

2019 Franchisee Satisfaction Survey



- Survey completed 5/30/2019
- 201 of 336 Operators participated
- 330 of 475 stores represented
- Graded on a scale of 1 to 5:
 - 1 – Strongly Disagree, 2 – Disagree, 3 – Neutral, 4 – Agree, 5 – Strongly Agree
- Survey Topics and Overall Scores:
 - Operations/Technology – **2.02**
 - Purchasing/Costs – **1.88**
 - Marketing – **1.98**
 - Future and Past – **1.68**
 - DBRI Leadership – **1.69**

Demographics



Question

- How many Dickey's outlets do you own?
- 1.73 stores per owner on average

Answer

- 60% - 1 Store
- 24% - 2 Stores
- 8% - 3 Stores
- 5% - 4 Stores
- 2% - 5 Stores
- 1% - 6+ Stores

Demographics

Question

- How many years has the store been open?
- 4.97 years per owner on average
- 76% surveyed have been in the system longer than 3.0 years

Answer

- 24% - Less than 3 years
- 25% - 3 to 5 years
- 42% - 6 to 10 years
- 5% - 11 to 15 years
- 3% - 15-25 years

Demographics

Question

- Was this store profitable in 2018?
- Was the financial performance of this store better in 2018 versus 2017?
- Are you considering closing this location?

Answer

- **No – 58%: 117 ppl, 191 stores**
- **Yes – 42%: 84 ppl, 139 stores**

- **No – 69%: 139 ppl, 228 stores**
- **Yes – 31%: 62 ppl, 102 stores**

- **No – 61%: 123 ppl, 201 stores**
- **Yes – 39%: 78 ppl, 129 stores**

The Future and Past

Question

- My current Franchise Agreement contains provisions that are fair and equitable to the franchisee.
- Overall Score: 1.85

Answer

- 75% Disagree/Strongly Disagree
 - 151 ppl, 248 stores
- 12% Agree/Strongly Agree
 - 8 ppl, 13 stores

The Future and Past

Question

- I feel that as a Brand we're on a path that will make 2019 my most profitable and best year ever as a Dickey's Franchisee.
- Overall Score: 1.90

Answer

- 75% Disagree/Strongly Disagree
 - 151 ppl, 248 stores
- 12% Agree/Strongly Agree
 - 8 ppl, 13 stores

The Future and Past

Question

- If I had it to do over again, I would invest in a Dickey's franchise.
- Overall Score: 1.50

Answer

- 85% Disagree/Strongly Disagree
 - 171 ppl, 281 stores
- 3% Agree/Strongly Agree
 - 6 ppl, 10 stores

The Future and Past

Question

- I am considering opening/developing/acquiring more Dickey's restaurants.
- Overall Score: 1.48

Answer

- 84% Disagree/Strongly Disagree
 - 169 ppl, 277 stores
- 4% Agree/Strongly Agree
 - 8 ppl, 13 stores

The Future and Past

Question

- My investment with this Brand from construction costs, time investment, monies spent and return on investment **has met my expectations.**
- Overall Score: 1.63

Answer

- 84% Disagree/Strongly Disagree
 - 169 ppl, 277 stores
- 7% Agree/Strongly Agree
 - 14 ppl, 23 stores

The Future and Past

Question

- My investment with this Brand from construction costs, time investment, monies spent and return on investment is **reflective of how it was initially represented to me.**

- Overall Score: 1.65

Answer

- **81% Disagree/Strongly Disagree**
 - 163 ppl, 267 stores
- 4% Agree/Strongly Agree
 - 8 ppl, 13 stores

The Future and Past



The survey participants ranked the following priorities to have the greatest impact to their financial health and longevity of the brand.

1. Remove purchasing from DBRI and allow either an Owner's co-op or a reputable third party co-op to take over purchasing while ensuring a reduction in food and paper cost.
2. Increase the amount of marketing contributions and that are applied to medial and local store support while decreasing the amount allocated to cover corporate administrative, technology and non-media related items.
3. Changes in Franchise Agreement to allow for protection of territory, catering territory and removal of penalties to exit the system.
4. Switch to a proven off the shelf POS and reporting system.
5. Redefine job duties, with Franchisee input, of Franchise Directors so that they will be more effective and impactful

The Future and Past



Open Comments

- I have been with dickeys for less than 2 years. Last year alone I contributed \$39k to the marketing fund. I get nothing back from it. There is no "national marketing/branding" going on in my area. The one thing I want is for some of that money back so I can drive sales (maybe 20-25%). I am not asking for all of it, but to expect me to spend \$39k on "marketing" then throw in additional money (i.e. they want us to spend more money on our own local marketing...are you kidding? I am only making about 10-12% margin. If I spend an additional 2% on marketing, I am down to barely pulling in \$80k in a year. And for what? I am busting my ass everyday, for \$80k? I can go get a job for \$100k and not have the stress and threat and harassment everyday). So, that is my number 1 issue (get them to give us some of our marketing money back). Two is the costs at US Foods are too high. I will admit, I don't participate in the rebate program (which is a scam, btw) partially because I buy some items outside of US Foods (never food products, but film, fryer oil, forks, knives, spoons, etc...). Third item is they need to stop harassing us (and tied to this is they need to quit firing FDs!!!!). We have literally been through 5 FD's in less than 2 years. (Con't)

Open Comments

- (Con't) So, harassment is number 3 (I dread getting a phone call from anyone, it is never "good"). Fourth, the damn TTD bs. It is true that some complaints are legit. But, rewarding people for complaining (and more importantly, going online to complain, versus coming up to a manager on the spot and getting it taken care of right then and there) is unacceptable to me. I don't get a lot of complaints (I did when we first opened), but again, philosophically, I don't agree with rewarding people who hide behind a computer screen. Which, while I am talking about that, feel free to use my name (Brendan Powers). These people are horrible to me and my managers, so I couldn't care less if they know I am telling the truth (which I have told them these things to their faces, but it doesn't matter). And, they have called to ask if potential franchisee's can call to talk to me....and I have told them, "sure, but I will never lie, and you probably won't like what I have to say." The truth is I would NEVER do this again with these people. They are horrible. The only reason we have had some success is because of us (and despite them). I have 14 of the original employees still working at my store (compare that to the merry go round I have had on FD's alone). That is all you need to know about who knows how to run a business.

The Future and Past



Open Comments

- We need better leadership. There's been too many missteps. Any restaurant chain with as many closures as we've had would replace their CEO.
- Too many decisions made by DBRI that have hurt the franchisee. Our bottom line is critical for the brand's success, but is at the bottom of what we perceive DBRI is doing, even with the "NEW INCENTIVES" to lower cogs and become more profitable. DBRI does not seem to understand the health of the local restaurant is critical for their success also.
- DBRI seems to be trying to increase profitability finally, its a small step in the correct direction, but is it too little too late?
- Cut food, paper and product costs and most of the issues will be resolved to make our stores profitable instead of operating at losses.
- Advertising and cost of good sold needs to be redefined
- I was told we would have net sales 1 to 1.5 m per year in net sales. What a joke.
- Life savings gone with no real hope on any return. It's good food though.

Open Comments

- DBRI seems to have lowered interest in store profitability. I have noticed a great deal of store closures or "transitions". Even in a high income store lowering COGs has a mid level of importance. It seems to me that selling franchises is most important to Dickey's corporate than keeping them alive. Due to my extensive food service experience I have a good idea of how a businesses can achieve longevity. Competitive food purchasing is the first place to start in order to lower costs. Providing multiple outlets for our "static" products such as, chicken, pork, brisket, turkey would create pricing competition between distributors in which would provide us owners with lower food costs. This is just one of the improvements I feel could be made.
- The food is great, that is way we joined. Get the menu retro back to 4 years ago. We built a store, it is a thankless good, once you ask to do so they are not please and thankful, it is we want it done yesterday. Don't think they care where you build it, just build it. Would have taken a application to build one in my garage if submitted. We need local and national cable advertising.
- would sell TODAY if these things were worth anything

The Future and Past



Open Comments

- In the past DBRI has lied to and deceived me from day one. I am not a happy franchisee. My store is just slightly profitable (NOTHING LIKE I WAS TOLD TO EXPECT!!!) If I took a descent salary the store would not be profitable. I've been at it 5 years and own 3 unopened franchises. Going forward there is no way in hell I would open another with Dickeys. This thing has gone to hell in a handbasket since Jr took over.
- I am so disappointed in DBRI. If I would have known then what I know now there is NO WAY I would have opened this franchise. Thank goodness I was smart enough to not open more. Change in the amount of 3rd Party such as UberEats, Grub Hub, etc have take a huge cut of the profit. While EzCater sales increase, DBRI Catering sales have decreased. We should not be forced to pay marketing fees to both DBRI and 3PV.
- Past DBRI actions, tone & lack of communication, frequent changes of products and menu items, personnel turnover, operational changes, inadequate support and technical problems have resulted in little trust and confidence for the future.
- Dickey's is a terrible. Worst decision I have EVER made.

Open Comments

- This Brand was grossly misrepresented to me by the salesman. My construction cost were an extra \$300,000 due to the incompetence and mismanagement of the DBRI approved contractor that I was forced to use. My top line sales have decreased 45% over the past 3 years. I was under the impression that we would have marketing dollars refunded to us for use of approved local marketing. This was a point that was hammered home to me, and drilled into me as a selling point, of which they immediately took this program away. The affiliate Wycliff/Douglas was not disclosed to me in my agreement, and I did not know about them until the 2015 FDD came out. Therefore the disclosure of the millions of millions dollars that are generated as revenue through this affiliate were also not disclosed to me. Had I known that such an affiliate exists, and the fact that they take so many millions in revenue, I would not have signed with this brand. I cannot speak to any positive experience on any level, that I have had with this brand. Everything has been a struggle from the day I signed.
- I really think this could be a really great brand. I think some of the changes are great and love trying to stay ahead of the curve. Going forward I would like to have less micromangement. Better marketing going forward. Together we can buy much better and spend it more wisely.

The Future and Past



Open Comments

- The past has been pretty bad and DBRI is a greedy company that doesn't care about its investors. The future looks bright because hopefully I can just claim bankruptcy soon and move on.
- Going forward the Franchise Directors should have some say and authority in helping with localized marketing and operations decisions. Get rid of Direct Delivery Marketing Material. Stop forcing bad marketing down our throat that doesn't bring an increase in profits. Driving existing customers to us with discounts only reduces our profitability and doesn't drive NEW sales. Focus more attention on the Quality of food with better meats and better pricing.
- No leadership. I am treated like a manager for Roland's store. Just so much lack of respect for my investment into his name brand.
- We have been so burned by this organization and see no hope for change. Allow your franchisees to gracefully exit the system.
- Feel things are somewhat improving but still a long way to go. They need experienced restaurant leadership guidance

Open Comments

- We should learn from our past but we apparently haven't as we keep making the same mistakes. Stop making so many change. We have too many wheel re inventors at corporate. Our food is great so let's just focus on what we already know. We are not a tech company and should not be focusing on creating our own POS system just for DBRI to sell it other restaurants to make more profit. If Laura wants to do that then she should leave Dickey's and start up her own tech company. We need a CEO and leader who is focused on our brand, our food, our service, and recognition.
- We need to stop reinventing the wheel and start focusing on allowing owners to use their marketing dollars to market their store. Lower food cost, waive technology fees as well as any additional corporate fees to ease owner's pain, and change corporate and it's people!
- The measure of the long term success of DBRI will be predicated on the success of individual franchisees. If DBRI chooses not to make good business decisions that benefit its franchisees community this pattern of closing and churning stores will continue until DBRI's reputation is bankrupt.
- As long as RDJ is still in charge, the future of this brand is bleak.

The Future and Past



Open Comments

- Stop trying to reinvent the wheel. We had a great concept when I started 5 years ago. Great Barbecue. What happened to that? DBRI is attempting Brand Suicide!
- If corporate and owners were on the same team, there would be over 2000 stores in existence. As it is, owners are looking to sell (unsuccessfully) rather than open new stores.
- I pray for a brighter future.
- Make promo items with a discounted price, not a set price across the board. \$5.00 footlongs hurt lots of subway owners.
- DBRI has focused on selling franchise and not the profitability of the stores. Since I opened there have been 4 stores opened ranging from 1.2 miles to 5 miles surrounding my store and cutting off my profitability.
- Buying this store has probably been the worst financial decision I have ever made in my life.
- Food costs and marketing - with some many needs and issues, these 2 would have the biggest and most immediate impact in our bottom line.

Open Comments

- Our stores flourished in the early years. We had less over-saturation of our market. However, with the reckless desire to open 500 stores, DBRI allowed less than qualified owners/operators to open stores and degrade the brand. Further adding to this they allowed underperforming/failing stores to remain open regardless of the negative impact it had to the brand and neighboring stores. This brand will cease to exist in the near future unless there is sweeping and drastic overhauls at the top. Without changing the culture and adversarial approach at DBRI this brand will not survive. I pray each night that DBRI will go bankrupt and a real food service company takes over or allow all franchisees to go independent.
- The changes instituted back in 2016 caused a lot of hardship to owners. Many have been impacted, many have ceased operating, and many are on the brink. We have not been able to return to pre-2016 volume, as hard as we try. DBRI will cease to exist if it continues in this direction. The owners have to be more empowered and their voices heard by DBRI. The owners' voices and inputs should be solicited and considered before making changes.
- We need more marketing collateral at no cost to owners.

The Future and Past



Open Comments

- Obviously the menu flip was devastating to the brand from top to bottom. That seemed to be the start of a series of knee jerk reactions and changes. We don't seem to be on a direct course. We have lost who we are. Too many layers of profit for the Dickey's Capital Group have been built. DBRI has also prioritized the profit of the companies they required us to use, (and this list continues to grow). These layers have been placed squarely on the backs of the franchisee's. Combined with the fact that franchisee's were given misinformation from day one has led to many stores closing their doors. This has crippled the brand and devalued our investment. If DBRI continues to place the franchisee's at the bottom of the food chain both franchisee's and franchisor will die off.
- If I could find someone to buy this I would be gone tomorrow. I don't believe Dickey's will ever put the franchisee's success ahead of their greed.
- New leadership... stronger barriers for entry of new franchisees... leave money with owners instead of kickbacks on everything.... i could go on and on
- If i could return time i would had never invested in this corrupt brand.

Open Comments

- As much I have frustrations with the system, this brand has so much potential and the food is so good I have customers rave about it all the time. This brand has the potential to be every bit as big as Chick Fil A or insert anyone else in her you'd like. I said that I don't feel that I am not satisfied with making an investment in Dickey's but I also said I would open more stores. If we can get our issues fixed the main thing being purchasing where I could get my cost of goods down I would feel better about this investment and would start having the money to consider opening more stores and I would open more stores. But I have to start getting a return on investment from the ones I have open now.
- Dickey's is a dying brand. The sales show it, the store count shows it, and the only way out is to remove Roland and family from the picture.
- Until we get a CEO/President that is qualified to run this company, independent of the Dickey family, we will never thrive. I feel that given 100% control Barry Barron was the right person for the job but interference from RDJ stopped him.
- I am paying 9% fees to Dickey's . It is beyond the pale . Fees should be no more than 4-5%.

The Future and Past



Open Comments

- Barbecue is approx. a 2.9 billion/year industry in the United States (Out of a total of 798 billion for Restaurants). Our piece of the pie is WAY too small to continue the tactics DBRI has employed - Namely taking rebates from Franchisee's, getting kick backs on vendors (especially US Foods through Wycliff), construction, their own data company (Spark), etc. System wide we already suffer from low AUV and HIGH COGS. The only way to survive in this franchise is to run it as a single owner running your own store as there isn't enough cash left to pay for a manager. This is not a multi-unit friendly concept. Finally, I strongly feel that Dickey's needs to expand out of the Core Barbecue Menu. Either merge the Barbecue Concept with a grill (Burgers, wings, grilled chicken, etc) or with a southern cuisine like Texas South Cooking (Chicken Fried Steak, Chicken Fingers, Meatloaf, etc.). This would allow our piece of the pie to go from 2.9 billion/year to much higher. I know this is probably an un-popular idea with most franchisee's. But in order to see growth and increase AUV - Dickey's needs to expand beyond their current offerings and minimize Barbecue.
- DBRI needs to reconsider expansion and take a more strategic approach vs. opening as many stores as possible regardless of location and proximity to existing units.

Open Comments

- Most franchises are too NEW to see the full Dickey's Potential. We are starting our 6th year and starting in our 5th we saw substantial growth and that has even grown going into our 6th year. Dickey's talks about 5% growth year over year, so once your initial start-up period is over, for us that was 4 years, we are starting to see that and more!
- We started with a plan to open five restaurants in a development agreement. during the construction of the first location, we began to doubt DBRI as a worthy partner. After start of operations, we have reached the conclusion that DBRI is either unwilling or incapable of helping us develop the territory. this will be our last Dickey's Restaurant.
- The best way to ensure growth of the brand is to ensure profitability for its investors, the owners. Currently all efforts seem driven by corporate profits at the owners expense.
- I will file for Chap 7 protection in 2019. Multiple stores will be closed and multiple markets lost. I'm sure I am only one of many. While I will take my medicine and understand the role I played in my own downfall it would not have happened within system that is not blind to the greed and corruption that starts at the top.

The Future and Past



Open Comments

- Franchise has changed significantly in last 5 years. Prior to that, proposition was fair. Changes in last 5 years have been detrimental to O/O and the brand. Future survivability of brand is in doubt.
- I feel it doesn't matter what the franchisees say they are ignored and DBRI is going to do whatever it is they have planned. They only pretend to listen when face to face. If things continue as they are I can see a complete failure of the brand.
- The single most negatively impactful issue I fight against is our own brand. In my area there is literally no other Dickey's with a public review rating over 3 stars while we maintain a 4.5 star rating. Dickey's did not effectively vet other owners in my area and have done nothing to maintain high standard. Therefore, countless people in my area won't give us a chance. They have dropped the ball and reduced the overall value of my investment. I work 60+ hours a week, adhere to all of Dickey's standards and am going well beyond the average owner in terms of local marketing and business development regarding catering and am still at risk of losing everything.
- I made mistakes in the past. I hope I have a future.

Open Comments

- Examples of past ineptitude by DBRI staff are too numerous to list. DBRI promoted overbuilding in parts of the DFW area and those of us still here suffer regularly from bad operations by other owners. Our most frequent comment heard from guests is "Why is your food so much better than the other Dickey's?" points out clearly that the ones who do not actually protect the "brand" are within DBRI itself. So we spend our time and dollars constantly trying to convince guests to try us and not judge us by DBRI overall. Based on DBRI past attitude and responses to us we have given up trying to get any form of rebate from DBRI for our marketing dollars. And the tech dollars we send them for Spark etc are a waste. Cumbersome tech, weak reports (what are my net sales, including taxes paid and tips collected, from all sources so we can pay TX State tax? - cut and paste several DBRI reports to get the answer - sad) As stated, the examples are too numerous to fully elaborate, but thanks for ruining my morning by reminding us how bad our investment in DBRI has been.
- The Dickey's name itself is so bad that even good stores can't sell for a decent price so good or bad people are stuck. Dickey's reputation is just bad all around. They just have no clue on marketing bbq outside of Texas.

The Future and Past



Open Comments

- 1. I see no value in the Franchise Director role. Definitely a waste of money for both Corporate and the Owner. With over 30 FDs in less than 2.5 years, it is obvious the role is not effective. I honestly do not know the FD role. The only time I hear from an FD is to forward me a negative survey. 2. I did not receive any help or email, or text or any assistance from the FD, when I lost internet/NCR/IT service for 7 days. 3. I did not receive any help from the FD when I could not get basic supplies from our food vendor for several weeks and even some items still today that are basic daily items required by DBRI. 4. FD's or Marketing folks expect to eat for free (under the guise of "sampling") for a full 1 or 2 days they are in town. Nope - I'm already paying Marketing and Royalties - nobody eats for free. I pay full price when I eat at the store so they must as well. MANY MORE TO ADD.
- I'm hopeful for the direction that we are headed. I'm hopeful that DBRI will listen to the franchisees and do something that will treat us truly as partners NOT just give up the "low hanging" easy "wins" I don't think they realize that we can make more if they didn't operate as dictators. I was more optimistic in the past, the past few years with the G-4 changes really hurt and at times it seems to have fallen of dear ears, yet I'm still hopeful for a fair partnership.

Open Comments

- There needs to be market analysis' and impact studies completed prior to opening a new location with a new franchisee close to an existing location. We were told that we had our county locked down and they would not allow another owner to open close to us. About 12 to 18 months later, they allowed another owner to open right in-between our two locations. We all struggled and fought for the same business for over 2 years until the other owner finally closed. We also had to close one of our three in order to make a go at keeping the remaining two open. It has been the hardest thing we have ever done. We were excited to join the Dickey's family in the beginning and thought of it as a partnership and "investment". Turns out that it has been more like a "dictatorship" with the feeling that we bought ourselves a job that we can't even make minimum wage doing at this point. It is a struggle for survival every day. After over five years of owning the locations, we should not be in this position.
- opened Tx1516 bay town in Feb-17 was on my way to build million\$ sale in 1st year. DBRI crippled me and my Business opening one store just one Exit down from me cutting of my Residential customer flow . since then I been treated like an orphan child. its just unethical and Bad business Model.

The Future and Past



Open Comments

- Current management needs to be replaced or change priorities. All efforts need to be focused on getting food costs down. Downsize the home office so DBRI is not relying on the kickbacks and the price gouging from Wycliffe to support the home office. Second, marketing needs to focus on a strong strategy to build the brand through solid marketing practices locally. Not constant desperate discounting to "increase traffic". Develop great looking marketing collateral then work with owners on spending the marketing money locally. The owners know their market better than someone in a cubicle in Dallas and We are not big enough to use national ads effectively
- I do not think how it was presented to us is how it actually worked. From cost to operations. I think big strides have been made in the past 3-5 months to improve this. Looking for a better future.
- i am in a city by my self and the support that i receive in marketing and promotion is almost none. but the percentage of marketing and percentage for the franchise goes out every week or more.
- Better timely and accurate for 3 party vendors and pos so we can better manage our staff and tax reporting.

Open Comments

- Dickey's is pushing the sales up by encouraging 3rd party delivery services which only helps the home office. We are not benefiting from increased sales at all as they are all eaten up in fees. This is one more way that Dickey's is self serving. They claim to be guest first, but they are really DBRI first, guest 2nd, and owners VERY VERY last. The future can not be bright if this mentality does not change.
- Dickey's has really never been a Franchise that has a proven model. The food is good however, the perpetual changes have caused consistent Chaos in the brand. There is not a true brand (smoked meats?) in their system in my opinion and not a draw for customers such as the Big Mac etc. What are we known for (smoked Meats?) in the space that is original etc. Their current is truly profit prohibitive to build out along with leasehold etc. They need a buy back program so that they should be able to take a store and buy it back and prove their model works in other place except Texas as it appears that those stores do thrive. Wonder why?
- Future - Have DBRI employees physically work with us in the store for a week to see how we function rather than judge us from one visit, maybe this way they can understand that we are in it to succeed. Past - wish I had not been pushed into opening a second store.

The Future and Past



Open Comments

- I would love to feel that DBRI is a partner with us and I would invest in more stores. I will not make any further investments with climate of DBRI leadership. This could be a great franchise if it was run by professional management. Every high in leader they have brought in has left very quickly. If Roland had any business sense at all he would look in a mirror and see where the problem is.
- Five years ago I felt Dickey's was focused on serving great bbq. Now they seemed to be focused more on creating a POS and technology. It isn't working in my opinion.
- We need to have fair sharing from DBRI. By allowing us to make money, we will be the biggest barbecue chain in the world forever. If hundred of franchises keep going under, we will all be a joke!
- Biggest mistake of my life.
- they don't stand behind there words
- See previous comments related to DBRI future. This franchise is on the verge of loosing a lot of stores, especially in the most northern regions that have less saturation of Dickeys restaurants like you see in the Texas area.

Open Comments

- Bites
- I purchased an existing Dickeys and have had little support from the time I took over the location. It has been extremely frustrating and painful. I would have appreciated help with things like setting up accounts (they do send the paperwork for US Foods) We were off the 3rd party applications for weeks, didn't have the bank account to the POS for 10 days. I bought a franchise because I needed guidance. These things were not taught at BBQ University. There should have been a check list with direction given. I keep asking who I should be talking to at Dickeys as I expected someone would be assigned to help me with the transition. Its resulted in lost sales for all of us.
- Again, remove the 4% marketing funds to better help our cash flow and let owners do their own marketing in local areas. Any of the marketing I get in my area is not specific to my area so I see no push from in in mt 4 locations. Give the owners the best case pricing upfront to better their everyday cash flow situation. Not have to TRY and earn it with unrealistic goals. This is a way for DBRI to keep the rebate money for themselves.
- Too many changes way too fast without notice and or seemingly franchisee input or voice. Franchise Agreement is onerous and difficult to exit.

The Future and Past



Open Comments

- 1) Past actions taken on DBRI's part have clearly demonstrated Dickey's has been overly eager on opening as many stores as possible without any evident concern for existing stores profitability, or even the ability of previously opened stores to maintain ongoing operations. It appears from the great number of closed locations in the last several years this strategy has benefited neither DBRI nor the franchisees. 2) A second point of contention is what appear to be kickbacks or a means to create revenue streams for DBRI from the franchisees' pocketbook, such as Smokestack or rebates to DBRI from Sysco and US Foods. 3) Instead of charging each franchisee around eight or nine hundred dollars a year for Smokestack, why isn't it a one-time setup charge of say \$200 with a \$5, or 10-dollar monthly maintenance fee? If DBRI or associated parties receive a monthly income stream from Smokestack, it would seem to be designed chiefly to fleece the pockets of the franchisee's month after month into perpetuity. Why is there an ongoing charge for what should cost virtually nothing to operate on an ongoing basis? Where is that money going? (Con't)

Open Comments

- (Con't) 4) Certainly, other owners this one has spoken with believe these concerns show that DBRI may talk a good talk, but really view the franchisees as nothing more than vehicles to keep just profitable enough to stay around and provide DBRI with an ongoing income stream. 5) DBRI has demonstrated it can do a good job of opening new stores. It also does relatively well in supporting stores when the goal of that support appears to be in DBRI's interests - like maintaining product quality. It does not seem DBRI is interested in helping already opened stores be profitable.
- There must be better control of the qualifications of new franchisees who come into the system. The brand must be protected and standards must be set and monitored.