

PATENT OWNER

EXHIBIT 2018

FS/TEC Awards 2009

At 1:23

Rob Grimes: Ok So let's hand out some awards to we can get down to the nitty gritty with this year's winners. The FS/TEC 2009 project excellence award goes to Church's Chicken. The Atlanta based Church's is being recognized for the deployment of purchasing, and invoice management software in all 260 company operated quick service restaurants. The roll out Church's IT leaders said streamline unit level purchasing processes through electronic invoicing and automation of certain previously manual tasks, including data entry. The result was improved order accuracy and delivery management while cutting the time individual store managers spent on such functions by from 1.5 to 3 hours weekly, depending on their unit level and skill set. Other benefits brought about by the software and the integration with the electronic systems of 6 distributors included accelerated auto reconciliation, centralized control of unit invoice payments, when needed, to net discounts for on time payments. Accepting on behalf of Church's, is Alan Stokalski.

At 2:55

Alan

Stokalski: Ok, I guess I have to say a few words. Most of my team's already gone home, but I guess that's really who deserves all the credit. Team director of restaurant systems, David Taylor, Heather Carpenter, director of restaurant systems money management, and then really our providers from an IT standpoint, Aerostream, who provided our supplier chain software and invoicing integration software, and did all the dealing with our distributors and making sure our interfaces came in on time every day by 8 in the morning, and got the data to the store and into our POS system with radiant and blue cube red prairie. So, thank you guys, and thanks everybody.

Music, clapping.

At 3:55

MC: The recipient of the 2009 FS/TEC team excellence award is Darden Restaurants, Inc., parent of the Red Lobster, Olive Garden, and Longhorn Steakhouse chains, among others. The 170 member Darden IT team is being recognized for the Darden's application for service and hospitality initiative, DASH, as it was known in shorthand, was the fastest POS rollout in Darden history, covering 1300 restaurants in 21 months. But DASH isn't the only achievement contributing to Darden's award winning recognition. Also a feather in its cap, the company's IT

team is the rapid integration into core systems of the Longhorn chain and its sister concept, and achievement expected to contribute to a 7-figure savings from synergies going forward. Accepting on behalf of Darden is Patty Rally-White, the company's senior vice president, and chief information officer.

Music, clapping.

At 5:09

Patty Rally-

White: Thanks, Alan and Rob. Let me say on behalf of the talented members, 170 talented members, of my organization, who I had the privilege of leading, thank you for this award. We would not be receiving this award without the support and contribution of nearly 180,000 employees of Darden restaurants, and I want to take this opportunity to thank them for allowing me to represent their achievements as well. Our successful integration of rare hospitality was really a highlight of my career. We integrated rare's business into Darden's application in 10 months, leading to a significant portion of the 40 million dollars cost synergies that Darden expects to realize this fiscal year. It truly was a rewarding project. So too was our point of sales system project, fondly called DASH, as Alan mentioned, which stands for Darden's Application for Service and Hospitality. In the span of 21 months, our team successfully rolled out DASH to 1300 restaurants across the country. When I stop and look back at that project in particular, I'm reminded about the strong partnership we have in IT with our operating companies. The team grew to love looking forward to Monday mornings, when the employees of up to 40 restaurants would come in and start using the new system. Two of Darden's core values are teamwork and excellence. I'm proud to say our organization lives those values each and every day, and this award is a testament to the commitment of our organization to those values. Thanks again.

Music, clapping.

At 7:06

MC: Dave White is the senior vice president, and the chief information officer of the McDonald's corp. He is also the FS/TEC 2009 distinguished career achievement honoree. During his 11 year tenure with McDonald's, Mr. White has overseen numerous projects, including development of a global point of sales system, expected to be in 25000 restaurants within 3 years, and the rollout of technology supporting credit and debit payments in all 13000 US restaurants in less than 18 months. The McDonald's IT department has become more global in makeup and perspective

during his tenure, as has 31000 plus unit McDonald's chain, which now has more restaurants abroad than at home. On Mr. White's watch, the software and the silicon systems that some of the CIO's might view partially and primarily as a means to facilitate transactions and control costs, have accomplished much more. McDonald's president and chief operating officer Ralph Alvarez said of his CIO, "He has been instrumental in leveraging the power of technology to improve our restaurant operations, and ultimately enhance our customers' experience. And I might add from my own interactions with others in food service IT, Dave White is a respected as any person and innovator outside as well as inside of McDonald's". Please join me in applauding our 2009 FS/TEC distinguished achievement honoree, Dave White.

Music, clapping:

At 9:00

Dave White: Thank you Rob, and Alan...[...] Thanks to FS/TEC and Acuvia and Nation's Restaurant News for the award. Clearly it's an honor to win a personal award, but I'll tell you that my core belief is that any award or any individual or any degree of success that an individual achieves is because of the people that surround them, and the environment. And McDonald's is an organization that allows us to contribute to improving the proposition we offer our customers, the experience we offer them, and offer superior restaurant operations, but they give us the chance to bring technology to the table, and I think that's one of the things that makes us able to make a significant contribution. And then secondly, as others have said, I believe that the people around me are the ones that bring things to life. You know, it's the (gullible?) IT team we have folks that work for us, and whether they're in Vienna, Austria, or Sidney, Australia, or Chicago or wherever they are, they're the ones that help bring our ideas and strategies, and concepts to life, and I thank them because it's certainly through them that we're able to achieve these things. So, it's great to work for a company that gets it, it's great to have a fabulous team around you, and I appreciate them and they're the ones this award is really for, so thanks everybody. Have a great one.

Music, clapping.

At 10:33

MC: Anyone who's ever wondered what restaurant chains might do to take advantage of new media marketing, web 2-0 such as social networks, or the proliferation of cellular phones and internet capable mobile devices, need look no further than the big three pizza players. In recognition of

their knockdown, drag out battle for supremacy within these new channels and environments, the 2009 FS/TEC innovation awards are simultaneously being presented to Domino's Pizza Inc., Papa John's International Inc., and Pizza Hut Division of Yum Brands Inc. From development of mobile device ordering platforms to interfaces with social networks to mobile coupons to proprietary widgets, the IT teams of these chains often in collaboration with marketing, E-commerce, or other departments, are leaving no customer facing technology stones unturned in their quest to become the easiest and the most fun to use pizza purveyor. That's really an effort in this part of these players, being fun and easy to use. We're just glad there's plenty of glory to go around because we wouldn't want to have to make a single choice in this category. Accepting for Pizza Hut is Delaney Bellingers, CIO of Yum Brands, Inc. Glen West, senior vice president of information systems and electronic commerce is accepting for Papa John's, and Domino's chief information officer Chris McLaughlin is accepting on behalf of that organization. Please join me in applauding the achievements of this group, as they make their way to the stage.

Music, talking.

MC: Delaney?

?: No.

MC: No?

?: (____) all the babies

MC: Yes

?: Let's see, (____)

MC: Nope, got it backwards.....Ok, so...

?: Don't wanna mix 'em up

At 12:29

Delaney

Bellingers

(female): Let's keep them separated so we don't get into a big tussle up here. Um, Baron Concourse is the CIO for Pizza Hut, and he was unable to be here today, so I'm delighted to accept the award, and it's really for the achievements of the Pizza Hut IT team as well as the Pizza Hut marketing team, who just made tremendous progress in the last 18 months with social networking interfaces, widgets, mobile and text ordering, and it's been a long time coming. As I look back in the late 90s, we really made a run at this and it wasn't successful, so I'm also really happy that the Pizza Hut senior team was able to say, "Hey, that wasn't a bad idea, it was just a bit ahead of

its time". I think our customers are demanding different ways of accessing our brands and I'm delighted to accept this on behalf of Pizza Hut. Thanks.

At 13:18

Glen West: Thank you. Like Delaney, I'd like to congratulate the entire team at Papa John's, particularly the information services, and E-commerce folks, on behalf of the whole organization. I'm proud to accept this, and I thank Nation's Restaurants News and Acuvia for recognizing our achievements here. As Alan indicated earlier, that is something that we, as well as the other 2 folks up here, really strive for, to make the pizza occasion as convenient and easy and fun as we can be, and we'll continue to go at it. Thank you.

At 13:50

Chris

McLaughlin: Finally, I'm Chris McLaughlin from Domino's, and I'd like to thank Alan and Rob for this award. One thing I thought was interesting coming up here was looking at Glen from Louisville, Kentucky, Delaney from right down the road, with Yum, in Louisville, and I also worked in Louisville for 12 years with Delaney, and kind of learned my trade there, so that's a lot of innovation coming out of one tiny corner of north-central Kentucky, so I thought that was pretty interesting, right now it's a pretty icy corner. I'd like to thank my team as well, you know it's really been a marriage of two groups, it's been my IS department, a number of people I'm accepting this award on their behalf, Jim Vitek, Chris Timrey, Lance Shinabarger, a number of folks from the IS department of Domino's, also Rob Weissburg and the precision marketing team, it's really a marriage of those two companies that, or those two departments that have allowed us to go after the E-commerce opportunities. And one final thank you I'd like to do is, because I didn't get a chance to do this when I left Louisville, but I'd also like to thank Delaney. I worked with Delaney for a number of years, and learned everything I really know about the IT industry and how to apply technology and innovation to the fast food industry that we're in, from Delaney, and I have a ton of respect for her, learned a lot, a great mentor and a great friend, I just wanted to get a chance to say thank you to Delaney as well.

Music.

MC: Have a seat, we'll mic you up.

At 15:21

?: Our panel discussion involving many of the award winners, all of the award winners, will get underway in just a moment. But first, let's take time to honor two of our exhibiting companies for excellence and trade show marketing, including outstanding promotion and display of their products and services on the show floor. The criteria for these awards include the most dynamic use of booth space, and the most effective show theme. An exhibitor's use of graphics, presentations, premiums, and pre-show marketing efforts, are also considerations when selecting a winner. During the conference, a panel of judges examined every exhibitor booth for dynamic use of show themes, use of graphics, presentations, and premiums, but at the same time, we took a look at how the pre-show marketing was done, and the conversations and things that took place on the floor. The judges results are in, and it's time to meet our winners. The first award honors a first time winner at FS/TEC. And this year's award goes to DT Research.

Music.

?: Congratulations. You can say a word if you want.

At 16:38

David Hale: I'm very unprepared for this. We certainly appreciate it. This is our first time with FS/TEC, my name is David Hale, vice president with DT Research. We're a company based out of San Jose, California. We're an original design manufacturer, in many, many areas, including mobile tablets, hand held displays, digital signing systems, and kiosk, all in one display tool. Our partners here include Radiant, Microse.. We're a 15 year company, and we're very thrilled to be here, and again, thank you very much for the award.

Taking pictures with the award

At 17:34

MC: The best of show award is open to all exhibitors, and is the ultimate honor bestowed at an FS/TEC exhibitor. This year's best in show award goes to HyperActive Technologies.

At 18:02

? You know, it's a pleasure to be here, and we've been to, I was telling somebody, I measure my career with HyperActive by FS/TECs. When I first started, I was here for the 2005 conference, and we won the best first time award, so this is a nice addition to that collection. I want to thank Joe Profelli for putting together, Joe's our CEO, he put together the finest team of business

people and most brilliant technologists that exist on the planet. We've had great customers, like Trip Sessions here, and Clint Cook, who've been willing to work with us, and develop products that meet the needs of restaurants at the ground level and at the corporate level. Thanks very much for this great honor, I appreciate it...

At 19:10

MC: Thanks to all our exhibitors, for your support of FS/TEC, let's give these award winners, all of them, another round of applause. And now, on with the panel discussion.

At 19:24

MC: (Laughing) Uh, ok...I think it says Alan and Rob moderates. Ok, I guess we're going solo here. I think it might be good to start out on, if we might, to just quickly touch on the projects or the developments that were behind the awards here. So I want to ask Alan quickly, Alan, what was the most challenging aspect of this restaurant automation project you had, and how did you get around it?

At 19:56

Alan: Um, I guess the biggest challenge was really around, we have 12 distributors, is getting all 12 distributors information on a regular basis every morning, into our system accurately, in the right formats, and getting around all the interface issues. Once we were able to do that, it was a pretty streamlined project, we were pretty successful from the get go.

At 20:21

MC: Patty? What was the biggest challenge, obviously you were trying to move as fast as possible, besides the speed and the pressure there, what was the biggest challenge of integrating the Longhorn system?

At 20:31

Patty: You know, probably the biggest challenge was really with the pace of which we were moving, to a degree. But the company set up such a good structure since the beginning with the senior management support, as well as making sure as issues came up or the decisions had to be made, that we could have a good, quick, decision making forum. So that really helped us move, and stay on schedule.

At 21:08

MC: Dave, what was the most challenging aspect of your first days at McDonald's? You had a lot of experience in various industries and such, and you moved into this major corporation, what was the most challenging aspect of the opening days at McDonald's?

At 20:20

Dave: Well, the early days at McDonald's I was an outsider, I came in, I had had a long career, I had been with the company now only 11 years, and our organization is one which is very decentralized, and very deep with management which has long tenures. So here I was, someone from the outside who didn't know a whole lot of what people thought you needed to be successful at McDonald's, so building credibility was one of the first challenges you have, and it takes a while to do that, and yeah, you work through that. And I think probably the thing I look back on my first days was important to deal with, to get the right people around me. I brought in a number of folks that I thought could really help dramatically improve the organization. That helped build the credibility, the whole team, not just any individual.

At 22:08

MC: Delaney, you mentioned that there'd been a previous attempt at Pizza Hut on some of the online, and this one has obviously gone pretty well for you and your organization. What does it take to get a second shot at this sort of thing, how do you get around that that?

At 22:23

Delaney: Well, I think when you have a really large company with a lot of constituents you're trying to please, including the franchise community, it's easy to overcomplicate a project like that, and what we did was we went a little bit more quickly with some off the shelf solutions through a 3rd party, I think that helped us get a foothold. I think it's all about getting an early wind. Going out with something pretty simple, get it out there, get some winds, and go to the next step. If you try to design for the in game and after 3 years of development, you almost kind of never get there. So I think that was the big learning, was just go a little faster, get some learnings with your customers, we tried to put too much in the first version.

At 23:02

MC: And you were out there pretty early, even if you didn't get ambitious, that whole online ordering, multi-chains was not...

Delaney: And that was back when there were a lot of people believing that no one would order a pizza online.

MC: I recall getting some phone calls, try this site out and see what you can see, because it wasn't system wide initially, and then they tried to expand, and what happened, I recall... And Glen, we've talked about what the IT department actually can do to be a part of this whole web 2-0 thing and new media marketing, and I know one of the questions I ask almost all CIOs now when we do a CIO profile for tech trends is how much are you involved in web 2-0 and new media marketing and the IS department, IT department, so on. We talked a little bit about what it is that your team does and how it plays a roll in all this, so maybe you can recap just briefly for us what the IT team does in support of all these sorts of programs.

At 23:54

Glen: Well, we work very collaboratively with our marketing department and operations on all these, and particularly, when you're talking about some of the social networking things, the human resource group kind of comes into play with some of the internal pieces and such as well. We've kind of helped seek out some of the vendors that have some expertise in the space, to kind of bring to the table, along with some of the internal departments and such to kind of mesh things up, but to a large degree on some of those, the IT department hasn't been really interwoven, it hadn't really required a whole lot of our resource other than some of the things like launching the mobile web, then the 2D barcode project that we had back in the summer.

MC: Do you have to pay much attention to security? And Chris, I'll ask you this one too. Is security an issue with web 2-0 and social networking, or is it so far removed from your regular IS systems that it's not a consideration?

At 24:59

Glen: We pay attention to it more so maybe than some of the marketing folks or whatever do when they're thinking of some of the initiatives and everything. Once we get that call and say hey this is it, we're out there, we need to have this type of access and such, we kind of get back into it, but for the most part, it has been kind of isolated and just straight through the browser, so that's kind of made it a little bit easier for us.

MC: Chris, is that any different at your place?

At 25:24

Chris: No, it's really, the credit/debit piece is really the only piece where security and E-commerce comes together, and there's a lot of attention paid to that, and we've achieved PCI compliance last year, and that's something we focus a lot on, but it's really around the payment piece. The rest of it, we're more concerned about how people use the brand when you put your brand out there and viral marketing ways, how to people grab that and how do they use that, it's more of brand reputation protection than a security issue at that point.

MC: Well let me ask you, you guys have done some fun stuff in the last year or so, so what's the genesis of the pizza tracker, I mean, what was your first reaction when this concept first floated across your desk, was this something you embraced or ran away from?

At 26:13

Chris: No, I embraced it, I'll tell you, the first genesis for that idea, we're standing actually, our executives went on a retreat, and they're visiting Nordstrom's, and just really looking at the way they pursue service excellence. And we were just standing, a couple of us by the escalator, I remember the whole conversation, and we were just talking about what can we really do to break through and service excellence in our industry, how is it different from Nordstrom's, and we had a guy from UPS, and the conversation just headed down the package tracking route, and just kind of was born standing in the lobby of Nordstrom's. The cool thing was, usually when executives go off and have a crazy idea, you come back and tell the organization, people roll their eyes, and they take some notes and then they fly like nothing ever happens, and what was really cool was to see the IT and marketing, everybody just jumped on this idea and made it happen.

MC: That sounds pretty exciting, because that was really a fun initiative. Patty, what are some of the qualities that set your team apart, we recognized you for team excellence, what are some of those qualities, pick 2 or 3 qualities that set your team apart, in your mind?

At 27:16

Patty: I think to a large extent is how we even define the team, and I mentioned the partnership with our operating companies and across the organization, the DASH point of sales system, we really could not have done it without everyone, and that includes our third party vendors. So, really just that approach. The other thing is, I think the team does an outstanding of staying, I think Delaney used the term the in game, because we all know that you can do as great of planning as you can at the time, but things happen, so how you calibrate and navigate through that is important. And

probably one of the things that I'm most proud about my team that I've seen since almost day one joining Darden, is no matter what the challenge, or perhaps issue that may come up, everyone really rolls up their sleeves and really just what can I do to help? And it's just a very great environment. And again, it's one of Darden's core values, so it's something that we really try to live each and every day.

MC: Chris, what's a quality that helps your team stand, you've been in a couple places so far, work environments, so what is it about the Domino's that might seem different?

At 28:23

Chris: I've worked with great people, the Yum obviously is a really strong team as well. I think the two things that really have made it special for me at Domino's is, one is the partnership tension(?) and the marketing and IT, I think there's tension at the right times, in terms of new ideas, and who really owns this and how do we run with it, but ultimately coming together and solving a problem, I think there's a good balance there. I think the other thing for me that been just a real privilege and blessing is to have the University of Michigan right next door and the amount of talent that comes through there, and really the innovation at the end of the day, you can have a good idea, your spouse can give you a good idea, they come from everywhere, there's no shortage of ideas, it's the people that execute them and turn them into a real business driver. And that comes down to the quality of people implementing it, and for myself, having that influx of talent from being in the university town keeps my team sharp, fresh, and really allows us to drive ideas once we come up with them.

MC: Glen, is there a characteristic if you had to pick one that comes to mind with Papa John's IT team?

At 29:37

Glen: Papa John's has got a fairly tenured for an IT shop group, they've been around for a number of years, everybody there has got such an operational focus, the focus on the unit level economics in the restaurant, to make sure that what we're doing, how does that translate into what a restaurant general manager's going to do tomorrow and such, and there's just tremendous passion around the business there. I was extremely fortunate to come in 4 years ago, I couldn't hand pick a better team I inherited, so, fantastic group.

MC: It's nice to inherit that. Alan, you're a pretty lean and mean operation at Church's, is the IT department pretty lean and mean at Church's?

At 30:26

Alan: Yeah, and I was thinking of (my own stars?) as you were asking, I've got a very small time, so for us it's about picking the right partners, and looking at providers that can give us the best point solution and at a good cost, and we'll work well with our team. And being that it's a small team, its partners are really critical to having a good successful relationship.

MC: You've done a fair amount of outsourcing over the years, have you not?

Alan: Yes.

MC: About what is outsourced, can you give me an idea of what is still core at your department?

At 30:53

Alan: The only piece we've kept in house is really restaurant systems, everything IT has been outsourced, from help desk to software development to any troubleshooting and support. So the restaurant systems support is still in house, we do have a few people that do manage that and manage the outsourcers that do the daily effort.

MC: Delaney, you've spoken a bit about your team over the course of the last two days, and you obviously recognize the Pizza Hut team, but if you were having some social beverages with about five people and bragging and arguments broke out, what would you say about the IT team?

At 31:36

Delaney: Well, I think there's been a big change over the last five years, and again it's not my direct team so I can't really take credit for it, but as I've watched them, they've done a great job of being, kind of the underdog, you know IT is a cost center to be managed, and something you have to do to run the business to a real integral part, and how we're going to compete going forward, and so you see that energy from really talented IT people starting to recognition for the contribution, how much that matters to our growth, and they had a lot of beliefs that there were some legs under different customer access points, web ordering, and it's been fun to watch them be successful and move, and really take the maturity of the IT team as far as business impact.

MC: David, you've talked about the culture of McDonald's, and we've talked a little bit about your team in some of the other session, but what's the cultural touch point of your department, your group ok if McDonald's is known as one thing, is there anything you think your department is known for that might just be a little different, or a supplemental quality?

David: Uh, different than within the organization?

MC: Yes.

At 32:48

David: Well, I think some of the culture of McDonald's, to bring it up is, we are a very relationship-oriented culture. So the challenge is one of, making sure you're touching people, you're talking to people, it's nothing, we can't command things by email or voicemail. So a lot of it is interaction with our franchisees, and the distributed pieced of our organization. I think the things people would say about our IT organization are we've got disciplines which are necessary for what we need to do for the business, and we deliver. And I think that's probably the biggest testament to the whole team, is we are very good about executing and discipline, because when you have the scale that we have with the number of restaurants we've got, and the complexities around franchisees, which I think we all have, it requires a significant amount of discipline to be successful in any deployment. So, discipline and delivery, I think, are a couple of characteristics of the organization I think people would point to and say IT at McDonald's has that.

MC: So we can hear that, among the award winners, there's a variety of different qualities and textures and skill sets that help them stand out within their own organizations, and obviously, within the industry since they're here getting awarded. Glen, tell us a little bit about the 2D barcode marketing project, and what was your favorite part of that, and what was the part that pulled your hair out?

At 34:19

Glen: Probably the aggressive timeline that we needed to respond under was the part that pulled our hair out over, and we were closing in on mobile web, getting ready to launch that, and one of the largest cellular carriers approached us with an opportunity to participate in a promotion, where they were going to mail out postcards with a 2D barcode, and basically the recipient, if they took a picture of it with their cell phone, they could translate that through a mobile order, and for Papa John's, a free pizza. So, pulling that together as quickly as that came, coordinating the number of

vendors, and probably one of the challenges in that was that, not only us, but the vendor was kind of new in that space too, so there was a lack of subject matter experts, we were just kind of collectively figuring this out as we all went along together. But, we pulled it off in the time frame we identified, and it worked pretty well for us.

MC: For some who might not be aware of this promotion, they sent out postcards, direct mail cards to about nearly 200000, I think it was, with a 2D barcode that specially loaded cameras could take a photo of, and it would automatically hijack their web capabilities and take them to the Papa John's website for a free pizza after they registered and that sort of thing, right Glen?

Glen: Uh-huh

MC: It's a process and a product and a test vehicle being used by a lot of players up here right now, that McDonald's had a similar project in Germany I believe with coupons, mobile coupons that were delivered via barcode. Chris, tell me a little bit about the Tivo project, and where you bumped into that if at all, did you guys actually interface with that?

At 36:13

Chris: Yeah, Tivo's been up and running for us for a couple months now, and it's been primarily a great marketing, awareness, and PR win for us. As you look at other alternative channels, and we're, everybody's competing pretty heavily in the online channel, mobile is kind of the next place to go to, and it's always looking for that next channel, that next opportunity to capture customers that may be sitting there thinking about eating, thinking about pizza, and just trying to have the most convenient, most novel way to grab that customer and bring them to your brand, and Tivo was one of those opportunities, and learning a lot from it, and growing that business.

MC: Is it key to, when you're looking for these new channels, and I think I've sensed it in some of these projects and opportunities like Glen said, they were approached by a major carrier, and who was interested in getting into some of this and recognizing brand and for fun. You mentioned Tivo and obviously Tivo has an interest in getting people to pay attention to content, commercials, and their channel, apart from skipping commercials, so did they come to you, or did you go to them, how is someone spotting it?

At 37:26

Chris: It's a round robin of conversations, it's sometimes hard to figure out where it started, but some of these folks, it's an idea that incubates for a year, and at some point both sides agrees it makes sense. It's one thing that we tend to do, is look at things early on, you know sometimes you can't remember who made the first, who sent the first email, and a lot of these ideas and especially now with mobile becoming such a new blue sky area for interacting with customers, there's a lot of different ideas out there right now, and it's a lot of exploration, and at some point you hit that tipping point where it makes sense to throw the investment into it and go with it, and we're sitting on that kind of tipping point I think in a lot of places right now across the board in a lot of different technologies, and I think it's been really fast, as fast as we've innovated over the last 2 or 3 years. I think it's going to at least double the pace of that innovation over the next 2 or 3 years, and...

MC: So we should be keeping our eyes out for a lot of very interesting things popping up in the near...

Chris: Yeah, there's a lot, and I know there's a lot of vendors knocking on our doors, with the same ideas, and trying to weed through that and figure out what's the big opportunity and who's the best group to partner with, and a lot of times they've just seen Delaney and they're on their way to see Glen, you know and they're stopping in to see me, but there's a lot of fascinating things happening.

MC: And I'm sure no sugar ever goes in the gas tank of any of these guys after a predictably productive stop, is there, right? Patty, the pizza guys talked about their work with marketing, what types of things is Darden doing? Anything around the market basket analysis, for instance?

At 39:10

Patty: That is just a great question! You know, we're always looking at way to, I'm not sure I heard every single word, but we're always looking at ways to improve our marketing capabilities, and Darden actually, some of us that have been around there for a long time, say we've done a certain degree of market basket analysis, we had IDMS on the mainframe. Darden has always been very information rich and really trying to leverage, and we have done what we call check detail for many many many years, which is every keystroke on the point of sale that a guest or a server uses for a guest order that we capture, and then our marketing team does analyze that. It's probably always an opportunity when we can continue to get stronger, but it's a great question.

MC: Alan, what work have you done at Church's over the last few years that was the most satisfying to you, as the director of IT there?

At 40:09

Alan: Most satisfying to me, I guess the biggest initiative we've had has been our business intelligence initiative, and really using our data to tie back to every transaction level detail with marketing, and making sure that the costs are going to the right lines and the business, and we really found a bit increase, or improvement in our food costs, over 1.5% improvement through our BI work, and focusing on the data, and getting everyone around the organization to really look at food costs, it made a big improvement for us, that's been the most fulfilling project.

MC: Dave, I know we've talked a little bit about it, if you had to pick one of the projects in let's say the last 5 years, is there one in particular that let you feel the best about things?

At 41:00

Dave: Probably the one I would pick is for the first time over the last 5 years, we've developed a global strategy around our point of sale, and supporting the operation. McDonald's, years ago, had a very distributed and fractional environment, even in the US, I think we had dozens of combinations of hardware and software. And we embarked on an approach to have a common platform, a common software platform with a limited number of hardware providers. Today we've got it in about 16000 stores, we know we've got about 25 in the next few years, which we feel really good about. We use an approach which says we're going to simplify and standardize what we put in our restaurants, and we're getting both of those as we implement this point of sale system. It helps drive improvements in the operation, so that's the one I would say, it's more than just the technology implementation, it's the alignment of management behind a common approach, which the management never realized that they might want to have a common approach when we embarked on this.

MC: And that of course means (fashioned deployment?) of common or related technologies going forward, does it not?

Dave: Exactly.

MC: Chris, what about you, what's been very satisfying from your IT pallet for the last few years.

At 41:48

Chris: I'm going to really say the same: point of sale. And for us it's a (pulse?) system, it's really the realization of just how critical point of sale is to a brand, I mean it's the brains and once you lay that foundation down, you standardize and you beef it up, building layers of innovation on top of that gets pretty simple. I walked into Domino's, we only had about a 1000 stores on the new pulse system, so getting the technology to work, wrestling with over a thousand franchisees, and the political communications and interrelation aspect, to get that to work, was probably harder than getting the technology to work. And just getting us to the point where we've got one point of sales system in almost 5000 US stores and another 1000 stores overseas, once we wrestled that bear to the ground, everything else, electronic ordering, mobile, just anything else you wanted to do gets a lot simpler. And again, accomplishing that was completely satisfying, and it's going to make the next few years a lot easier.

MC: Delaney, is there a particular project in the last 5 years that...

At 43:08

Delaney: I hate to have the same answer, but I think there's two parts to that: first of all, there's just getting the business, the people with the brains to understand why this is important, because they just didn't get it. You know, and I think now they understand that agility and speed, I would just kill to have 16000 and be where McDonald's is on that, we've got a long way to go. And the second part is, we're really starting to get that understanding out in the franchise community. Because the first part was getting the brand to understand it, and the second part is getting more penetration with franchisees so that, you know, having a whole bunch of different solutions out there may have a short term goal to them of saying, hey you're got more competitiveness as far as price, but boy, you've got to pay for it in integration. And I think we're really making strides towards franchisees in that area.

MC: Patty, you got a different answer?

At 43:53

Patty: Well I'm going to say point of sale, but I'm going to have a little bit of a different twist on the casual dining standpoint. One of the things we did on the DASH project is really spend some time with our brands and our operating companies to really understand visionary, from a vision standpoint, where we wanted to go, especially on business building ideas, and then IT really looked at, from a technology platform, what's the best foundation for that? And really stretched

our team and our vendors to try to take our point of sale architecture to latest technology. One of the things we did which really helped us get this rolled out quickly, and actually debug the code very quickly, was taking monitoring, automatic monitoring tools all the way down to individual units, hardware units in the restaurants, but also enabled us, one of the challenges when you're trying to debug, that we've had in the past, is recreating the problem in our lab environment. So what these tools enabled us to do is actually capture critical information so that we could fix issues in our pilot stage much faster. And in addition, the monitoring is telling us, telling our help desk that we run on site 24 hours a day if there's any kind of alert, or even a warning on something that potentially could be going wrong, so we can get it fixed, either resolve it automatically, or get it addressed before it impacts the restaurant operations. So that was just seeing all the come together, pushing our vendors to help them understand our vision, and then delivering it, was extremely rewarding, given the talent of our team.

MC: Well I hear that the end result was rewarding, was it difficult to get those tools out there?

Patty: You know, it was, we went through piloting that as well, and working through some of the challenges, because you can, you know, as you find that balance between what you want to get alerted on versus what you don't, as we kind of narrowed that down or kind of fine-tuned that. There was a little bit of selling, if you will, on truly understanding or for Darden to fully understand that investment, what that meant, but the payback has just been tremendous, so we've been fortunate.

MC: Glen, you get the last word on satisfying projects the last 5 years, what comes to mind?

46:13

Glen: I'll kind of answer that two-fold, and I'll start off sounding a little different, then I'll end up sounding like a broken record. Probably the progress we've made in our web ordering space and the customers. Fortunately, someone long before I got to Papa John's addressed the point of sale issue, so I didn't have to have that battle that Chris had, there was a uniform POS system there, so that enabled us to do a lot of things in the web and mobile ordering space a little bit sooner than some of our competition could, so that's been very satisfying over the last few years. And really, just in this past year, we've really started taking a look at the definition of what our next generation POS system will be. Today's, everything is internal and such, the commercial systems have made tremendous progress so we're looking at those type things, being able to integrate

some non-strategic type systems like labor management and things like that, rather than having to do those ourselves. So, that's pretty exciting on how we're going to be able to transform the business moving forward.

MC: I think it would be a good time to ask if all the winners might share what they can about their next award winning project. What's the most exciting thing, or the thing that would net you another award if all the details could be made known that might be coming up in the next year or so? Chris, you got something fun, or something you can tell us about that won't cost you a bonus anytime this year?

AT 47:43

Chris: I think the best thing to probably say is that it'll probably be somewhere on a mobile platform, that is the next open playing field, there's a lot of customers going to that, from text messaging, the SMS, kind of the old way of using your phone, all the way to the Android, the Google phone, the iPhone, and somewhere in that space is going to be the, there's some killer apps that are laying in the weeds there.

MC: The opportunity is there...Alan, what might you say about that, what do you know and you can tell us about, maybe a killer project coming down the pipe for Church's?

Alan: Really for us, I guess a similar project to what everybody's spoken about with fulfilling a project, we're right there at the cusp of narrowing down all of our POS systems across our organization down to one platform. And, that's right now the big initiative ramping up, and many things come with that, with integration, more access to data across the whole system, both international and domestic, which, we're trying to come up with a solution now that's going to work across the world, and right now we're in 20 countries, so that's going to be our big initiative, and our most fulfilling project going forward next year, this year

MC: Thank you. Glen.

At 48:59

Glen: I agree with Chris, from Papa John's standpoint, the mobile and the web ordering space is probably going to be some of the most exciting stuff that you'll see over the next year or so. A lot like he indicated earlier, the same folks that are stopping to see Delaney, then coming to see

me, and then on their way up to see him and stuff, so we're getting a lot of the same type things, you know whoever jumps on first, get out there ahead in the space.

MC: Ok, I gotta change the question the question for the pizza guys, because that is an exciting area and everybody's, I mean I love watching it, it's great to be a spectator in that area. But what's the most important non mobile device, social networking web 2-0 project that you might have in the next year that we would be awarding you for? Are there any basic (infrastructure majors?)?

At 49:52

Delaney: Well, I'm looking at a little bit more globally, so it's (brains?) in the US as far as international. I'd say just e-learning opportunities. Now that we have browsers in the stores, which you may have had for a long time, it's kind of something new for us, and I'd say what we're trying to do with social networking to share best practices across the globe.

MC: So internal social networking.

Delaney: Right. Well, it could be external too, I don't know how it'll work out, but...

MC: Glen, I'll let you take the middle answer on that, and let Chris finish it.

At 50:25

Glen: We're exploring the e-learning platforms and such as well, we got some tests underway that should really enable and transform the pace at which we move, to move more rapidly I think, and we're also looking at various cost mitigation with this economy and such, whatever we can do to improve the unit level economics, efficiencies with our drivers, those type things.

MC: Chris, what about you, what non-sexy stuff do you need to work at?

At 51:06

Chris: I'll say something different, viral marketing, I'd say, is another big opportunity. One thing we've done recently with our oven baked sandwiches is had a taste claim against Subway, 2 to 1 preferring the sandwiches, and they sent us the obligatory letter and the obligatory back and forth, and finally our CEO just decided to have fun with it, I don't know if anybody saw that, but they basically said "Here's what I think of your letter", threw it in an oven and baked it at 450 degrees, and put that out on YouTube, it's been one of the biggest YouTube hits in the last week.

I mean it's basically just sitting around, these obligatory lawyer stuff back and forth, we have to do it, but this is getting, can we have fun with this?

MC: I hope that the legal departments don't have lots of work in the future for all the fun we're having today!

Chris: Yeah, hopefully not, but, again it really kind of opened our eyes to something, that just sitting around a conference table saying what can we do, and turn that into a YouTube smash hit, you realize the power of viral marketing, and the need to really attack it more aggressively.

MC: Patty, what's an award winning project, you were talking about service enhancement, or some sort of mobilization effort in the restaurants, I'm trying to remember, what's the most exciting, I won't put words in your mouth.

At 52:25

Patty: Actually, the one I think I want to mention because it's so near and dear to many people's hearts right now is Darden embarked on building a new corporate headquarters, and we're in the throes of actually moving our data center, and what we're so excited about this is more of a cultural thing within Darden is right now we're spread out about 13 different buildings, so we're going to be under one roof, so from a synergy, collaboration, helping us unify our culture, we're just very very excited about that. And from an IT standpoint, we actually have one of our talented officers that's taking an active role in the whole project management of that new campus as he partners with someone else in the business. So we've gotten to be involved very extensively throughout the whole process, and we'll be moving toward the late summer, early fall time of next year.

MC: Major integration, major moves, you get all the fun.

Patty: Yeah, we're doing it all at one time.

MC: What I'm hearing is, you got to take a part beyond just them asking you to move the boxes, is that right?

Patty: Yeah, right.

MC: David, I think you're the last one on this, anything you can tell us about that would be satisfying or, actually, no, an award winning project?

At 53:32

David: We're dabbling in many things that others are, so I'll pick something we haven't already mentioned. We're investing heavily in our global supply chain, and we compete in 118 companies around the world, and we've got a view of optimization and business value we can create by looking from fork to farm, if you will, across our supply chain, and optimizing that. Substantial investment from business perspective with technology, I think, can yield a lot of value. I think that will be one of the next big things that I hope is a big winner for IT at McDonald's.

MC: You know, I think we're going to have to wrap it up, I'm going to ask one more time, if there's any questions that have floated to the front, anybody got a card, anyone out there? No? I think with that, I'm going to thank our panel, thank you very much FS/TEC 2009 award winners for your time, and for your contributions to the industry.