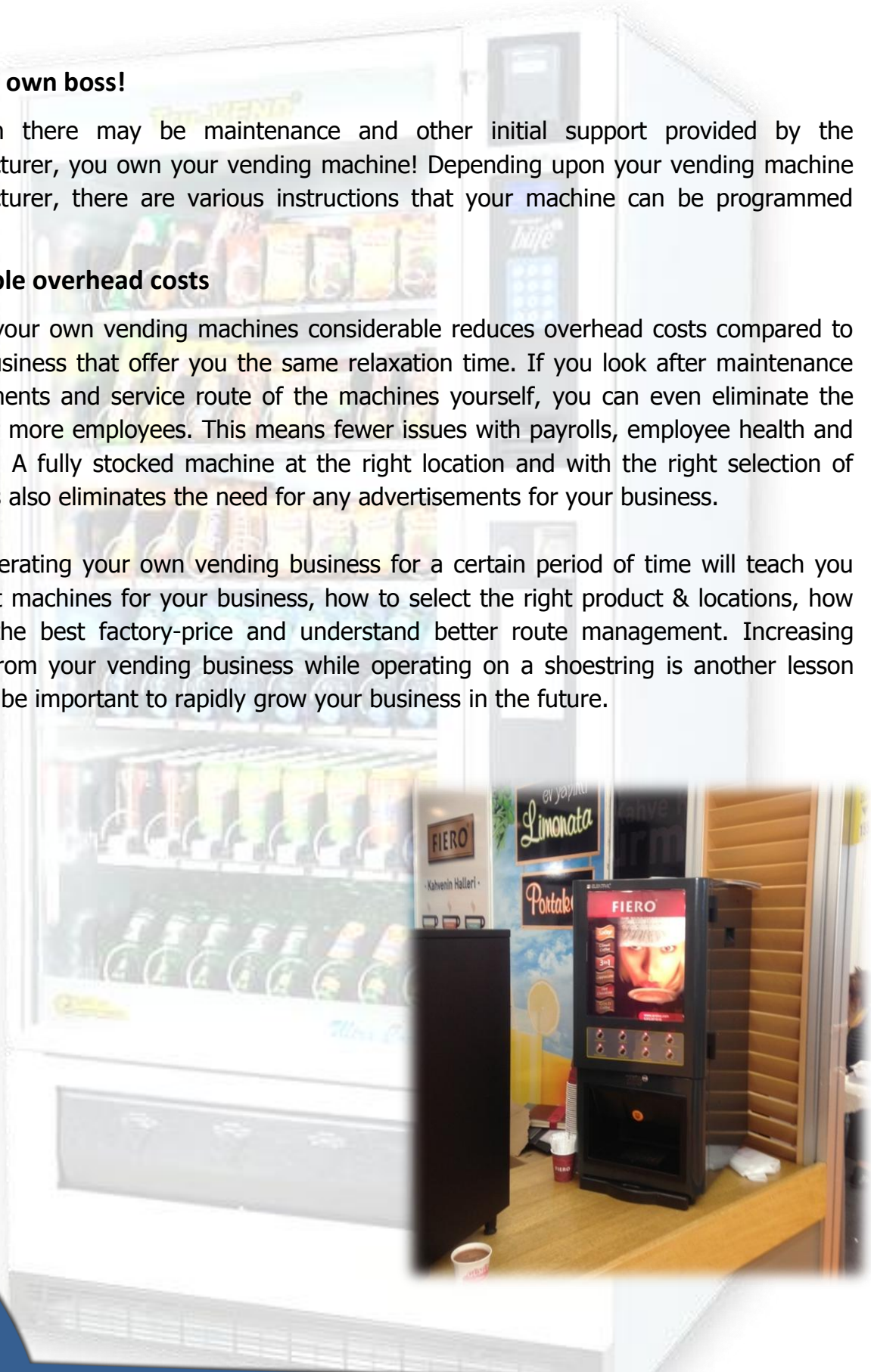
Be your own boss!

Although there may be maintenance and other initial support provided by the manufacturer, you own your vending machine! Depending upon your vending machine manufacturer, there are various instructions that your machine can be programmed with.

Negligible overhead costs

Having your own vending machines considerably reduces overhead costs compared to other business that offer you the same relaxation time. If you look after maintenance requirements and service route of the machines yourself, you can even eliminate the need for more employees. This means fewer issues with payrolls, employee health and benefits. A fully stocked machine at the right location and with the right selection of products also eliminates the need for any advertisements for your business.

After operating your own vending business for a certain period of time will teach you the right machines for your business, how to select the right product & locations, how to get the best factory-price and understand better route management. Increasing profits from your vending business while operating on a shoestring is another lesson that will be important to rapidly grow your business in the future.



Finding the Right Location

The right location can fast make or break the return on your vending business investment. Depending on the available time or resources that you have, there are various ways of finding the right locations.

Pay a vending locator

This can be rather expensive in most cases and, after you've found the right location using this way, you may feel like the task could have been accomplished by yourself but there's no denying the fact that these professionals can find you the right locations in the least time. Moreover, if they have been in the business since sometime, they would know the people or organizations that have authority in these locations. Some vending-solution providers even have space already leased for the purpose of vending at important locations and such spaces can save you considerable time and money.

Contact schools, malls or other busy locations

Phoning or emailing various potential locations may not only get you a perfect location but will also give you a comparison of the current prices for vending space at these locations. New malls that are opening up may provide you with introductory price for such a space and can be a long-term partner for your business.

Physically search for a location

Before finalizing a location for vending, you or your representative will physically visit it to be sure about the expected footfall or its visibility. It is a better idea to do this at an earlier stage – even before shortlisting the locations from which you are going to finalize a few. Most new entrepreneurs in the vending business prefer to drive around to search for these locations and carry out surveys that will not only help them pinpoint the right vending space but also give them an idea of the products which will bring good business through vending at these locations.

Even the most experienced vending operators have trouble getting a maximum ROI from their vending locations. There are various uncontrollable factors which affect the efficiency of these locations. These range from ever changing buying trends to unpredictable location owners. Thus, vending operators need to remain

alert in order to respond appropriately to these changes even in order to maintain the pace of profits from their vending business. Such responses can include re-locating their vending machine(s) or vending new products from their vending machines.



Types of Vending Businesses

(Based on machine-types)

Today, almost anything can be sold through a vending machine -- soft-drink cans, gum, hot coffee, cold coffee, cigarettes, even hot dogs and pizzas. There are three basic categories of vending business based on the type of machines they operate:

Snack vending machines

Snack vending machines form a common type of vending machines. Instant snacks or chocolates which can be eaten right out of the box are the kind of snacks that can be commonly found stocked in snack vending machines. These machines can be used to vend almost any other item that can fit in them and that does not require the machine to be cleaned more often.

An efficient example is [Tru-VEND](#)®'s *Mini-Buffer*® vending machine that has a small footprint and can be wall-mounted or made to stand on its pedestal.

Combo vending machines

These machines are capable of dispensing snacks like chocolates, packed cookies or chips as well as chilled soda bottles, while storing them at the optimum temperatures that they require to be served at. These machines are commonly seen at malls, schools, airports or other busy public places.



Drinks vending machines

These include beverage vending machines like coffee vending machines, hot drinks' or juice vending machines. They come in two types:

1. Tea or coffee vending machines

Some coffee vending machines prepare various types of coffee with instant premixes that are easily available in the market while others use a built-in coffee grinder to grind the beans first.

Both these types of machines can either have various selections like espresso cappuccino, mochaccino, etc. or may have the option of vending only a single type of drink.

2. Beverage dispensers

These machines store a ready-to-drink beverage at the optimum temperature (like juice or other beverages) and simply act as dispensers when instructed to vend the beverage. They can be part of a free coffee service for *HoReCa* (Hotels, Restaurants and Cafes) businesses or they may be coin-operated. Bill validators or change-giving electronic coin mechanisms are usually not supported by such machines because of the value of the drinks they usually dispense.



Bulk vending machines

These are smaller in size and vend gumballs, candies, gums or novelties in randomly selected order. The gross profit on these machines is higher than that from snack vending machines but the sales' volume is generally lower than that of snack vending machines. Locating bulk vending machines can be another issue. If the gross is greater on gumball machines than soda machines, then it makes more sense to have *more* gumball machines. For example, if you are grossing about 20 USD per week from a gumball machine and you want to make 400 USD per week, you would need to place 20 such machines. Finding locations for all these machines can be a problem.

Finding the Right Machine Supplier

Finding a reliable vending machine manufacturer or supplier is very crucial to the long-term success of your vending business. A little research will always work in your favor. You can visit a few established operators in your area, and find out where and how they purchased their machines, and if they were experiencing any problems with them, how did they go about solving the issue. This way you will be sure of buying it from a good source. As these machines come in a variety of shapes and sizes, researching will also help you select the one that is perfect for what you intend to sell.

Email and call

Explanation of your business and requirements in an email is the first way of shortlisting your manufacturer or supplier. The time they take to reply to your email and the understanding of your requirements in their reply can help you find the right match. Following up with a phone call after sending the email is also a way to confirm if they received your email.

Watch out for “optionals”

This is unfortunately a highly common practice in the vending business and almost all other businesses. The line between good marketing and “rip-offs” gets diminished when some features or accessories crucial to a vending machine’s functioning are sold as “optionals”. This means you may *opt* to pay extra for these accessories or features!

Some common *optionals* to watch out include:

- **Infrared sensors to ensure product delivery**

Infrared sensors or IR sensors are used in vending machines usually to detect whether a product was efficiently vend from it or otherwise, the buyer’s money can be returned by the machine. It is given fancy names by various vending machine manufacturers and some even charge an extra price if you wish to opt for it!

- **Anti-vandalism built or accessories**

You will find many manufacturers providing you with a more robust or “brave” version of the same machine at an extra cost.

The concept of vending machines arose from the need of eliminating the requirement of a human seller or the need for cutting the “middlemen”. Thus, if a manufacturer claims the vending machine to be a “less-secure” version, it is pointless to buy such a vending machine!

An optional “robust frame” or an “impact alarm” are necessary to make all heavy-duty vending machines secure.

There should certainly be some optional accessories that can provide extra protection to a vending machine (like a Lexan glass, a metal keypad, etc.) but not at the cost of human monitoring of the machine 24x7 while it is in operation without these options!

Buy from the factory and at factory prices!

Buying directly from the factory of the manufacturer will save you the distributor’s commission and will considerably reduce cost of the machines. Factories can give discounts on bulk orders that cannot be obtained by buying the same machines from anywhere else.

Location of the manufacturing facility

The location of manufacturing plays an important role in deciding the cost and delivery-times of the machines or part-replacements. If you are going to import the equipment from another country, remember to thoroughly check the custom rules or regulations regarding imports from that particular country. There can be unheard rules or regulations that can save you or cost you money. For example, Turkey is not a member of the European Union but has a free-trade pact with the European Union which allows trade between [EU-Turkey](#) without custom restrictions. Turkey is also geographically good for trade because of its location as the meeting point of Europe and Asia.

Visit their manufacturing facility

Some prestigious manufacturers would welcome you to their manufacturing facility to check out their production processes. This is the probably the single most reliable way of judging their capabilities and facilities to serve your requirements. Moreover, if the top-level management of the facility is present at the facility, you may get to discuss per-unit pricing for your bulk orders. Such visits can be even better in case of family-run businesses.

Check for customization options

Manufacturers who offer self-designed vending machines can offer you a host of customization options ranging from the color of the machine to the number of trays or the choice of payment systems.

For example:

- Some manufacturers may offer you a master-key along with your bulk-order of vending machines, which will enable you to administer several vending machines with the same key
- The welcome message on the LCD screen may be set to any text of your choice like your company's website.
- Some manufacturers even help you find the payment systems that will be compatible with their machines and make the required changes to your ordered machines so you may install the payment systems yourself.

The above ways can help you not only shortlist the right manufacturer/supplier for your vending business, but will also help you judge what to expect in terms of after-sales' services from the manufacturer or supplier.

The reliability, affordability and after-sales' services of the **Tru-VEND®** vending machines, make Elektral A.S. such a manufacturer. You may find more information from their presentation [at this link](#)



Precautions

Keeping all previous points in mind, there are some not to be forgotten. Even after all the advantages it has to offer, the vending business, like all businesses, needs to be practiced with some precautionary measures.

Self-filter advices from established operators

Taking advises from established operators in your region can be more detrimental to your start-up than helpful. It can be tricky finding operators who will share their own success and failures. So your best bet is to wisely filter the advices you hear from them.

Beware of used equipment

Buying used equipment can end up in wastage of time and money on its repairs. Moreover, used equipment usually means old technology with unattractive appearance. It does not help you acquire or retain good locations. It is certainly a better bargain to buy new equipment at factory prices directly from the manufacturer.

Don't opt for far-off locations

Don't let the attractiveness of a busy location blind you to its distance from where your business is headquartered. Correctly weighing the time and cost it takes to service vending machines at a far-off location with the estimated minimum sales that the location can get you, is the key in such situations.

Watch out for "optional accessories"

As discussed before, this is a very common "rip-off" practiced by most manufacturers. Be careful not to be fooled by extra-cost accessories with fancy trademarked names given to an efficient refrigeration system or a simple Infrared motion sensor to detect product delivery. Many manufacturers even tend to place the thermostat in an area very close to (if not inside!) the refrigeration unit to demonstrate a



refrigeration temperature which is quite different from that experienced by products stored in the furthest trays (usually the upper trays) of the vending machine.

Plan the route correctly

When managing vending machines at different locations, planning a route correctly is crucial to save time and costs while servicing or restocking the machines. Higher the number of these vending machines, the more sensitive your revenue stream becomes to changes in the service route.

Keep your machines clean and stocked

Once you are a vending operator, the vending machines are your employees. Keeping the machines clean and stocked is as important as looking after your employees. Failing to do so results in reduced sales and can make it harder to retain prime locations.

Read the location-agreement carefully before signing

The contract you sign with the location-owner can be a life-saver or a bone-breaker. Consider factors like ownership of the machine in times of conflict, ending of contract, liabilities in cases of damage or poor market conditions. You can find attached a *Vendor-Proprietor Agreement* in **Appendix II**.



Frequently Asked Questions (FAQs)

Is the vending business as good as it sounds?

There are lots of ads or stories on the internet telling you that the machine does all the work for you. It's just a matter of setting them up and waiting for the money to start pouring in, 24 hours every day – while you are on vacation or asleep.

Well, it is not **really** true. It is **true that** people have made fortunes in vending while some have created a steady second income. But it is **also** true that some people have lost everything trying to set it up.

Vending can be an extremely lucrative business but, like most businesses, requires wise investments, excellent end-user experiences and wise cost-cutting measures.

What if I can buy two re-furbished machines at the price of one?

When buying a re-furbished or second-hand machine, you need to consider questions like *What can I do if the refrigeration stops working? How reliable is the cheaper machine? Is it worth spending money on the repairs than buying a new machine from the local supplier of a foreign manufacturer? And most importantly Is it worth risking your prized location?* After having considered the answers to these questions, you can go ahead with buying your next vending machine. Even if a re-furbished machine manages to look as attractive as a brand new one, they are more prone to breakdowns. An experienced vending operator would usually recommend a new machine at a competitive price.

Can I do it part time?

Yes, you may organize yourself to be in the field for approximately 30 minutes per machine. This figure may vary as per your individual speed and the distance between your vending machines.

Can I run the business from my house?

Yes, there is no need for renting an expensive office or a warehouse. Many new operators use their home or garages to store equipment and fill up products.

Are there tax advantages?

The vending business is an all-cash business and there are various tax-advantages depending on your local tax regulations. To better analyze the



advantages your new business will offer, you may contact a taxation consultant.

How long does it take to start making money?

Although you may have read it many times throughout this book, it still bears repeating that the vending business starts generating income from day one. Depending on the number of machines and quality of your locations, the time it takes to get a good ROI may vary.

Do I have to advertise the products?

No, your vending machine is your sales person. The manufacturers of the products you are selling have spent a fortune on advertising and creating a demand for them. You take the advantage of it.

This is why it is also a good idea to only sell products of well-known brands through your machines.

Are there enough locations for my business?

The vending industry is a 30 billion dollar-a-year industry in the USA alone and every day there are several new vending operators entering the industry in various countries. With labor prices reaching sky-high limits, the increasing demand for vending machines compensates for the locations already taken.

Where to purchase the products for stocking?

Wholesalers or distributors of snacks and various other products usually used for vending, can easily be found in your city or town. You may ask your nearest store for advice.

What kind of products are hot selling items?

The products that may sell like hot-cakes in your city may not necessarily sell the same way in an industrial zone located few meters outside your city. The people who are living or regularly visiting the vending locations are the best people to answer this question. You may refer to the *Site Survey Form for Workplaces* in **Appendix III** for guidance.

How many machines can I look-after myself?

It depends on how much money you want to earn, how much time you are willing to spend and if you can manage other people for larger vending routes.

How much money can I earn?

It depends on the quality of your locations and type of vending machines you are running.

What to do if I need parts or service?

Parts of popular types of vending machines are available easily. Buying straight from the manufacturer can get you the advantage of better after-sales' services and parts' supply.

Do I need to buy a van?

Most people start with servicing their route from their existing four-wheeled vehicles till they grow their business to the point that it becomes impractical to continue operating in this manner.

Where can I locate vending machines?

Vending machines can be placed in almost any workplace or busy location. High traffic locations will usually generate more revenue.

Does it take a long time to get started?

If you are seriously considering starting a vending business and do not have a business plan already, you need to make one ASAP! Your plan should be written and should include measurable goals and objectives.

Appendix I: Vending Facility Site Survey

Site Location Address: _____
Name of Location: _____
Date this Survey was Taken: _____
Survey Done by (Name, Title): _____
Recommendations based on Survey: _____

Employees at the Location

1. Number of persons employed at the location on a daily basis: _____
2. Employees' normal work hours: _____ AM to _____ PM
3. Number of employees at the location beyond regular work hours: _____
4. Number of hours these employees work: _____
5. Lunch break: _____ AM to _____ PM
6. Amount of time each employee has for lunch: _____
7. Other break hours: AM: _____, PM: _____
8. Estimated number (or percent) employees that will or do bring their lunches on a daily basis: _____
9. Estimated number of individual sales in this location in a: day _____, week _____, year _____
10. Estimated average Euro amount per sale: € _____
11. Projected average sales per: day € _____, week € _____, year € _____
12. Estimated number of employees to be assigned to this location in one year: _____
13. Special employee needs that have not been provided for that could be sold at this location: _____

Non-Employees at the Location

1. Estimate of the number of visitor/guests at the location per: day _____, week _____, year _____
2. Will all visitors/guests will or will have access to the proposed vending location: _____.
Reasons if conditionally: _____
3. Estimated number of individual sales at this location in a: day _____, week _____, year _____
4. Estimated average Euro amount per sale: € _____
5. Projected average sales per: day € _____, week € _____, year € _____
6. Special needs that have not but could be provided for by this vending facility at the location : _____

Total Employees and Non-Employees at the Location

1. Estimated total number of persons at the location who will be served by this facility in a: day _____, week _____, year _____

2. Estimated average Euro amount per sale: € _____
3. Projected average total sale per: day € _____, week € _____, year € _____

Building Housing the Facility

1. Total amount of square feet within this building: _____
2. Daily hours this building is open: _____ to _____
3. Days of the week this building is open: _____
4. Holidays (if any) this building is closed: _____
5. This building is owned by: _____
6. This building is leased by: _____
7. This building is directly controlled by: _____
8. If leased, the term length of the lease is: _____
9. Any physical limitations of this building in relation to the proposed facility: _____
10. Rules or regulations that would affect the operation of the proposed facility: _____
11. Future plans for this building such as a remodeling, general changes to the area, enlargement, etc.: _____

Competition

1. Summary of any competition planned or actual that will be direct or indirect in competition within the location of the proposed vending facility: _____
2. Name of the direct competitor nearest to the location: _____
 - a. Distance of the location for the competitor: _____
 - b. Time it takes to walk to this operation: _____
 - c. Categories of items sold: _____
 - d. Sample items sold and their prices: _____
 - e. Comment on this operation on customer satisfaction, speed of service, attitude toward the customer etc.: _____
1. All information pertaining to competition (B) if it will influence this vending location: _____
2. All information pertaining to competition (C) if it will influence this vending location: _____
3. General comments (if any) about competition and its effect on the proposed vending location: _____
4. Name of the nearest food facility to the location: _____
 - a. Distance of the location from this food facility: _____

- b. Time it takes to normally walk to this facility: _____
- c. Estimated number of people who eat at the food facility on average day at lunch time: _____
- d. Estimated average time of service during lunch time: _____
- e. Estimated average sale per person € _____
- f. Sample of items sold and their current selling price: _____
- g. Comments on the food facility such as sanitation, type of service, attitude, and any opinions of guests who frequent this operation: _____

Proposed Vending Machine Location

1. Total square meter of this location: _____ Sufficient? _____
2. Total square meter of serving space: _____ Sufficient? _____
3. Total square meter of storage space: _____ Sufficient? _____
4. Length of service/display area: _____ Sufficient? _____
5. Does the proposed location and site appear sufficient for the projected volume of sales and customers? _____ Comment: _____
6. Can the location be easily seen or found by both employees and guests? _____
7. Is access to the location sufficient? _____ Comment of any noted problems: _____
8. Does the location have an optimum temperature for the machine(s)' operation? _____
9. Does the location have sufficient ventilation/air conditioning? _____
10. Does the location have adequate electricity for the present and projected needs? _____
11. Does the location have sufficient number of drains? _____
12. Is a hand wash with hot water available at this site location: _____
13. Are restrooms close to the location? _____
14. Are sufficient trash storage facilities available? _____
15. Is there sufficient security? _____ Note: _____
16. Deliveries to the location will present no problem to the functions within the workplace or to the operation of the facility: _____
17. Adequate fire alarm/warning and protection is available for both the location and the facility: _____
18. All requirements of the local health department have been met if applicable to this location and workplace: _____
19. Any recommendations to be made to the above questions, or suggestions on equipment needs etc.: _____

Appendix II: Vendor-Proprietor Agreement^{*}

(No: _____)

This **Vendor-Proprietor Agreement** (referred hereinafter as "Agreement") is made as of [date] (referred hereinafter as "Effective Date"), by and between [company name], a [company type] with its principal place of business at [address] (the company is referred hereinafter as "Proprietor") and [your company name] a [your company type] with its principal place of business at [your company address] (referred hereinafter as "Vendor").

RECITALS

Vendor is engaged in the business of installing and operating automatic vending machines at various business locations and of selling articles of merchandise, food, and beverages to the public through such machines.

Vendor desires to install several automatic vending machines on the premises of Proprietor for the sale of [products to be vend], and Proprietor desires to grant Vendor a license for such purposes on the terms and conditions contained in this agreement.

Therefore, in consideration of the mutual covenants and promises contained herein, it is hereby agreed as follows:

1. Term.

This Agreement shall be effective as of the Effective Date and shall have an initial term of [time period in days as well as months]. Upon the expiration of such term (or any renewal term), this Agreement shall automatically renew for additional [time period in days as well as months] unless either party notifies the other party at least time [days in words] ([days in numbers]) days prior to the applicable renewal date of its intention not to renew the Agreement (the initial term and any renewal term shall be collectively referred hereinafter as "Term").

2. Appointment of Vendor.

2.1 Grant to Vendor. Subject to all the terms and conditions of this Agreement and the limitations set forth below, the Proprietor hereby grants permission to Vendor to install vending machines at Locations as specified here (referred hereinafter as "Locations"):

No.	Location Name	Address
1		
2		
3		
4		
5		
6		
7		

**** This document is created with the understanding that it will be used only as a free reference for actual agreements or contracts. You should have an attorney review this agreement before using it.***

Proprietor agrees that it does not currently, and will not through the Term of this Agreement, represent, distribute or promote any other vending machines featuring [products to be vend] that compete with Vendor's vending machines at Locations. Proprietor hereby grants Vendor exclusive rights to installing the vending machines and selling such [products to be vend] at Locations.

2.2 Ownership. Proprietor hereby acknowledges that all rights, title and interest in the Vending Machines shall at all times remain that of Vendor, including all monetary profits (with the exception of Company Payment) with respect to the Vending Machines. Proprietor shall have no right, title, or interest therein, and Proprietor is not authorized to grant any right or license with respect thereto except as expressly set forth in and permitted under this Agreement.

2.3 Theft and Vandalism. Proprietor shall take all reasonable precautions to assure that the Vending Machine(s) are not vandalized, damaged or manipulated in any way. Should theft of the products contained in the Vending Machine(s) or vandalism to the Vending Machines itself occur the Proprietor shall notify Vendor as soon as practicable. In the event that theft and/or vandalism continues Vendor reserves the right to remove the Vending Machine(s) without notice and without penalty, loss or default under this Agreement. All other Locations shall remain active.

3. Vendor's Obligations.

Vendor shall use its commercially reasonable efforts to install, regularly service and properly maintain the vending machines to Proprietor at the Locations. [Vendor shall install Vending Machines as soon as reasonably possible].

4. Utilities' Cost, Payments and Payment Terms.

4.1 Utilities' Cost. Proprietor shall furnish and bear the cost of all utilities necessary for the operation of the vending machines installed under this Agreement and shall furnish suitable utility outlets for use by vending machines at Locations. Such services shall be provided continuously by the Proprietor. In any event, the Proprietor shall not cause or permit the interruption of such services except in the event of an emergency or for the exception of an event agreed by either party to this Agreement.

4.2 Vendor Fees. Vendor hereby agrees to pay to Proprietor (€ [amount]) Euros per month per Location (referred to herein as "Company Payment").

4.3 Payment Terms. Payments shall be paid on or before the last day of each month and shall be made in Euros. Payments to [company name] shall be made to [address].

4.4 Late Payments. Amounts not paid when due shall be subject to interest at [interest rate in words] ([interest rate in numbers]) per month or, if less, the maximum rate of interest allowed by law, calculated from the due date. If any amount is not paid when due hereunder, in addition to such past due amounts, the party entitled to payment shall be entitled to recover from the other party the costs and expenses incurred in connection with collecting the same (including costs of investigation and attorney(s)'s fees).

5. Limitation of Liability.

IN NO EVENT SHALL EITHER PARTY BE LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT FOR LOSS OF PROFITS, COST OF PROCUREMENT OF SUBSTITUTE GOODS

OR SERVICES, OR INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY. EXCEPT WITH RESPECT TO A BREACH OF THIS AGREEMENT. THE LIABILITY OF EITHER PARTY FOR ANY CLAIM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT SHALL NOT EXCEED THE AMOUNT PAID BY VENDOR WITH RESPECT TO THE VENDING MACHINES GIVING RISE TO SUCH CLAIM.

6. Indemnity of the Parties.

If notified promptly in writing of any action (and all prior claims relating to such action) against either party based on a claim arising from Section 5 (Limitation of Liability), any material breach of this Agreement, or the negligence or willful misconduct of either party, the other party shall indemnify the other party and hold the other party harmless from and against any judgment, damage, liability, or expenses, including reasonable attorney's fees, arising out of any claim with respect to the breach or alleged breach of such warranty or this Agreement or such negligence or willful misconduct; provided that the other party shall have had sole control of the defense of any such action and all negotiations for its settlement or compromise; and, provided further, that no cost or expense shall be incurred for the account of the other party without its' prior written consent.

7. Independent Contractor Relationship.

7.1 No Employer-Employee Relationship. It is expressly understood and agreed that during the Term of this Agreement, Vendor's relationship to the Proprietor will be that of an independent contractor and that neither this Agreement nor the Services to be rendered hereunder shall for any purpose whatsoever or in any way or manner create any employer-employee relationship.

7.2 Taxes. Vendor shall have sole and exclusive responsibility for the payment of all federal, state and local income taxes, for all employment and disability insurance and for social security and other similar taxes, in each case with respect to any compensation or benefits provided by the Proprietor hereunder.

7.3 Compliance with Law. Vendor shall assume and accept all responsibilities which are imposed on independent contractors by any applicable statute, regulation, ruling or otherwise. Vendor represents and warrants that he is and will continue to be an independent merchant or enterprise within the meaning and requirement of any laws or customs [in the Territory]. Vendor will comply with the Company's policies and all applicable laws, rules, regulations and expressed public policies of [name of state] and will take no action in connection with his duties under this Agreement that would violate any such laws, rules, regulations and policies.

7.4 Not Authorized to Bind the Proprietor. Vendor shall not hold himself out or permit himself to be described otherwise than as an independent contractor of the Proprietor, and unless specifically authorized in advance in writing by the Proprietor, Vendor shall not enter into, assume, or incur any obligation on the Proprietor's behalf or transact any business for the Proprietor's account.

8. Compliance with Applicable Laws.

Vendor shall, at its own expense, comply with all applicable laws and make, obtain, and maintain in force at all times during the term of this Agreement, all filings, registrations, reports, licenses, permits and authorizations required under applicable law, regulation or order required for Vendor to perform its obligations under this Agreement.

9. Assignment.

Vendor [may / may not] assign, transfer or otherwise dispose of this Agreement in whole or in part to any individual, corporation or other entity without the prior written consent of the Proprietor, provided that Vendor shall continue to remain obligated to the Proprietor for the assignee's performance or breach of Vendor's duties and obligations hereunder.

10. Termination.

Notwithstanding anything herein to the contrary, either party may terminate this Agreement at any time with or without cause upon thirty [days in words] ([days in numbers]) days' prior written notice.

11. Miscellaneous.

11.1 Entire Agreement. The provisions of this Agreement, including any Appendices, constitutes the entire agreement between the parties with respect to the subject matter hereof, and this Agreement supersedes all prior agreements or representations, oral or written, regarding such subject matter. This Agreement may not be modified or amended except in a writing signed by a duly authorized representative of each party.

11.2 Governing Law. This Agreement will be construed in accordance with and governed by the laws of the [name of state] without regard to the principles of conflicts of laws thereof. In addition, the Proprietor and Vendor acknowledge and agree that the courts located in [name of county] shall have exclusive jurisdiction in any action or proceedings with respect to this Agreement, including the federal district courts located in such county.

11.3 Successors and Assigns. Except as otherwise expressly provided in this Agreement, this Agreement will be binding on, and will inure to the benefit of, the successors and permitted assigns of the parties to this Agreement. Nothing in this Agreement is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights or obligations under or by reason of this Agreement, except as expressly provided in this Agreement.

11.4 Force Majeure. If the performance of any obligation (other than payment obligations) under this Agreement is prevented, restricted or interfered with by reason of war, acts of terrorism, civil commotion, acts of public enemies, blockade, embargo, strikes, order, proclamation, regulation, ordinance, demand, or requirement having a legal effect of any government or any judicial authority or representative of any such government, or any other act whatsoever, whether similar or dissimilar to those referred to in this Section 11.4, which is beyond the reasonable control of the party affected, then the party so affected shall, upon giving prior written notice to the other party, be excused from such performance to the extent of such prevention, restriction, or interference, provided that the party so affected shall use reasonable commercial efforts to avoid or remove such causes of nonperformance, and shall continue performance hereunder with reasonable dispatch whenever such causes are removed.

11.5 Disputes. Any controversy, claim or dispute arising out of or relating to this Agreement, shall be settled by binding arbitration in [CITY/STATE]. Such arbitration shall be conducted in accordance with the then prevailing commercial arbitration rules of [NAME OF ARBITRATOR], with the following exceptions if in conflict: (a) one arbitrator shall be chosen by [ARBITRATOR]; (b) each party to the arbitration will pay its pro rata share of the expenses and fees of the arbitrator, together with other expenses of the arbitration incurred or approved by the arbitrator; and (c) arbitration may proceed in the absence of any party if written notice (pursuant to the Arbitrator's rules and regulations) of the proceeding has been given to such party. The parties agree to abide by all decisions and awards rendered in such proceedings. Such decisions and awards rendered by the arbitrator shall be final and conclusive and may be entered in any court having jurisdiction thereof as a basis of judgment and of the issuance of execution for its collection. All such controversies, claims or disputes shall be settled in this manner in lieu of any action at law or equity, provided however, that nothing in this subsection shall be construed as precluding bringing an action for injunctive relief or other equitable relief. The arbitrator shall not have the right to award punitive damages or speculative damages to either party and shall not have the power to amend this Agreement. IF FOR ANY REASON THE ARBITRATION CLAUSE BECOME INAPPLICABLE, any party to this agreement, upon giving written notice to other parties to this agreement, may apply to the legal courts applicable according to Agreement for resolution of the dispute.

11.6 Notices. All notices and other communications required or permitted hereunder will be in writing and will be delivered by hand or sent by overnight courier, fax or e-mail to the parties at the addresses first referenced above.

Each party may furnish an address substituting for the address given above by giving notice to the other parties in the manner prescribed by this section. All notices and other communications will be deemed to have been given upon actual receipt by (or tender to and rejection by) the intended recipient or any other person at the specified address of the intended recipient.

11.7 Construction. The titles of the sections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement. Unless the context of this Agreement clearly requires otherwise: (a) references to the plural include the singular, the singular the plural, and the part the whole, (b) references to one gender include all genders, (c) "or" has the inclusive meaning frequently identified with the phrase "and/or," (d) "including" has the inclusive meaning frequently identified with the phrase "including but not limited to" or "including without limitation," and (e) references to "hereunder," "herein" or "hereof" relate to this Agreement as a whole. Any reference in this Agreement to any statute, rule, regulation or agreement, including this Agreement, shall be deemed to include such statute, rule, regulation or agreement as it may be modified, varied, amended or supplemented from time to time.

11.8 Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties hereto with respect to the subject matter of this Agreement and supersedes all prior or contemporaneous agreements and understanding other than this Agreement relating to the subject matter hereof. No course of prior dealing between the parties and no usage of the trade shall be relevant to supplement or explain any term used herein. Acceptance or acquiescence in a course of performance rendered hereunder shall not be relevant to determine the meaning of these terms and conditions even though the accepting or acquiescing party has knowledge of the performance and opportunity for objection.

11.9 Amendment and Waiver. This Agreement may be amended only by a written agreement executed by the parties hereto. No provision of this Agreement may be waived except by a

written document executed by the party entitled to the benefits of the provision. No waiver of a provision will be deemed to be or will constitute a waiver of any other provision of this Agreement. A waiver will be effective only in the specific instance and for the purpose for which it was given, and will not constitute a continuing waiver.

11.10 Counterparts. This Agreement may be in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized representative as of the Effective Date.

[NAME OF COMPANY]

By: _____ Its: _____

[NAME OF VENDOR]

By: _____ Its: _____

Dated:



Appendix III: Site Survey Form for Employees

1. How many times per week do you buy snack or drinks from the vending machine(s) at work? (*check from list*)

- ☐ Less than once per week
- ☐ 1-2 times per week
- ☐ 3-4 times per week
- ☐ 5-6 times per week
- ☐ 7 or more times per week

If you use the machine less than once per week, skip to Question no. 13

If you use the machine at least 1-2 times per week, please answer the following questions.

What You Look For

When making a choice at a vending machine, how important is:
(Mark one box for each item)

		Not at all important		Somewhat important		Very important
2	Trying a product I've never had before:					
3	Taste:					
4	Price					
5	Number of calories:					
6	Amount of fat:					
7	Amount of carbohydrates:					
8	How "healthy" an item is:					
9	Watching my weight:					
10	Value for money:					
11	Buying my "usual" snack or drink:					
12	How hungry I am:					

13. Where do you usually get your food or drink for work? (*Check the boxes that apply*)

- ☐ bring from home (or the ingredients in case of tea/coffee)
- ☐ buy from nearby shop and consume at work
- ☐ eat/drink away from work
- ☐ buy from work site vending machines
- ☐ don't eat anything at work

14. I would like more hot-drink options in the drinks' vending machine(s) at work.

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree

15. I would like more cold-drink options in the drinks' vending machine(s) at work.

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree

16. I would like more tea options in the drinks' vending machine(s) at work.

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree

17. I would like more coffee options in the drinks' vending machine(s) at work.

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree

18. I would like more sweet snacks in the snack vending machine(s) at work.

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree

19. I would like more salty snacks in the snack vending machine(s) at work.

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree

Snack Suggestions: _____ Drink Suggestions: _____

20. On average, how much do you spend per week on the snack food vending machine?

- ☐ €0-€1.50
- ☐ €1.50-€2.00
- ☐ €2.00-€3.00
- ☐ More than €4.00 per week

21. Did you take a vending machine survey before joining [company/workplace name]?

- ☐ Yes
- ☐ No
- ☐ I cannot remember