

FAST FORWARD

A newsletter from the Association of Taco John's Franchisees

February 2013

From the President – By Dale Gossett

STAGE SET FOR PROGRESS IN 2013

Well, we are through the holidays and into the beginning of 2013. Looking back at 2012, our brand, over all, experienced good sales growth and increased PSA. I hope this has also equated into higher profitability in your units, even with all the challenges of higher labor and backdoor costs. From discussions with many franchisees, 2012 seemed to have been a good year, and we look to 2013 being as good or even better!

The Association has many important things to accomplish this year, for there are many changes and unknowns for us as business owners and for our brand. As I write this article, there has been no announcement of a new CEO being hired. Our understanding is that TJI is down to two experienced and qualified candidates and are in the negotiation process. Hopefully by the time you read this, the CEO will have been announced. We look forward to meeting this person and to building a collaborative relationship, working toward a strong future for the brand and our association members.

I would like to take this opportunity to recognize and thank Mr. Barry Sims for his dedication to the Taco John's brand and the franchise community for the past 26 years, including the past four years as our CEO. As CEO it is at times difficult to bring balance to both the interests

of the franchisor and franchisee. Although we were not always in agreement, I never questioned Barry's sincerity in his approach to the issues at hand, and we wish Barry much success in his future endeavors.



DALE GOSSETT

STRATEGIC PLANNING MEETING

This past November, the Association Board and past ATJF Presidents met in Dallas for its Strategic Planning meeting. It was a productive two days with a great facilitator. We were able to bring better definition to what we felt were our brand strengths and weaknesses as well as things we felt were threats to long-term brand viability. We will look forward to scheduling what we believe is a very important meeting with the new CEO to share relevant results with him and to aid in his understanding of the Taco John's brand and priorities from our perspective.

ATJF BOARD ELECTION RESULTS

As a result of the December 2012 election, two new directors have been confirmed. I want to congratulate Mr. Rick Kammerer from Mason

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Our Mission

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

FROM THE PRESIDENT

Continued from page 1

City, IA, on his re-election to the board for another three-year term. I also want to recognize our newest board member, Mr. Jeff Brands of the Des Moines, IA, market. Jeff is not new to the board, as he has served on the board in the past and in the president's role in 2008. I appreciate the fact that we will have board members who have a history with the board at these important times.

Every year in January, during our first scheduled meeting, we welcome our newly elected board members and go through our election of board positions. Jeff replaces Craig Heath, who served on the board these last three years. Craig had served on the board previously and also was part of the 2004/2005 Pepsi/Coke contract negotiation taskforce. I want to thank Craig for his instrumental service on the board and to the franchise community.

After having the privilege of serving in the president's position on and off these past years, I decided to not seek re-election as president for 2013. During the January board meeting Mr. Bryon Ifterman from Aberdeen, SD, was elected ATJF President. I will continue to serve on the board this year with my term expiring at the end of 2013. I am truly grateful for the opportunity to have served on the board; this has been a rewarding experience for me.

With new leadership beginning with TJI this year, it makes sense for us to also look at new leadership, and anyone that knows Bryon knows he is a strong leader and will be a positive influence in moving our Association and brand interests forward. I want to congratulate Bryon and thank him for his ongoing dedication to the interests of all franchisees.

THE MARCH 2013 CONVENTION PUTS THE SPOTLIGHT ON THE FUTURE!

It won't be long before we are gathering in St. Petersburg, FL, at the beautiful Renaissance Vinoy® Resort & Golf Club for the 2013 Taco John's National Convention (March 24-27). Hopefully, you have already registered and made hotel reservations to be part of an important event in Taco John's history.

Convention Highlights:

- Meet and hear from the New Taco John's President & CEO.
- Learn more about The Affordable Care Act (ObamaCare) and how Taco John's franchise owners are affected.
- Keynote Presentation by Scott McKain – Monday, 3/25.



Scott's calling is business – and his passion is platform presentations. He is a unique combination of vast speaking experience and new, cutting-edge information. His presentations benefit from three decades of experience, combined with his innate talent for articulating successful ideas. McKain has spoken before and consulted for the world's most influential corporations, including Taco John's in 2009. And, he's back by popular demand!

- Special Presentation by Troy Hazard – Wednesday, 3/27



"No buzzwords, no hype, no slick sayings – just 20 years of real life stories as a global entrepreneur who delivers solid take-home messages and value for participants in audiences all over the world! Troy Hazard is—simply—authentic!"

- Informative Vendor Exhibit Show with new things to see
- Lots of networking, great food, & enjoyable entertainment

SCHEDULE OF EVENTS

SUNDAY, MARCH 24

Sunday will be the primary arrival day for attendees with onsite convention registration from 8 am to 5 pm. Everyone will gather together for the Welcome Reception from 6 to 9 pm on the Mezzanine Level of the hotel for catching up with friends, great food, and beverages.

MONDAY, MARCH 25

The day begins with a Continental Breakfast from 7:15 to 8 am before the first General Session at 8:15. This session will be highlighted by the introduction of the new Taco John's President & CEO and a Keynote presentation by Scott McKain. After the business session, Association members will convene for their Annual Luncheon Meeting with a special educational seminar on the Affordable Care Act (ObamaCare) and its impacts.

This day will conclude with the Golf Calcutta auction with beer and wine service.

TUESDAY, MARCH 26

Coffee and pastries will be served from 7:15 to 8 am, followed by the ever-popular Vendor Exhibit Show from 8 am to noon. The evening will begin with a cocktail reception

Continued on next page

QSPOS SYSTEM UPDATE STATUS

This spring, the updates to the QuikServe Solutions POS and Back Office systems will be made available to the entire franchise community. A few franchisees have been installed with the new system in the past few months and have been enjoying a preview of the new features.

Todd Geatches of Group 14 recently installed the updated system in a new location that opened in Longmont, CO. On opening his new restaurant with the QSPOS system in place, Todd says, "The Longmont, CO, restaurant was the highest-volume opening our group has encountered in our 35-plus years with Taco John's. The new QuikServe system worked flawlessly, and the QS Ambassador, Scot, was a true professional throughout the process. We could not be happier with the entire QuikServe team!"

The updated QSPOS system and QuikStation back office software were designed to provide many different benefits to restaurant operations as well as the customer experience. Added and improved functions were created with goals such as these in mind:

- Increase the ease of training new team members with a new user-friendly POS display.
- Drive profits through suggestive selling prompts for cashiers and customer-facing video images.
- Control food cost through management of inventory and food prep levels.
- Increase speed of service and order accuracy through a redesigned cashier screen and kitchen screen functionality.



- Send key performance indicators to your smartphone with information updated every 15 minutes.

The system has also been tested in the Taco John's corporate locations with their Management Team for the past year. Steve Smyth, Division Manager for TJI, says, "My team has really appreciated the convenience of the biometric readers. They have been excited about being part of the continued development of the iPad Restaurant Manager in their kitchens. When this system is complete, they look forward to the system giving them on-the-spot access to information." He also adds that there have been many positive responses from guests about the customer-facing video displays at the front counter.

QuikServe Solutions and Taco John's International are working with Panasonic to offer special pricing incentives and financing options on the new system. The system may also be purchased without some optional features as a way to control cost. Current Panasonic Stingray users can keep their existing terminals, and many restaurants may be able to reuse existing cash drawers and printers as well.

The new system will be on display with additional features at the upcoming Taco John's National Convention. We invite you to stop by the QuikServe booth and get your questions answered.

Phone 402.697.6041 www.quikserve.com

at 6:45 pm, leading up to the Awards and Recognition Banquet with great food, awards ceremony, and enjoyable entertainment.

WEDNESDAY, MARCH 27

A light breakfast will kick off the day from 7:30 to 8:15 am, followed by the second General Session from 8:30 to 11 am. Session will be highlighted by a special presentation from Troy Hazard – "Future Proofing Your Business."

After the session, golfers will head to the Vinoy Golf Club for the annual golf tournament.

The final evening will begin at 7:30 pm with a delicious buffet, entertainment, and a Casino Party – fun for everyone and a chance to win extra raffle tickets. The raffle drawings will be held toward the end of the evening.

Final agenda, including times and locations of events, will be distributed during onsite registration.

Thank you for the support provided to me as your president and thank you for your support of the Association. I look forward to seeing you soon at the convention in St. Petersburg!

MEMBER NEWS

The strong Association membership is getting even stronger with new members coming on board in the past few months. We are excited to welcome the following franchisees to the ATJF:

- ROBERT & JONI BERGAN VALLEY CITY, ND
- DR. A.K. TAYIEM LEAVENWORTH, KS (NEW STORE OPENING SOON)
- ROBERT & TIM HANLEY MONTROSE, CO
- DAN SALEM CARROLL, IA
- KIMBERLY JAGER MANHATTAN, KS

FRANCHISEE COMMITTEE APPOINTMENTS

Congratulations to the following ATJF members on their recent appointment to franchisee committees:

- DAVE ROSNO – BEATRICE, NE OPERATIONS COMMITTEE
- MARY OLSON – BLACK RIVER FALLS, WI W.I.N. COMMITTEE
- TAMMI HALVORSON – PADUCAH, KY MENU COMMITTEE
- TODD GEATCHES OF GROUP 14 MANAGEMENT HAS RETIRED FROM THE OPERATIONS AND MENU COMMITTEES DUE TO TERM LIMITS. THANK YOU, TODD!
- LEE ANN ROBERTSON OF OSHKOSH, WI, HAS RETIRED FROM THE W.I.N. COMMITTEE AFTER SEVERAL YEARS OF DEDICATED SERVICE. THANK YOU, LEE ANN!

ASSOCIATION BOARD

- BRYON ITTERMAN – ABERDEEN, SD ELECTED ATJF PRESIDENT
- JEFF BRANDS – DES MOINES, IA ELECTED TO 1ST TERM
- RICK KAMMERER – MASON CITY, IA RE-ELECTED TO 2ND TERM

Congratulations to all these franchisees and to the many others who volunteer their time serving on committees and boards benefiting all Taco John's franchisees.



Association Directory

ADVERTISING PRODUCTION COMMITTEE

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Craig Heath	cahtj@aol.com	712-253-4573
Rob Smith	rsmith@umn.edu	218-280-1002
Jeff Brands	jbrands@tacojohnsofiowa.com	605-367-0848

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Mary Olson	maryolson3@hotmail.com	715-284-3010

ASSOCIATION BOARD OF DIRECTORS

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Scott Dominiack, VP Menu Committee Liaison	scottdom@usa.net	605-692-6900
Gary Wofford Executive Director	atjfranchisees@comcast.net	877-455-4749

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.

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.



LOCATION COUNT

TRADITIONAL: 397

MEXPRESS®: 3

TOTAL: 400

FAST FORWARD – FEBRUARY 2013

FROM: SCOTT MCKAIN – 2013 CONVENTION KEYNOTE SPEAKER

Take just a moment...right now...and write down the names of the two biggest competitors to your Taco John's franchise.

My guess is that if I could look at your list, I would see that you've listed other players in your specific industry. (You've probably written another taco establishment – or others in the food industry.) And, you have just proven that most of us stereotypically define our competitors – and that holds the potential of causing us great harm in the future.

As I was doing the background research for one of my earlier books, I found what customers really wanted didn't vary much from industry to industry. The reason is because customers blend ALL of their experiences – both personal and professional – as their criteria for evaluating YOUR level of performance.

This means that your competition in regards to how customers view the level of service and engagement you've created for them is NOT limited to the food industry. Your competition is the service they received the time they stayed somewhere on vacation (If a bellman can remember their name, how come no one knows it despite repeated trips to Taco John's?)...the shopping experience they have at their favorite store...the

quality of the product and service they received at an Apple Store.

And, because of that, we can often overlook what's really important to Taco John's customers.

Not understanding your competition can be horrifically damaging. Folger's® thought its competition was Chase & Sanborn and missed out on what Starbucks created. Nokia thought its competition was Motorola and missed out on how Apple changed the industry.

At a recent session for leaders in the technology industry, I asked a group of executives this question: *"If you were going to create a start-up company to compete with you...what would it look like?"* We filled a flip chart with really terrific ideas.

Then, I asked them, "So, why aren't you doing these outstanding points?"

You can guess the answers: "We've never done it that way before." "Our competition isn't doing it, so why should we?" And on and on.

**TO BECOME MORE DISTINCTIVE AND STAND OUT,
CHANGE HOW YOU VIEW YOUR COMPETITION.**

The good news is...they decided to try. **And, so should you. To become more distinctive and stand out, change how you view your competition.**

If you were going to attempt to provide better service than any Taco John's, what would you do? And notice, this question means you should ask yourself not just how can you do it "better" – it also implies you should think about how you could do it "differently."

One more point on this: The level of customer service — not to mention the even higher standard of the customer experience (not specifically at Taco John's; I'm talking about customer service in general here) — is perceived by customers to be genuinely, consistently pretty awful. Hopefully, service and the customer experience delivered by your Taco John's employees are at much higher levels.

One of the ways Steve Jobs kept the best employees at Apple is that he wouldn't tolerate those who weren't "all

in." If you don't terminate those who aren't committed, you will eventually lose those who are.

Certainly, I realize you have to compensate and treat your employees right. And, I'm very aware of how difficult it is to obtain and retain top people in your business. However, the best people on your team are tired of carrying the load for the slackers. Sooner or later, this discontent will either show up in your top employees' performance...or their absence.

If you want customers to keep coming back to your Taco John's, be creative enough to find better and innovative ways to serve them; and focus on those members of your team who are doing what it takes to deliver an "Ultimate Customer Experience®."

I am very excited about being with you at the upcoming Taco John's National Convention in St. Petersburg, FL. I'll be helping kick things off during the first General Session on Monday morning. I hope to see you there! 



ASSOCIATION OF TACO JOHN'S
FRANCHISEES, INC.
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2013 Taco John's National Convention

MARCH 24 – 27

RENAISSANCE VINOY® RESORT & GOLF CLUB
ST. PETERSBURG, FL



Don't miss it!!

FOR INFORMATION, PLEASE CONTACT THE ASSOCIATION OFFICE:

877-455-4749 OR GARYWOFFORD@ATJF.NET

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