

FAST FORWARD

A newsletter from the Association of Taco John's Franchisees

December 2014

Fast Forward

THE YEAR IN REVIEW

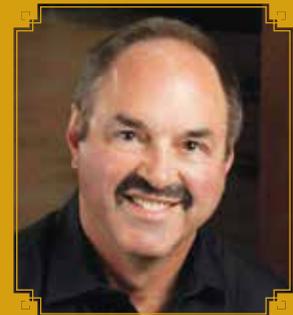
From the President – by Bryon Itterman

As we look back over the year, there are many important things the Association has been actively involved with. A lot of time was spent working to protect the interests of franchisees in connection with the new franchise agreement. As a result of much discussion and valuable input from our legal counsel (an additional resource engaged in representing the interests of ATJF members at no additional cost to members), the final version of the franchisee agreement can be considered more “franchise friendly.” The Association board supports the new agreement and will continue to work with TJI each year to achieve an even more mutually beneficial agreement.

Additional work has been done with TJI on the amendment to the franchise agreement having to do with royalty fees (along with discontinued cost mark-ups on proprietary items we are required to purchase) and marketing fees. We believe the final language is significantly better for franchisees than the original language.

Of course, it is important that you seek advice from knowledgeable sources before signing the new agreement or amendment. For the past few years, the Association has worked closely with the Dady & Gardner law firm based

in Minneapolis, and they are very familiar with these documents. If you want to speak with them, please contact Mark Dady at 612-359-5488.



As I write this article, we are putting the final touches on the operating profit study based on 2013. This valuable information will be made available to participants in late November or early December. In order to streamline the process, the ATJF has invested, on behalf of the membership, in custom software from The iBLeague™ to allow for more efficiencies and the ability to update the study on an annual basis going forward. There are 146 restaurants participating in the custom study providing information that is unavailable elsewhere. We plan to provide a presentation of the study during the ATJF membership meeting at the April 2015 National Convention in Palm Springs. We believe this will be another value-added benefit for ATJF members.

Speaking of convention, we have moved the dates to April this year. Be on the lookout for

Our Mission

Continued on page 2

“TO PROVIDE OUR MEMBERSHIP AN ENVIRONMENT FOR INCREASING LONG-TERM PROFITABILITY IN SUPPORT OF IMPROVED BUSINESS VALUE AND BRAND EQUITY.”

Association Directory

ADVERTISING PRODUCTION COMMITTEE

Rick Kammerer, Chairman	<i>brewed4me@aol.com</i>	641-420-2230
Jeff Bremer, Vice Chairman	<i>jbremer@quikserve.com</i>	402-884-2799
Dalton Ross	<i>daltonross@aol.com</i>	701-232-3791
Jack Nosal	<i>kmnosal@frontiernet.net</i>	402-606-9649
Jim Atkinson	<i>jdatkinson@charter.net</i>	507-451-2023
Doug Heidebrink	<i>tacos@premieronline.net</i>	712-545-4008
Brian Fuder	<i>tacjohn@prtcl.com</i>	218-998-1993
Dan Murray	<i>dan@risinghills.com</i>	605-339-9054
Sonny Pratt	<i>sonnyp@htc.net</i>	573-471-3344
Lance Peterson	<i>lancep@midco.net</i>	507-238-2322
Alex Habeeb	<i>alexanderhabeeb@yahoo.com</i>	815-939-1313

These franchisees serve on various boards and strive to represent your interests. Call them with your questions, comments, and concerns. They want to hear from you.

ASSOCIATION BOARD OF DIRECTORS

Bryon Itterman, President	<i>litterman@nvc.net</i>	605-229-2005
Jeff Brands, 1st VP	<i>jbrands@tj-cb.com</i>	605-367-0848
Walt Cressman, VP & Secretary	<i>waltcres10@aol.com</i>	612-804-9200
Denise Atkinson, VP & Treasurer	<i>tacjohns9439@gmail.com</i>	507-451-2023
Rick Kammerer	<i>brewed4me@aol.com</i>	641-420-2230
Scott Dominiack	<i>scottdom@usa.net</i>	605-692-6900
Gary Wofford, Executive Dir.	<i>garywofford@atjf.net</i>	877-455-4749

To learn more about Association membership or committee or Board participation, contact any member of the Board of Directors or the Association office by phone at 877-455-4749 or by email to ATJFranchisees@comcast.net.

THE YEAR IN REVIEW

Continued from page 1

the initial information package in the mail soon. We hope you will be joining us in Palm Springs!

I would like to take this opportunity to recognize Denise Atkinson, ATJF board member, who will be retiring from the board at the end of the year. Denise has served two 3-year terms and is now subject to term limits. I am sure you will join me in thanking Denise for her time, dedication, and service to fellow franchisees over the past 6 years. The election results of new ATJF board members will be announced in January 2015.

With the year winding down, we can look back on what has been an eventful year and one that I hope has been good for you. We look forward to a new year filled with new opportunities to grow sales and profits.

The Association membership numbers are stronger than ever, and I want to thank you for your support.

I would also like to take this opportunity to wish you and yours a happy and healthy holiday season.

CONGRATULATIONS, GARY!

This is quite an accomplishment, as we had to sneak this past Gary Wofford, who reviews all newsletter content. Gary is celebrating his 15th year as Executive Director of the Association. He's a true advocate for our franchisees and helps deliver the full value of the Association to its members.

What the Association stands for is really what Gary stands for. As we prepare to enjoy another National Convention, meticulously planned by Gary and his wife, Cindy, we just want to say thanks. We appreciate all you do for the Association.

We encourage franchisees to directly express their appreciation to Gary for his service.



Scene from the beautiful Marriott Desert Springs Resort & Spa, site of the 2015 National Convention.

NEW MARKETING LEADERSHIP FOR TACO JOHN'S ANNOUNCED

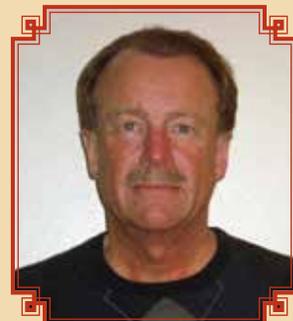
In July, Taco John's hired Billie Jo Waara as Chief Marketing Officer. Billie Jo comes to Taco John's from Lawrence & Schiller, our advertising agency. Before L&S, Billie Jo worked with the South Dakota Department of Tourism. Along with overseeing the Taco John's Marketing Department, Billie Jo will be supervising new product development.

By now, all co-ops have met with Renee Middleton, Field Marketing Director, to discuss the 2015 calendar. 2015 will be the **"Year of the Taco."** After starting out the year advertising **Baja Boneless Wings**, we will move into four consecutive taco promotions. We'll start with the **Fish Tacos**, followed by **Street Tacos, Walking Tacos**, and then finish with the **Puffy Taco**. 2015 will end with our old standby, **Nachos Navidad**.

There will also be five strike promotions during the year starting with the **Meat and Potato Burrito** in January, with **Cinco de Mayo, Six Pack and a Pound®**, a week of **Wake-Up Wednesday**, and **Mex & Match Pack** to follow throughout the year.

Starting with the 2016 promotional calendar, the process for setting calendar events will be a bit more defined. TJI has made a commitment to set the promotional calendar by June with fully tested menu items. Getting ahead will not only help the APC with our advertising production, but it should allow purchasing to be able to lock up better pricing on the products we'll be promoting.

Sale trends in 2014 have been encouraging with sales growth in each of the last nine months, including a high mark of 6.32% in September. Another encouraging sign is that transactions have grown four of the last six months, with a high of 3.65% in September.



RICK KAMMERER

On Nov. 10, the APC's digital subcommittee, led by Chairman Brian Fuder, met with TJI and Lawrence & Schiller staff to set the strategy for 2015. As digital advertising becomes more relevant, the influence of the subcommittee will be more important.

I would like to take this opportunity to recognize the contributions of some APC members whose terms expire this year. Jack Nosal, Dan Murray, Dalton Ross, and Sonny Pratt will be leaving the committee. Newly elected committee members will be announced soon.

The next APC meeting will be held on Dec. 10-11. Please contact an APC member if you have any questions or opinions you would like to share.

Wishing each of you a happy holiday season! 

2015 NATIONAL CONVENTION ANNOUNCED

The 2015 event is scheduled April 20-23 at the beautiful **JW Marriott Desert Springs Resort & Spa** in Palm Desert, CA. The Palm Springs area offers a combination of perfect weather, Hollywood glamour, and an intimate atmosphere that keeps Palm Springs the "A-list" of great destinations.

Planning is underway toward what will be an informative and productive event from start to completion. The initial registration and information package will be in the mail soon, so please be on the lookout. Be sure to save the dates and begin making plans to join with fellow franchise owners, managers, vendor partners, and the TJI team for this important annual event.

EVENT HIGHLIGHTS:

Monday, April 20: Primary arrival day for attendees with on-site registration and the evening welcome reception.

Tuesday, April 21: Opening general session featuring keynote speaker followed by the annual ATJF membership

meeting, which includes the presentation of the ATJF Profit Study.

Wednesday, April 22: The always-popular vendor exhibit show in the morning and the awards and recognition banquet that evening.

Thursday, April 23: Closing business sessions in the morning followed by the annual golf tournament in the afternoon and the closing party that evening.

Convention information will also be available on the Association website at www.atjf.net. If you have questions or need additional information, please email the Association office at garywofford@atjf.net or call 877-455-4749.

We look forward to seeing you in Palm Springs next April! 

ASSOCIATION OF TACO JOHN'S
FRANCHISEES, INC.
13563 Marion Drive
Thornton, CO 80241

ASSOCIATION INSURANCE PROGRAM = REAL SAVINGS FOR PARTICIPANTS

Thank you to all the franchisees currently participating in the Association Insurance Program. We have just finished our renewal cycle, and I am pleased to report that we retained 100% of the accounts in addition to adding 12 new stores this fall. The total number of participating locations is 227. Lori Hilmoie and I enjoy working with each and every one of you and thank you for your continued support of the program.

The Association Insurance Program has a proven track record of offering competitive pricing and coverage for more than 20 years. The fact that we retained all the accounts at renewal and continue to write new accounts confirms the fact that our pricing remains very competitive in the marketplace.

In addition to competitive pricing and coverage, the program is on a dividend plan. This means that you can potentially get premium back—based on the overall loss performance of the group. Last year, the Association Program earned a dividend of \$103,804. This was returned on a pro-rata basis to the participating members in the form of either a credit on their membership dues or direct rebate. In many cases, annual membership in the Association is free.

The Association Insurance Program is written through Allied Insurance and is available only through our agency. We have negotiated special pricing factors and coverages that are unique to the program. Our umbrella pricing for the Association is very competitive and starts at \$1,175 for

\$5 million in coverage at up to five locations. If you are insured with Allied but not through our agency, you are missing out on the special rates and dividend! Please give us a call so that we can help get you switched over the Association Plan.

In addition to property, general liability, workers compensation, auto, and umbrella coverage that we offer through Allied Insurance,

we are also able to write employment practices liability insurance (EPLI) for the franchisees through another market. This coverage is to protect you against claims such as wrongful termination, sexual harassment, discrimination, and invasion of privacy. EPLI is excluded on a standard general liability policy and the coverage must be purchased separately. The application form is very quick and easy, and we can generally get a quote turned around in a day or two. This is coverage that every Taco John's owner should consider purchasing.

If you aren't participating in the Association Insurance Program, you are missing out on one of the most valuable benefits of Association membership! Please call our office today and we can work with you to design an insurance package that meets all your needs. You can reach me or Lori at 800-431-6714.



AMY OLSON-MILLER
PRESIDENT, MCKINNEYOLSON
INSURANCE

