

# FAST FORWARD

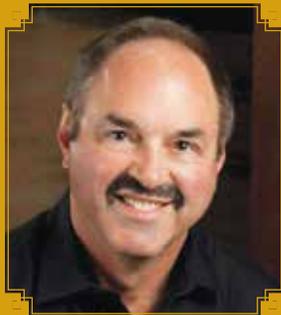
*A newsletter from the Association of Taco John's Franchisees*

Spring 2017

## FROM THE PRESIDENT

*By Bryon Itterman, Association President*

In the last newsletter I mentioned I had been working with Jim Creel on some new opportunities. One of our priorities has been to increase communication between the franchisees, Taco John's International (TJI) senior staff and the TJI board of directors. In the last few months, we have taken some initial steps to accomplish that goal. The Association board met with Jim's senior leadership team in December. At that meeting each department head shared their mission statement and the plans they had for 2017. This provided a great opportunity for discussion about the priorities of TJI and how they affect the franchisees and our customers.



In the extremely competitive environment in which we find ourselves, we must be focused on only the best ideas. It is often easy to get caught up in activity that doesn't move us toward our goals of improving sales and profit. We must be disciplined to always filter our initiatives based on results, not on creating activity. The December meeting helped accomplish that goal.

Our customers continue to ask more from us each day by demanding new products and great

service, and we will address both in 2017. This will be a year of new products with the introduction of pork and steak. I am also encouraged by the creation of the new TJI training department, which is tasked with helping us deliver service that consistently meets our guests' expectations. Each franchise must have a plan to execute at a level that makes us competitive in our markets. Success only comes when each of us does our part.

### FRANCHISEE PERSPECTIVE

One other new opportunity for communication has been created by the TJI board of directors. As Association of Taco John's Franchisees (ATJF) president, I have been invited to share an overview of the system from the franchisees' perspective at the beginning of their past two board meetings. This has allowed direct communication to the board without staff in the room. I look forward to this direct interaction in the future, which helps all of us do our part in moving TJ's forward.

I hope everyone is enjoying the better weather February has brought us after a tough start to 2017. We will need to work hard to make up for some of the lost sales we all experienced in January.

Now would be a great time to get your registration in for the 2017 convention. The ATJF is working with TJI to bring an upgraded experience to Tucson this year. I hope to see you there. 

## *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

<b>Rick Kammerer, Chairman</b>	<i>brewed4me@aol.com</i>	<b>641-420-2230</b>
<b>Brian Fuder, Vice Chairman</b>	<i>tacojohn@prtcl.com</i>	<b>218-998-1993</b>
<b>Jeff Bremer, Vice Chairman</b>	<i>jbremer@quikserve.com</i>	<b>402-884-2799</b>
<b>Todd Geatches</b>	<i>todd.rtm@icloud.com</i>	<b>970-396-9297</b>
<b>Alex Habeeb</b>	<i>alexanderhabeeb@yahoo.com</i>	<b>815-939-1313</b>
<b>Brett Itterman</b>	<i>bitterman@pentexmanagement.com</i>	<b>605-229-2005</b>
<b>Ted Miller</b>	<i>tedkmiller@gmail.com</i>	<b>605-728-6616</b>
<b>Dale Gossett</b>	<i>gossettdc@msn.com</i>	<b>701-226-2567</b>
<b>Eric McBroom</b>	<i>emcbroom22@yahoo.com</i>	<b>763-390-7092</b>

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

<b>Bryon Itterman</b> President	<i>itterman@pentexmanagement.com</i>	<b>605-229-2005</b>
<b>Walt Cressman</b> 1st VP, Secretary & Insurance/Legal/Finance/IT Liaison	<i>waltcres10@aol.com</i>	<b>612-804-9200</b>
<b>Jim Atkinson</b> VP, Treasurer & Operations/Training Liaison	<i>jimatkinson58@gmail.com</i>	<b>507-451-2023</b>
<b>Jeff Bremer</b> Marketing Liaison	<i>jbremer@quikserve.com</i>	<b>402-884-2799</b>
<b>Jeff Brands</b> VP & Supply Chain Liaison	<i>jibrands@tjiowa.com</i>	<b>605-338-1330</b>
<b>Mike Sartwell</b> VP & Development Liaison	<i>mikesartwell@gmail.com</i>	<b>701-838-3996</b>
<b>Gary Wofford</b> Executive Dir.	<i>garywofford@atjf.net</i>	<b>877-455-4749</b>

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](mailto:ATJFranchisees@comcast.net).

## 2017 ASSOCIATION BOARD ELECTIONS CONFIRMED

During the December 2016 ATJF board meeting, the election of two new directors was confirmed. Jeff Brands (Iowa) was elected to his initial three-year term and Walt Cressman (Minnesota) was re-elected to a second three-year term that began January 2017.

Jeff and Walt will join incumbents Jim Atkinson, Jeff Bremer, Bryon Itterman and Mike Sartwell on the board, with Bryon re-elected as president for 2017.

To enhance communications between TJI and the franchise community, each director has a special liaison responsibility summarized as follows:

- **Bryon Itterman** – Liaison, TJI Executive Department
- **Walt Cressman** – Liaison, ATJF Insurance Program, TJI Legal & IT Departments
- **Mike Sartwell** – Liaison, TJI Development Department
- **Jeff Bremer** – Liaison, TJI Marketing Department
- **Jim Atkinson** – Liaison, TJI Operations & Training Departments
- **Jeff Brands** – Liaison, TJI Supply Chain Department

Having completed two consecutive terms, Scott Dominiack (South Dakota) has retired from the board. 2017 marks the 25th anniversary of the Association, and it is appropriate to recognize Scott as one of the founding directors back in 1992. We all owe Scott our appreciation for his many years of service to his fellow franchise owners. Thank you, Scott!



**Walt Cressman**



**Jeff Brands**



**Scott Dominiack**

# ATJF INSURANCE PROGRAM CONTINUES TO GROW

*By Amy Olson-Miller, McKinneyOlson Insurance*

I am pleased to report that the transition of the Association Insurance Program to Continental Western Group (CWG) is going very smoothly. We have been successful in adding 21 new locations to the program since Oct. 1, including the stores owned by TJI.

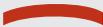
"When you have been with your local insurance agency for over 30 years, you do not take insurance agency changes lightly," said Renee Swisher, Vice President of Finance & Technology at Taco John's International. "The restaurant insurance package, the savings and the benefits offered through the Association of Taco John's Franchisees made it worthwhile for Taco John's International to make the change. Amy Olson-Miller and her staff at McKinneyOlson Insurance have been very responsive in answering all of my questions. The price savings is significant even before the guaranteed dividend. Based on our experience in signing our 2017 insurance policies, we intend to investigate moving more of our insurance business to the Association's insurance program in the future."

For those stores not taking advantage of the many benefits of the insurance program through McKinneyOlson Insurance and CWG, I encourage you to give our office a call. The quoting process is very simple and only a limited amount of information is needed to provide you with a quote. As we currently write over 250 locations, we are in touch with the coverage needs of the Taco John's franchisees and will

work with you to provide a competitively priced package with top-notch coverage.

In addition to the property, liability, workers compensation and umbrella policies offered through our office, we also have a very competitive product for employment practices liability insurance.

Because employment-related claims are excluded under general liability policies, this is an important coverage for every franchisee to consider. The policy covers allegations of discrimination, sexual harassment, wrongful termination and other employment-related situations. The application is very simple and rating is based on the number of full-time and part-time employees. I would encourage every franchisee to consider purchasing this coverage, as these types of claims can be very expensive to defend and settlements tend to be large. The insurance company also offers a vast library of human resources information and workforce training, all of which is free to policyholders.

To those of you who are current customers, thank you! For those franchisees that are not currently participating in the program, I challenge you to give us a call so that we can get you signed up! You can reach me or Lori Hilmoe at 800-431-6714. 



# MARKETING UPDATE

*By Jeff Bremer, ATJF Director and Marketing Liaison*

**T**he most recent meeting of the Ad Production Committee (APC) was held in February. Following are some highlights from this meeting: APC Chairman Rick Kammerer (Mason City, Iowa) welcomed newly appointed Vice Chair Brian Fuder (Fergus Falls, Minnesota) and new committee member Brett Itterman (appointed by the ATJF) to the meeting.



For the most part, winter is behind us. We can begin looking at improved weather to support better sales. Hopefully, the fish and shrimp promotion has been successful for your business. Now, it's time to begin preparations and gear up for what's ahead:

- Pork Carnitas Quesadilla Tacos are on the way, and we should see some exciting opportunities here to drive home some great guest trials. Please make sure you review all marketing information that arrives for this upcoming LTO.
- The Cinco de Mayo promotion is in the works, with May 5 falling on a Friday this year.
- The APC has approved funding assistance for two of the three Valassis mailers available. As a co-op, you will need to decide which ones you want and follow the itemized details. Please reach out to Annie Carlson, TJI Field Marketing Manager, for more information at 307-421-6542.
- The digital marketing subcommittee met in January for a one-day strategic meeting focusing on plans for 2017. Be sure to attend your next advertising co-op meeting to learn about our stronger focus on Taco John's brand building opportunities and where this will be leading us.
- There will be many more details defining the Taco John's marketing strategy shared at the April National Convention event in Tucson. I hope you are making plans to be there and be part of it!

Please feel free to contact any member of the APC to ask questions or share your opinions and comments. See contact information within this newsletter. 



# 2017 TACO JOHN'S NATIONAL CONVENTION

The April 24-27 National Convention is just around the corner, and the Taco John's family will soon be gathering at the JW Marriott Starr Pass Resort in Tucson.

We've listened to the franchise community and have planned an agenda filled with strong content and top speakers. This is an event you don't want to miss!

## GENERAL SESSIONS HIGHLIGHTS

Join ATJF President Bryon Itterman and Taco John's CEO Jim Creel during the opening general session as they welcome attendees, inviting them to "go big" in 2017.

Jim Creel will facilitate a first-ever "fireside chat" with company shareholders and board members. They will share perspectives and answer important questions from the franchisee community. This session will surely be beneficial to all attendees and of particular interest to franchise owners.

## TOP SPEAKERS

### WALTER BOND - "THINK – EXECUTE – DOMINATE"

Back by popular demand, this top-10 motivational speaker has been invited to help kickoff the first general session on Tuesday. Walter is bringing a new, custom message, and whether you heard him in 2015 or not, you are in for a real treat!

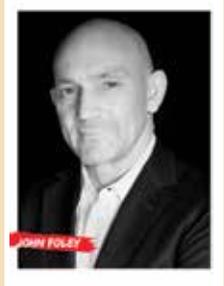


After several stellar high school seasons, Walter earned a scholarship on the University of Minnesota basketball team. As an average college player who was overlooked by the NBA, Walter tapped into a "peak performance" mindset, changed his work ethic and found himself as a professional NBA player for the Dallas Mavericks.

Walter shares stories, lessons and the type of motivation that sparks superstars to success, moves average players into action and excites attendees to come back for more.

### JOHN FOLEY - "DYNAMIC-ENERGIZING-DIFFERENT"- INSPIRING GREATNESS IN YOUR TEAMS

To transition from a Navy carrier pilot to lead solo of the Blue Angels Flight Demonstration Squadron, John Foley had to improve his performance by 300%. He became one of the top pilots in the world, applying principles that would become the basis for his breakthrough Diamond Performance® Framework.



Using high-impact video and exciting stories from the cockpit, John delivers an actionable framework for high performance that combines insights gleaned from the unique experience as lead solo pilot of the Blue Angels with wisdom gained earning a master's degree in strategic management from the Stanford School of Business. John's presentation during Thursday's general session will leave the audience with just one question: How good do you want to be?

With new corporate leadership, there is an emerging environment of renewed energy and opportunities. It's going to be great. If you have not already registered for the 2017 event, it's not too late to be part of it—but you must act today!

You can register for the convention and make hotel reservations by going to the Association website: [www.atjf.net](http://www.atjf.net). So, don't delay and do it today. We hope to see you in Tucson!

## SUPPLY CHAIN UPDATE

By Ted Suor, TJI Vice President of Supply Chain

We had another good year in 2016 relative to lowering costs in the food and non-food categories. For market-basket food items representing 60% of the total food spend, we saw back-to-back years of deflation in 2015 and 2016. Specifically, in 2016 we saved \$2.4 million in food expenditures and \$431,789 in paper and

disposables expenditures. Along with these savings, we also changed distributors for the chain.

We anticipate 2017 market forces will impact our costs. Many of the markets we manage have come off unsustainable lows. Look for a cost-of-goods inflation factor of 1% to 1.5% in 2017.

I will speak more about this at the convention this year. I hope to see you there.



## KEEP CLOSE TABS ON YOUR RESTAURANT LABOR COSTS

**A**ccording to the National Restaurant Association's 2016 Restaurant Operations Report, it requires one-third of your sales to cover labor costs in a typical restaurant. This means that any increases in labor costs can have a significant impact on your bottom line.

To cut down on unnecessary spending, make data-driven staffing decisions. Excellent customer service and staff retention are always top priorities, and your staff is on the front lines of the customer experience. Equip your employees with the information they need to perform well, and strategically place them in roles where they are needed and feel passionate about their work.

Here are four ways to optimize your labor costs:

**1. Compile data.** Get granular with it. Dive deeper than simply identifying your restaurant's peak service periods. Look for any overtime trends in your restaurant, and then determine how to get those numbers down without negatively affecting your operations.

**2. Avoid overstaffing or understaffing.** Too many staff standing around the dining space can be off-putting to guests, and not enough staff in front or back of the house can lead to bottlenecks and frustrated customers. Analyze your data, and make adjustments accordingly.

**3. Stagger departures and arrivals.** Instead of setting block schedules that have singular arrival

and departure times per shift, consider spreading out scheduled clock-ins and -outs by about 15 minutes for select positions. This can help eliminate the chance of not having enough employees on the floor.

**4. Simplify your scheduling process.** According to the NRA's 2016 Mapping the Technology Landscape research, about a third of restaurants currently use digital scheduling tools. When schedules are available online, employees can reference them from wherever they are as they wish. If they'd like to make a change, they can request the modification within the scheduling tool. If the change is approved by the manager, all of the scheduled staff can view that change, which eliminates confusion about who's working and at what times.

This content was provided by National Restaurant Association's sponsor, HotSchedules.

