

FAST FORWARD

A newsletter from the Association of Taco John's Franchisees

November 2016

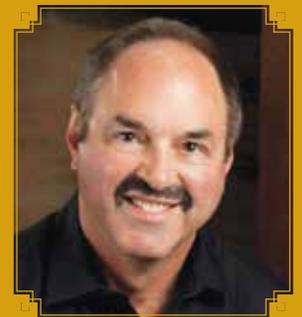
A NEW START

By Bryon Itterman, Association President

The last 90 days have been a busy time in the Taco John's chain. The decision to promote Jim Creel to President and CEO of Taco John's has created a much improved environment of renewed excitement and hope for the future. As I said in my speech at Hilton Head, no group has a monopoly on good ideas. We are a better chain when all stakeholders work together. I believe Jim's appointment is a significant step towards open and honest communication between all of us involved in the Taco John's brand.

It is always exciting to look at the possibilities that come with a new start. I have had the pleasure of working closely with Jim the last few months. I believe he is committed to making Taco John's a profitable, growing chain for the benefit of both franchisees and the franchisor. Jim has been busy

putting his team in place. I look forward to seeing the future plans being developed by this group under his leadership.



I want to thank you for supporting the Association as we worked through some tough issues recently. We are proud, respect our strong membership and appreciate your support. We will continue to work in your best interests.

2017 will be a year filled with challenges and opportunities. It can be a new day for Taco John's as I believe our brand is now well-positioned for profitable restaurants and new unit growth. I hope all of you have a great holiday season with friends and family. See you in Tucson next year!

2017 NATIONAL CONVENTION ANNOUNCED



The Association board of directors and Taco John's International are excited to announce the 2017 Taco John's National Convention and Vendor Show.

April 24 - 27 • JW Marriott Tucson Starr Pass Resort • Tucson, Arizona

You'll enjoy spending time in the Tucson area ... where you'll skip the Southwest stereotypes and experience the real deal, where history is right at your fingertips and where nature is all around you. With museums, historic sites, hiking trails, movie sets and shopping around every corner, Tucson gives you freedom to roam, exploring a part of the country like no other.

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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."

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
Jim Atkinson	<i>jimatkinson58@gmail.com</i>	507-451-2023
Doug Heidebrink	<i>tacos@premieronline.net</i>	712-545-4008
Brian Fuder	<i>tacojohn@prtcl.com</i>	218-998-1993
Lance Peterson	<i>lancep@midco.net</i>	507-238-2322
Alex Habeeb	<i>alexanderhabeeb@yahoo.com</i>	815-939-1313
Ted Miller	<i>tedkmiller@gmail.com</i>	605-728-6616
Dale Gossett	<i>gossettdc@msn.com</i>	701-226-2567
Eric McBroom	<i>emcbroom22@yahoo.com</i>	763-390-7092

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>itterman@pentexmanagement.com</i>	605-229-2005
Walt Cressman 1st VP, Secretary & Insurance Liaison	<i>waltcres10@aol.com</i>	612-804-9200
Jim Atkinson VP, Treasurer & Purchasing/Technology Liaison	<i>jimatkinson58@gmail.com</i>	507-451-2023
Jeff Bremer VP & Marketing Liaison	<i>jbremer@quikserve.com</i>	402-884-2799
Scott Dominiack VP & Operations Liaison	<i>scottdom@usa.net</i>	605-692-6900
Mike Sartwell VP & Development Liaison	<i>mikesartwell@gmail.com</i>	701-838-3996
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 ATJFFranchisees@comcast.net.

2016 ATJF DIRECTOR ELECTIONS UNDERWAY

The nomination and election process to fill two director positions for the Association of Taco John's Franchisees, Inc. (ATJF) board of directors is underway.

Having served two consecutive three-year terms, Director Scott Dominiack will be retiring from the board at the end of the year due to term limits. Scott has provided dedicated service to his fellow franchisees while fulfilling his roles as Operations and Menu Liaison during his terms. We all owe Scott our appreciation for his contributions to the ATJF.

At the end of the year, Director Walt Cressman will have completed one three-year term. In keeping with the ATJF bylaws, Walt is eligible for re-election. His name will appear on the 2016 ballot.

STEP 1: NOMINATION PROCESS

Nominations for ATJF director are accepted until Nov. 15, 2016. Persons can be self-nominated or nominated by other ATJF members in good standing, with the approval of the nominated individual. Nominations will only be accepted if the nominee qualifies for the open positions.

STEP 2: ELECTION PROCESS

The names of qualified nominees will be placed on the ballot for election to the position of ATJF director. Ballots will be mailed in late November. They are due by end of business on Dec. 15. Ballots will be counted and the results will be confirmed by the ATJF board of directors. The official results will be communicated to the ATJF membership in January 2017.

The two newly elected directors will begin their three-year terms on Jan. 1, 2017.

ATJF directors are asked to participate in regularly scheduled monthly teleconference meetings and typically one or two personal meetings (requiring travel) with representatives of Taco John's International, Inc. (TJI) each year. Additionally, each director will be assigned a certain liaison responsibility for a TJI department and/or a Franchisee Committee for communications purposes along with responsibilities for the annual National Franchisee Convention.

Thank you for your support of the Association and for your participation in this important process. If you should have questions or require additional information on this process or other opportunities to serve on franchisee committees, please contact any ATJF Director or the ATJF office.



ATJF INSURANCE PROGRAM CHANGE BRINGS IMPROVEMENTS

By Walt Cressman, Insurance Program Liaison

Amy Olson-Miller, McKinneyOlson Insurance

With the change of seasons also comes significant change to the Association Insurance Program (AIP). After almost 20 years with Allied/Nationwide, the insurance carrier for the program has been changed to Continental Western Group (CWG).

Every three years, we go to market with the Association Insurance Program and secure proposals from insurance carriers. This year, we had several companies put together competitive packages for us. When reviewing the options with the Association board of directors, we took into consideration price, coverage, dividend offering and services provided. After careful evaluation, the Association board voted unanimously to go with CWG.

CWG is an A+ rated company owned by W.R. Berkley Corporation. They are headquartered in Des Moines, Iowa. From a pricing and coverage standpoint, CWG is very competitive. In most all cases, CWG was able to meet or beat the pricing from Nationwide. CWG is offering a guaranteed safety dividend of 0.5%. This will be paid to the Association regardless of loss ratio. In addition, their program offers the potential to earn up to a 7% dividend on the work comp portion of the policy and a 10% dividend on the package portion. These dividends are based on the overall loss ratio of the group and are calculated six months after the expiration of the policy.

The coverage and pricing being offered through the Association Insurance Program are unique to the program and can only be purchased through McKinneyOlson Insurance. We are rating the general liability based on a negotiated sales basis and providing endorsements that are exclusively advantageous to participants in the program. CWG is including a franchise upgrade endorsement and business income from food contamination endorsement that are specific to the Taco John's Program.

CWG has dedicated a claims liaison for the Association Insurance Program. While this individual will not necessarily handle every claim, she will be aware of all claims and will be a resource for any questions or issues that should arise. Preventing losses is obviously the key to keeping our loss ratios low. CWG also has a dedicated loss control liaison. This individual will coordinate loss control visits to the stores and will be a resource for any Association member wanting

assistance with loss prevention and management.

At McKinneyOlson Insurance, we pride ourselves on providing outstanding service to the Association membership. We expect the transition to CWG to go smoothly. We are excited about the changes and look forward to continuing to work with the membership to grow the program. We encourage franchisees not currently enjoying the benefits of the Association Insurance Program to contact our office for a quote. In most cases, we are able to get a quote turned around in a day or so.



As an additional benefit of Association membership, participation in the ATJF Insurance Program is the only way to receive all the coverage required by your franchise agreement along with other unique and proprietary coverages offered to the benefit of member participants.

Long-term Franchise Owner Walt Cressman, in his capacity as ATJF first vice president and insurance program liaison, shares the following statement...

"On behalf of my fellow board members, I want to assure our membership that we have carefully examined and reviewed the change of insurance carriers for our association. We have traditionally reviewed our carrier every three years or so. For many years, Allied/ Nationwide was the clear choice and has been a valued partner in our business. We want to thank them for their good service and value as a business partner. Yet it is

our responsibility to our membership to always search out better service, value and quality of coverage for our group. This year, CWG was the clear choice as the best option for our program. Their commitment to guaranteed dividends, inclusion of coverages specific to our association, and value in competitive pricing all make them the best choice for our group. We look forward to working with them and developing our relationship in the years to come."

If you should have questions or need additional information, or would like to get a quote, please contact either Lori Hilmoe or Amy Olson-Miller at McKinneyOlson Insurance at 1-800-431-6714.

The McKinneyOlson and CWG team will be in attendance at the April 2017 National Convention in Tucson and look forward to seeing you there. 





2017 NATIONAL CONVENTION

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We've received input from the franchise community through a pre-event survey that will be very helpful while planning the agenda, which will include timely topics, answers to your questions, terrific guest speakers and an expanded vendor show.

We're working hard to make this a must-attend event ... one you don't want to miss!

PRELIMINARY 2017 CONVENTION SCHEDULE

Monday, April 24:

On-Site Registration, Grand Welcome Reception

Tuesday, April 25:

On-Site Registration, General Session 1, ATJF Membership Meeting, Golf Calcutta

Wednesday, April 26:

Vendor Exhibit Show, Awards Banquet

Thursday, April 27:

General Session 2, Golf Tournament and Activities, Buffet Dinner

It's a new day for Taco John's with new corporate leadership, renewed energy and opportunities. It's going to be great; and it's not too soon to begin making your plans to be part of it!

Convention information/registration package will be mailed December 2016.

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THE NEXT CHAPTER

*By Jim Creel, Taco John's International, Inc.
President & CEO*

It has been over two months since I had the honor of being named President and CEO of this great company. It's been a hectic and exciting time with lots of travel to visit prospects and franchisees who have recently signed area development agreements. I have also had the pleasure of talking with many franchisees who have provided a plethora of thoughtful, creative ideas and suggestions to consider. Believe me, I will consider all of them. One of the most important things I have had the opportunity to engage in is the reorganization of our internal staff and departments. I wanted to share these changes with you so everyone knows where we are and who now heads up each department.

Renee Swisher has been promoted to Vice President of Finance & Technology. She is overseeing our accounting and internal information technology functions. Renee has over 20 years with Taco John's and has comfortably assumed her new role. Bert Grant was promoted to Controller and has assumed the role Renee formerly held. Bert has been with Taco John's for seven years. He is doing a great job as well.

Stephanie Gooden has returned as the Vice President of HR & Training and brings over 30 years of experience with the chain. With Lynn Singer, a 20-year employee, already in place, the HR function is nearly fully staffed. Stephanie has not missed a beat in her return and is busy working with our operations team to build a quality training department. It is her mission to provide quality training and training materials going forward.

Van Ingram has assumed responsibility for Design & Construction

as well as assuming all responsibilities for the Development Department. Van has a wealth of experience in the industry and several years with our brand to draw upon. This is a key role and Van is certainly up for the challenge.

Rocky Clark is heading up our operations team. Although Rocky has only been here for a few years, his background and extensive knowledge of restaurant operations is putting him in a perfect position to lead us going forward. Rocky is working to revise our Brand Execution Review to make it even more effective. We feel good about our operations field team and are confident we have the right people in place to provide the support you as franchisees expect.

Our main goal remains supporting our franchisee partners and moving this amazing chain forward with improved profits for franchisees and growth in both sales and number of locations. I hope everyone plans to attend the 2017 National Convention in Tucson as that is where we will unveil our plans and priorities for 2017 and beyond!

I want to encourage open, honest communication among all stakeholders. And I hope I can count on your continued support as we begin this next chapter in our history.



APC - MARKETING UPDATE

By Jim Atkinson, APC Member

The most recent meeting of the Taco John's Advertising Production Committee (APC) was held Sept. 7-8. The main topics discussed were the first quarter of 2017 and the new second wave plan of marketing.

HERE'S A SUMMARY OF WHAT'S AHEAD:

The popular Nachos Navidad promotion will have a new twist in 2016 with the addition of the Queso Chicken option. The original Beef Super Nachos will also be available.

Jan. 2-22, we will be promoting four of our popular combo meals for \$5 each. Included in this value-priced message will be the Crispy Tacos meal, Taco Bravo meal, Stuffed Grilled Taco meal and Beef Meat and Potato Burrito meal.

For the Lenten season from Feb. 13 to March 26, the plan is to bring back Fish Tacos and Shrimp Street Tacos.

Other notables include new POP for the Chicken and Gravy Breakfast Burrito. Pork and steak options are also under consideration as new protein for 2017.

HOLIDAY GIFT CARDS

New holiday gift cards are available from GFX this year. Cards are available in four different packages. They are NOT included in the Nachos Navidad POP kit, so be sure to place your order as gift cards continue to be popular gifts!

AD PRODUCTION COMMITTEE ELECTIONS

Remember to vote for upcoming APC elections. Franchisees that are running are Aaron Holthaus, Alex Habeeb, Brian Fuder and Terry Wissink. During this election, we can consider ourselves fortunate there will be no long campaigns, derogatory ads or debates scheduled for these candidates.

The next meeting of the APC will be held Dec. 7-8. Please feel free to contact any APC member with your questions, comments or concerns. We represent you and want to hear from you.

I would also like to take this opportunity to wish you and your families a joyful holiday season!



Shrimp Street Tacos will be back for the Lenten season in 2017.

SHRIMP STREET TACOS

