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BURGER KING FRANCHISE – COSTS, FEES & EARNING STATS



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Liquid Capital: \$500,000

Net Worth Requirement: \$1,500,000+

Investment: \$1.79M - \$4.19M

Franchise Fee: \$50,000

Units in Operation: 18,700+

Founded: 1953

Franchising Since: 1959

Burger King first opened its doors in 1953 in Miami, Florida. The brainchild of Keith Cramer and Matthew Burns, the restaurant was originally conceived as a drive-in concept called Insta-Burger King. However, Insta-Burger King failed to take off so in 1959, Kramer and Burns sold the national rights to their restaurant to two local Miami businessmen, David Edgerton and James McLamore and it became the Burger King Corporation.

The new owners reopened the restaurant as Burger King and sold territories to franchisees. Under Edgerton and McLamore's stewardship, Burger King experienced tremendous growth and in 1967, Burger King was sold to the Pillsbury Company.

Today, Burger King is a global brand with over 18,000 restaurants in 100+ countries. Burger King is best known for its flame-grilled burgers and sandwiches, as well as its iconic Whopper sandwich. The chain also offers a variety of other menu items, including salads, chicken, and desserts.



IS BURGER KING A FRANCHISE OR CHAIN?

Most people know Burger King as a fast food restaurant, but not everyone knows that it's also a franchise (<https://wolfffranchises.com/what-is-a-franchise/>). Franchising is a type of business arrangement in which someone (the franchisor (<https://wolfffranchises.com/what-is-a-franchisor-definition/>)) grants another person (the franchisee) the right to use their business name, model, and other trademarks in exchange for a fee or fees.

The franchisee then opens a Burger King restaurant and agrees to operate it according to the franchisor's standards that are set forth in the franchise agreement (<https://wolfffranchises.com/franchise-agreement/>) that each franchisee signs. Franchises are popular because they allow businesses to expand quickly and efficiently.

However, they also come with some risks, as the franchisee (<https://wolfffranchises.com/what-is-a-franchisee/>) is essentially putting their faith in the franchisor's business model. In the case of Burger King, the franchise has been successful, with thousands of restaurants operating all over the world. For many people, a Burger King franchise is a great way to get into the fast food business.

HOW MANY BURGER KING FRANCHISES ARE THERE?

There are more than 18,700 Burger King restaurants worldwide in the Burger King system. Today, the company has franchises in over 100 countries, making it one of the most widespread fast food chains in the world.

While Burger King is best known for its burgers and fries, the menu also includes a variety of sandwich options, salads, and desserts. With its affordable prices and familiar menu items, it's no surprise that Burger King is one of the most popular fast food chains in the world.



HOW MUCH DOES A BURGER KING FRANCHISE COST?

People often wonder how much it would cost to open their own Burger King franchise. The answer, of course, depends on a number of factors. The initial investment for a Burger King franchise is typically between \$1,790,800 – \$4,194,700. This includes the cost of equipment, construction, and other startup expenses.

In addition to the initial investment, franchisees are also responsible for ongoing fees, such as royalties and marketing contributions. Of course, this is just a broad estimate – the actual cost will vary depending on the location and size of the franchise you choose to purchase.

While there are also other fees and requirements involved, franchisees must also meet minimum financial requirements. They must have \$500,000 USD in liquid assets and a net worth of at least \$1,000,000.

What is the Burger King franchise fee?

The Burger King franchise fee (<https://wolfffranchises.com/franchise-fee/>) is \$50,000 and has a term of 20 years. In addition to the initial franchisor fee, Burger King franchisees are charged a 4.5% royalty fee on gross sales and a 4% advertising fund fee on gross sales. There are also ongoing costs associated with being a Burger King franchisee, such as property lease payments, employee salaries, and ingredients for making the food.

While the upfront cost of becoming a Burger King franchisee may seem high, it is important to remember that Burger King is one of the most recognizable fast food brands in the world.

HOW MUCH DO BURGER KING FRANCHISE OWNERS MAKE?

Many people aspire to own their own business, and for some, that dream includes opening a fast food franchise. Burger King is one of the most popular choices for those looking to enter the world of franchising, but how much do Burger King franchise owners make?

Unfortunately, there is no simple answer to this question. The amount of money that a Burger King franchise owner can make depends on a number of factors, including the location of the restaurant, the size of the franchise, and the number of sales.

"Traditional" and "Non-Traditional" Restaurants
Percentage of Restaurants at Sales Level⁽³⁾
January 1, 2021 – December 31, 2021

Annual Sales Level - Range	Traditional ⁽¹⁾			Non-Traditional ⁽²⁾
	Consolidated	Company-owned	Franchisee-Owned	Franchisee-Owned
Above \$1.9M	17.5%	4.5%	17.6%	9.1%
\$1.7M-\$1.9M	10.0%	6.8%	10.1%	3.1%
\$1.5M-\$1.7M	14.1%	25.0%	14.0%	7.3%
\$1.3M-\$1.5M	17.5%	11.4%	17.6%	9.8%
\$1.1M-\$1.3M	17.3%	13.6%	17.3%	15.0%
\$0.9M-\$1.1M	13.7%	20.5%	13.7%	16.1%
\$0.7M-\$0.9M	6.9%	13.6%	6.9%	16.4%
Below \$0.7M	2.9%	4.5%	2.9%	23.2%
Total	100%	100%	100%	100%
Mean Average Sales	\$1,470,138	\$1,284,277	\$1,471,492	\$1,120,071
#/% Meeting or Exceeding Mean Average Sales	2,700 / 44%	21 / 48%	2,673 / 44%	288 / 42%
Median Sales	\$1,401,678	\$1,254,512	\$1,402,222	\$1,029,718
High Annual Sales	\$5,011,861	\$2,050,440	\$5,011,861	\$4,886,786
Low Annual Sales	\$244,682	\$579,844	\$244,682	\$48,318

Median sales for 2021 were around \$1.4 million overall and were \$1.2 million with franchisor-owned restaurants. The largest Burger King franchisees grossed \$1.9 million and up.

Unfortunately, Burger King doesn't publish how much franchise owners make each year. The best way to find out is to talk to Burger King franchise owners to get accurate numbers.

THE WOLF'S TAKE

Burger King is a billion-dollar brand that sits under Restaurant Brands International, which also owns Tim Horton's (<https://wolfffranchises.com/tim-hortons-franchise/>), Popeyes, and Firehouse Subs. Restaurant Brands International is worth \$23 billion on public markets – and as with all their brands, Burger King has an international brand known across the world.

While the brand power is impressive, Burger King does require a large investment and is likely out of the price range for many. Even so, only skilled operators should consider buying a Burger King franchise given the high investment barrier. Typically, they'll only consider operators with seven-figure net worth and at least \$500k liquid capital.

Unless you are looking to be a seasoned fast-food operator, there are plenty of other brands that are available for much a lower investment!

Did you know? Burger King is actually called Hungry Jack's (<https://wolfffranchises.com/hungry-jacks-burger-king-story/>) in Australia!

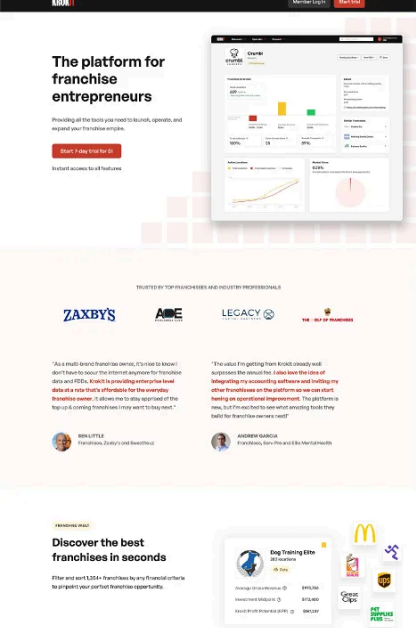
ENDING SUMMARY

A Burger King franchise is a good way to get into the fast food industry. There are thousands of Burger King franchises all over the world. If you're thinking about opening your own Burger King franchise, look at the franchise agreements, and remember to do your own research and consult with an experienced franchise lawyer (<https://wolfffranchises.com/what-does-a-franchise-lawyer-do/>) before making any decisions. Thanks for reading!

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The Wolf

The Wolf of Franchises is an industry insider who's sharing the secret sauce of how lucrative the franchising industry can be. He offers expert insight to help both new and existing franchise owners reach success.

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