

Foodservice

Tech Advisor

March 9th, 2009

Volume 26 , Issue 3

Special Issue

FS/TEC 2009

* Part Two *

Editor's Note:

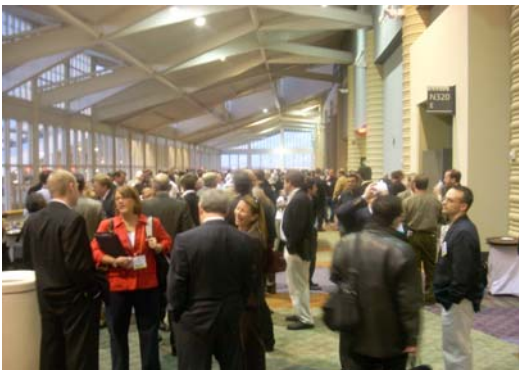
Today we bring you the second part of our double issue looking at **FS/TEC**, held 4-7 February at the Orange County Convention Centre in Orlando, Florida.

We open this issue with insight from our Chairman & CEO, Rob Grimes, who talks about how tough times call for revenue-generating technology.

'There are still opportunities to further leverage technologies or deploy new ones,' he says. Read the full article on page two.



ENTRANCE TO THIS YEAR'S SHOW



THE NETWORKING ICEBREAKER RECEPTION HELD ON THE FIRST EVENING OF THE EVENT

We follow with more news about the FS/TEC exhibitors, including new product releases, significant updates, and some major announcements. We also offer you the highlights from the popular Roundtable Discussions, held on the first day of the event, as well as from seminars we attended.

Our next FTA will focus on **Drive Thru Systems**, so please contact me should you wish to be included in this issue. Other imminent topics include **Customer Ordering Systems—Mobile & Internet**, and **Loss Prevention Systems**.

Please note that we will continue to run a section in each newsletter looking at **Technology In Turbulent Times**, given the relevance of this subject as we move into 2009. We welcome

feedback from restaurant operators and technology vendors who know of instances where technology is helping boost business in a down economy.

PLEASE JOIN US FOR NEXT YEAR'S FS/TEC—TO BE HELD 21-24 FEBRUARY IN LONG BEACH, CALIFORNIA



Rachelle Claret
rclaret@accuvia.com



Send in your news for our next FTA:

Drive-Thru Systems



Accuvia's Chairman Speaks Out

Tough Times Call For Revenue-Generating Technology



ROB GRIMES,
CHAIRMAN & CEO
OF ACCUVIA

In past economic downturns, I've usually seen companies switch from revenue and service enhancement technologies to those that will save money by increasing operational or supply chain efficiencies.

That was a popular strategy—until now.

The last slowdown prompted most companies to focus on back-of-the-house technologies, such as those supporting better above-store reporting, HR management, inventory, and ordering & sales planning and analysis.

In the five years since those doldrums, many companies with improving fortunes have invested in system upgrades, deploying wireless networks and moving to web-enabled applications for many functions. The result: More than a few foodservice companies already have all the technology they need to save money.

But saving money won't drive reluctant spenders through the front door of restaurants struggling to rebuild guest traffic.

The good news is that since 2003 we've seen the development and deployment of new technologies that connect businesses with their customers. This covers everything from online ordering, to cell phone ordering, to automated guest response and survey systems.

As potentially business-friendly technology

like web-enabled cell phones and PDAs has spread into the hands of consumers and workers, much of the spending on information technology, or IT, by business has been associated with e-marketing, labor-scheduling and training applications.

So where does this leave us today?

Clearly, most operators are cutting spending. While POS technologies still need to be deployed, some of the peripherals that might have been acquired at the same time are being pushed into different budget cycles.

But for those operators who invested in wireless access at the unit level and who focused on web-based applications and even moved to hosted data and application environments, there are still opportunities to further leverage technologies or deploy new ones.

The movement of many applications to hosted environments has helped lower the cost of integrating various technologies. The cost of such integration, which used to be one of the largest expenses tied to implementing new technology, is now much lower, as wireless networks have eliminated cabling at the unit level and the library of standard application and database interfaces begins to reach critical mass.

So the growth opportunities within our industry for the foreseeable future will be those tied to technologies that can either work with existing POS and back-office systems, those that can run on standard PCs for a lower investment cost, and those leveraging web-based applications.

Another key consideration when buying in this economy: Can the technology be used for multiple applications without the need for many deployment plans, serial onsite

configuration sessions, frequent rounds of employee training or substantially higher unit-level maintenance requirements?

The above means, for instance, that if you roll out a POS application, it ideally should be able to run on a fixed terminal and a handheld terminal for order entry and pay-at-table functions, and be compatible with online-ordering and mobile-device ordering systems, if not the basis for those systems.

New technologies that require customized hardware and infrastructure to run in the restaurant will largely be put on hold for the foreseeable future—unless they are absolutely proven to save money or build revenue. However, it will be much easier to make a return-on-investment case for multi-tasking hardware or software.

Operators' IT investments in recent years mean that even as the economy worsens, they won't have to "stay the course" in terms of technology strategies in the months ahead, and that is very positive.

Advances in foodservice information systems, the whole and total focus of FS/TEC, gives the industry the means to enhance the guest experience and staff training.

Tough times are IT times, and the IT of today may just help the industry avoid even tougher times tomorrow.

PLEASE NOTE

THIS ARTICLE WAS FIRST PUBLISHED
IN NATION'S RESTAURANT NEWS
ON 3 FEB 08.

New Products, New Releases

TableTop Media



Headquartered in Dallas, Texas, **TableTop Media** is a media technology and content delivery company and creator of the first interactive tabletop experience with next-generation PATT functionality. **Ziosk** offers casual dining restaurants and advertisers a powerful opportunity to reach and communicate with a captive target audience at the point of purchase.

We met Shawn Gentry, President & CEO, who spoke to us about the latest updates to TableTop's Ziosk application.

The improved tabletop kiosk now displays different information at different stages of the meal. To begin with, during the first ten minutes of the guest being seated, they can see information related to ordering their meal. After ten minutes, the application focuses more on 'infotainment', such as digital promotions pertinent to each store. After

twenty-five minutes, the Ziosk touchscreen interface changes to screen-saver mode, which rolls videos of the brand's desserts.

'We have noted a 50% increase in dessert sales when videos are shown, as opposed to when guests just see a photo of said dessert,' noted Gentry.

'We are certainly getting smarter about delivering relevant content to the guest at specific stages of the dining cycle.'

THE ZIOSK APPLICATION



Partner Tech USA, Inc.



Partner Tech, headquartered in Taiwan, designs and manufactures POS and peripherals hardware for the foodservice and retail industries, although their products are currently deployed in diverse sectors, including Hospitality and Fast Food, Retail POS, Kiosk, E-Commerce, and Gaming.

The company offers businesses an opportunity to deploy the latest technology while reducing their TCO, and provides a suite of products ranging from all-in-one terminals, keyboards, pole displays, receipt printers, cash drawers, scanners and kiosks.

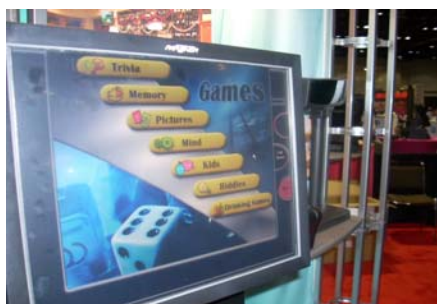
Partner Tech USA, Inc. is the sales, marketing and integration office for North America and Latin America, and we spoke to Keith Schroer, VP of Sales & Marketing for the California-based office, at this year's show. He told how although Partner Tech manufactures hardware, they chose FS/TEC to promote certain applications from their partners.

Using the touch screen, patrons can order food very simply, but also play games. eMenu features include: on-screen ordering, calling for server or bill, chatting with other guests, interactive games and trivia, and TV & Video streaming.

This was the inaugural launch of the device, distributed by Partner Tech's partner, **TouchMedia**, although it is developed by a company called **Conceptic**. eMenu is designed to increase orders and enhance the dining experience, and provides a complete and flexible menu setup.

Schroer then showed us Partner Tech's new **M1 POS**, with built-in printer, which was also launching at this event. This all-in-one enterprise PDA provides WLAN & GSM / GPRS wireless communication, and comes with optional scanner, camera, and IC Card Reader.

Schroer told how the handheld device can also activate SIM cards, so can be used as a mobile device to collect data.



One such application is the **eMenu** - which is essentially a tableside multilingual kiosk for restaurants, bars and pubs.

THE eMENU



THE M1 POS

Main Street Softworks, Inc.



Florida-based **Main Street Softworks** develops secure, cost-effective financial transaction software to businesses of all types and sizes. Introduced in 2001, their flagship **Monetra** payment server software allows merchants to maintain direct control of their processing security and relationships. The application securely processes credit card, debit card, gift card, and electronic benefit card transactions via POS and eCommerce systems.

According to Jamie Tolson, Marketing Coordinator, Monetra's newly implemented electronic check verification and conversion with image upload functionality is now serving several large, nationally franchised restaurants. In addition, the application offers store and forward capability, plus the option for real-time or back-office conversion.

Monetra software meets or exceeds all PCI security requirements, and as Steve Cook, Main Street's VP of Sales explains, 'the Monetra software enables merchants' systems to communicate directly with their credit card processor network of choice, eliminating the need for

expensive middlemen markups on card transaction fees.'

He adds that excluding additional steps in processing and communication reduces the number of sites and routes where card data might be vulnerable to compromise. 'Using robust, proven software for direct communications to card processors not only lowers costs, but improves performance and security as well,' says Cook.

According to Main Street, Monetra is the fastest, most efficient and secure product of its type, and is capable of scaling from a custom embedded device to a fully redundant system that processes millions of transactions an hour, transforming how payment systems are deployed, secured and managed. 'Our new check conversion feature brings our already superior payment versatility to a new level,' notes Cook.

Monetra version 7 is licensed, distributed and supported across all major Operating Systems.

VeriFone, Inc.



VeriFone, the global provider of secure electronic payment technologies, offers solutions and services that enable electronic payment transactions and value-added services at the point of sale.

VeriFone's devices and systems process a broad range of payment types including signature and PIN-based debit cards, credit cards, EMV smart cards, contactless, value-added applications, and signature capture. Their solutions incorporate existing and emerging technologies, comply with the latest global security standards, and leverage the latest connectivity options from GPRS, CDMA, and Wi-Fi to IP and Bluetooth-enabled devices.

At FS/TEC we were shown the company's newest products, which form part of VeriFone's **MX800 Series** – a suite of consumer-facing products that offer merchants a new way of interacting with their customers at the POS. VeriFone's MX Series is suitable for multi-lane retailers and specialty stores as well as for point-of-service environments such as retail banking, ticketing, or kiosks, and allows for improved operational efficiencies and a lower TCO.

All MX800 Series devices share a common platform and run the same applications, offering the flexibility to mix and match units to meet specific store needs and budgets. They support smart card, magnetic stripe and contactless payments and comply with the latest security standards. They are also PCI PED and EMV Level 1 and 2 approved.

The products we viewed were:

MX870

A PINpad that merges full-motion video, a 65,000 color display, high quality digital sound and secure payments capabilities into a single, easy-to-use system.



THE MX870



THE MX860

MX860

The newest member of the MX800 Series, the MX860 is a versatile and performance-oriented payment solution. The device offers a color display for promotional and interactive customer applications, combined with a tactile keypad and large signature capture area to speed customers through lanes.

MX830

Designed for demanding multi-lane environments, the MX830 is a robust, consumer-facing payment system that simplifies complex payment and value-added transactions.

Based in Florida, **SoftTouch** has been providing POS software and restaurant POS solutions to the US market since 1994. The SoftTouch hospitality management system is suitable for restaurants of all sizes and in all sectors, and consists of:

SoftTouch POS – SoftTouch’s flagship POS and restaurant management product which includes functions for: Dining Room, Bar, Take Out, Delivery, Counter, Drive Thru, and customizable BackOffice.

SoftTouch SmartHost – a table management system that accurately forecasts wait times using proprietary Predictive Seating technology which matches customers’ seating preferences to user configurable table attributes. It can also recall customers’ seating preferences and order history through the use of a loyalty RFID key fob that is self-scanned at the hostess station. Users can view virtually every table activity detail - from food served and coursing information, to predicted departure time and target revenue status.

SoftWireless- a mobility and remote order operations solution.

SoftTouch Touchless Sign-On – which involves servers wearing RFID bracelets that trigger an automatic logon at the POS station when the user is within range, eliminating the need for swiping ID cards or punching in access codes.

SoftTouch INFORM (Intelligent Notifications For Operations Real-time Management) – replaces retrospective reporting with real-time data broadcasts to wireless text pagers that improve productivity and prevent customer service problems.

SoftCall – comprises wireless, table-top push-button units that allow guests to request drink refills, guest checks and general assistance.

SoftPay – designed for full-service restaurants, this is a self-pay kiosk that is activated by the guest using their loyalty key fob or SoftPay Self-Pay, issued temporarily upon being seated. Also allows pick-up customers to enter a phone number or use their loyalty key fob to pay for order pickup.

SoftTouch Online – is a hosted web ordering solution that allows operators to create a web presence using their existing SoftTouch POS configuration. The solution provides full, online menu management and customization from the local facility, and features a GUI front end with real-time order and payment post-back into the restaurant’s SoftTouch POS system.

DineBlast Mobile - is SoftTouch’s newest innovation, and the product they were highlighting at FS/TEC. DineBlast allows guests to self-order and self-pay using their personal communication device, and is compatible with virtually any WiFi enabled portable device.



DINEBLAST MOBILE

General Exhibitor News

Exit 41, Inc.



On February 6th, **Exit41**, provider of online ordering and call center software & services, announced two new restaurant customers for its newly expanded Call Center in Andover, Massachusetts: **Odoba Mexican Grill**, a fast casual concept and part of **Jack in the Box Inc.**; and **zpizza**, a gourmet pizza restaurant chain.

Exit41 has extended its restaurant Call Center capabilities to include off-premise catering orders and “ASAP” orders for takeout and delivery. The Call Center is staffed by professional agents who focus on taking customers’ complete order as well as providing order consultation, which results in a higher average check size. Agents also

use a central customer database to make proactive outbound calls and drive sales for the restaurant.

Orders are processed via Exit41’s enterprise Call Center ordering application which supports the order process with features such as automated cross-sell / up-sell, and real time integration with major POS systems. With this model, restaurants can increase sales and average check size, save on labor, improve the customer ordering experience, and build loyal relationships.

Joe Gagnon, CEO of Exit41, says that ‘Many restaurants come to us

because they are challenged with effectively serving both customers on the phone and customers inside the restaurant.' He claims that during busy periods the phone can sometimes go unanswered, so Exit41's role is to ensure that all orders are captured; to provide a superior level of service; and to maximize the dollar amount for each order.

Qdoba Mexican Grill now has over 150 corporate and franchised locations using Exit41's Call Center Services, and plans to rollout to all of its 450+ locations nationwide by mid-year.

Karen Guido, Qdoba's VP of Marketing, comments: 'We consider the Exit41 Call Center an extension of our restaurants and of our brand. So far, with this centralized model we are seeing higher check sizes and are

able to simplify restaurant operations so our employees can focus on food and service for our in-restaurant guests.'

Exit41 is also taking orders during peak periods for zpizza, with 25 restaurants leveraging their Call Center Services. A full rollout of 82 stores is also planned for the middle of this year.

'Simply put, this is a much more effective and efficient way to run our business,' notes Chris Bright, zpizza's President. 'Within days of having Exit41 take orders for our restaurants, the value was evident. They are able to capture simultaneous orders during peak periods, increase our check size, reduce labor costs, and improve the guest experience.'

CrunchTime! Information Systems



The latest, exciting news from **CrunchTime! Information Systems**, global provider of hosted enterprise restaurant back-office solutions, was that they very recently passed their SAS70, Type II Audit which included CrunchTime!'s internal processes and infrastructure as well as its hosting environment. The SAS 70 Certification signifies compliance with the highest standards for data security, redundancy, process change and development methodologies.

Bill Bellissimo, President of CrunchTime!, commented, 'SAS 70 is an authoritative benchmark that demonstrates our commitment to upholding the industry's highest standards of security and integrity in hosting our customer's data.'

He told how the audit also shows that CrunchTime! have processes in place to ensure their customers can meet the requirements of federal

laws such as Sarbanes-Oxley, as well as the standards of their own internal and external auditors.

Auditors closely reviewed processes and controls relating to CrunchTime!'s data security and integrity, disaster recovery, customer support processes, development methodologies, and hosting facility infrastructure.

'Hospitality companies using hosted enterprise solutions should expect that stringent controls and safeguards are in place to protect their data,' continued Bellissimo. 'The SAS 70 Certification proves our dedication to providing our customers with infrastructure and services that are both secure and reliable. We will be diligent in constantly reviewing our processes to ensure that we meet these expectations now and in the future.'

ONOSYS Online Ordering



Stan Garber, Senior Sales Manager for Ohio-based **ONOSYS**, spoke to Accuvia about what they believe is the big news from this year's FS/TEC, and the single biggest trend that will have the most significant effect on restaurant businesses: the shift in online ordering from the desktop to mobile devices like the iPhone and Blackberry.

Indeed, Garber notes how late last year, **Papa John's** announced that over \$1 million in sales had been generated from these mobile platforms – in just five months – and that over half of those orders originated from iPhones.

'As the single most popular smartphone on the planet, the iPhone has fundamentally altered how your business will be conducted,' said Garber, noting that the device offers a large touchscreen interface, website integration, GPS tracking and HSIA.



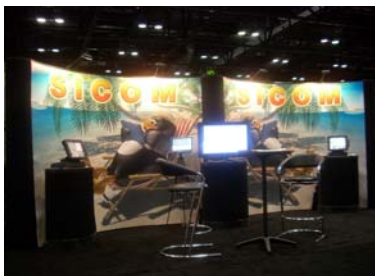
ONOSYS' MOBILE INTERFACE PROTOTYPE

Restaurants are now able to design a user experience for their mobile customers that can often surpass the experience on their desktop, offering the ability to view full menus, customize their order, check locations, redeem online coupons and process payments – all from their personal mobile device.

ONOSYS, developers of the eponymous ONOSYS Online Ordering System, anticipated this trend towards smartphone use, and at FS/TEC unveiled a mobile ordering prototype.

'The response was overwhelming,' said Garber. 'Now even small chains can implement a thoughtfully designed mobile ordering system that integrates seamlessly with an existing ONOSYS ordering system.'

SICOM Systems, Inc.



SICOM'S BOOTH

LINUX' LOGO



In terms of latest news for the POS provider, Doan told how, for third year running, SICOM is the top POS provider for **Burger King** worldwide. 'We are the number one selling POS in Burger King,' he noted.

Based in Pennsylvania, SICOM sported a cheerful booth which featured sunbathing penguins on the backdrop. Terry Doan, the company's President, told us the reason for this; he said that the SICOM POS system operates on **Linux** – whose emblem is the penguin.

The president then explained that from 1972-1989, SICOM concentrated on consulting, after which the company decided to begin manufacturing and distributing their hardware and software products, designed specifically for the QSR industry.

The company now offers the SICOM Point of Sale Solution, which consists of the SL Series PC-POS hardware, and the web-based SICOM Enterprise Management Solution (SEMS). The total solution provides restaurant operators with an integrated management information network.

SICOM's software offers users both POS and management-level functionality in a single package, and is highly scalable. Users of the SEMS package are offered immediate, detailed insight into their restaurant operations.

Mocapay, Inc.



Robert Hahn is VP of Hospitality, Sports, Entertainment & Gaming for Colorado-based **Mocapay**, providers of a mobile wallet service for payments with gift and loyalty cards via a cell phone. He was keen to tell us about the company's strategy – to 'mobile-enable existing gift cards'.

Hahn added that with the Mocapay mobile gift card wallet, the consumer's balance is always present, and the loyalty number – or barcode – can be scanned. 'We are the only ones doing this,' he claims.

Hahn told how Mocapay provides restaurant clients and their marketing teams the ability to do the following:

- * Mobilize existing gift and loyalty card programs by allowing consumers to purchase with their mobile phone at the POS
- * Allow consumers to "Gift-a-Friend" from their mobile phone and the opportunity for out-of-lane revenue and viral branding
- * Provide consumers with 'green' "m-receipts" instead of paper, and a mobile form factor instead of using plastic
- * Provide mobile gift reload to increase revenue per consumer
- * Drive loyalty with real-time communication to mobiles to increase store visits or alert consumers to relevant and actionable events
- * Provide real-time redemption of offers at the POS using a consumer's mobile phone to increase response rates and differentiate the consumer experience

Mocapay provides consumers with a simple and secure way to pay with their mobile phone utilizing Mocapay's multi-factor authentication, one-time use and perishable code, and server-side wallet (so no consumer sensitive information is held on the handset or at the POS). 'We also have the only mobile payment solution that is integrated with merchants' POS,' continued Hahn, noting that for this, Mocapay partners with **MICROS, Radiant, and Quest**.

He stated that Mocapay's patented technology is unique in the marketplace because they preserve and leverage the merchant's existing POS investment. Mocapay works with all mobile handsets in the US today, offering three types of carrier connectivity: SMS, WAP/ Web 2.0, and Downloadable APP.

Delphi Display Systems, Inc.



Delphi Display Systems manufactures ruggedized LCD technology for outdoor applications which it markets primarily to QSR drive-thru businesses and the petroleum retail market. On the 11 February, an expanded partnership was announced between Delphi Display and

Allure Global Solutions, Inc., provider of dynamic digital media solutions and enterprise POS software, to deliver complete packages to the rapidly growing outdoor digital signage market.

To mark the expanded partnership, Delphi showcased a multi-purpose 46" outdoor digital media display this year's FS/TEC.

'We have seen interest in our Outdoor Digital Signage products increase significantly in the last few years,' said Ken Neeld, President & CEO for Delphi Display Systems. 'Our partnership with Allure will leverage the strengths of both companies and create turnkey media solutions for Outdoor Digital Signage deployments.'

The partnership will also launch new outdoor digital signage applications, including:

QSR Outdoor Drive-Thru Digital Menu Boards & Pre-Sell Merchandising Boards — designed to help QSR operators promote new products, display nutritional information, change menu items and update pricing.

Cinema Outdoor Digital Movie Posters — to replace the current static paper poster with a full digital experience viewable outside the cinema.

Theme and Amusement Park Outdoor Digital Event Boards — to provide park visitors with ride and event information.

HotSchedules, Inc.



At FS/TEC we spoke to David Cantu, VP of Business Development for HotSchedules, the Austin, Texas-based provider of online restaurant workforce management solutions. He said: 'This is the first year we have a fully staffed tech team, and are ready to grow. Our goal is to start working with the state restaurant associations, so they can provide a discounted solution to their members.'

HotSchedules' focus is on independents as well as chains, said Cantu, telling how out of over 3,000 restaurant customers, twenty percent of these are independents. As HotSchedules doesn't invest their money in marketing, he continued, they can instead put their dollars into R&D and their client base, which is now starting to pay off.

The majority of Hot-Schedules' business is done by word of mouth, according to Cantu. 'The biggest thing for us is capturing the market available, who see benefits in ROI; we offer an affordable solution.'

At the show the company showcased its full suite of restaurant labor management and employee scheduling solutions, including the Core,

Team, Workforce, and Enterprise packages, and the HotSchedules Digital Logbook.

Cantu noted how HotSchedules solutions create scheduling and communication efficiencies for any restaurant or retailer by providing:

- * Ability for managers to easily create schedules that reduce scheduling time by 75%
- * Access to employee schedules online or via phone anytime, anywhere
- * Easy management of shift trades, swaps, or employee schedule requests
- * Instant confirmation of schedule changes by web, phone, SMS text message and email
- * Powerful reporting capabilities to track and analyze labor and control overtime
- * Optional interface with major POS and T&A systems

QSR Automations, Inc.



QSR Automations, provider of guest management software to the restaurant industry, took 'a whole new approach to demonstrations at the show this year,' according to Heather Pitts, Marketing Director for the Kentucky-based company.

QSR took booth visitors through a connected tour of the QSR powered restaurant, and in addition highlighted their online solutions for call aheads and reservations, and announced their new QuoteBoss application.

The new, integrated ConnectSmart QuoteBoss software is available at no additional charge to any user of QSR's ePic KDS or CSK. With the application, operators can make use of their POS and production data to provide accurate quote times in real time to guests who call to place a

To Go order. A Microsoft Windows client, QuoteBoss can run on any Windows computer within the store network, including POS terminals.

In terms of online solutions, Pitts explained how with QSR's ConnectSmart solution, any web content can be made available at any kitchen or hostess station in the restaurant. Users of QSR's CSK graphical software can take advantage of web-based technology for applications such as an online recipe book. Online reporting and online help capabilities are also available within the CSK, QSR's ConnectSmart Hostess seating and wait list management software, as well as QSR's ConnectSmart Reservations software.

With ConnectSmart WebAhead and ConnectSmart Web-Reserve, restaurants give their guests the ability to join the wait list or make a

reservation through the web. They can show their guests accurate wait times in real-time, as well as suggest additional reservation times if the guest's requested time is not available.

With WebAhead and WebReserve, operators also protect their brand, their guests, and their guest data because activity is managed through the restaurant's own website and own guest database.

'Adding more online capabilities within the kitchen as well as at the hostess stand is yet one more way QSR is helping restaurants stand out

SCK Direct, Inc.



Connecticut-based **SCK Direct** is an ASP software & services company that develops remote management and monitoring (M2M) solutions for the foodservice industry, as well as other OEM equipment industries.

SCK software manages remote foodservice equipment securely, in real-time, over the Internet, providing automated food safety, HACCP, controlling production management (QPM), and supporting asset management, (QAM).

A major player in applying remote monitoring and diagnostic technology for the restaurant industry, SCK delivers labor costs savings, increased food quality freshness and availability, reduced customer service times, more efficient and effective employee training, and increased facility profitability.

The SCK remote monitoring and management solution includes software, server-based applications, agents loaded into in-field devices, and connectors that interface with call centers and wireless devices.

On February 19, Christian Koether was promoted from Director of Business Development to Vice President of SCK, in recognition of his recent achievements. According to the company, 'Christian has taken a

in the eyes of their guests,' comments Andrew Sonntag, COO for QSR Automations.

He notes how QSR's newest innovations provide even more opportunities to increase convenience and efficiency in the restaurant.

'With QSR's fully integrated solutions, operators can ensure a positive and memorable experience when caring for all guests – walk ins, call aheads, online call aheads, reservations, online reservations, and carryout guests,' added Sontag.



CHRISTIAN KOETHER,
VICE PRESIDENT OF
SCK DIRECT

pilot program of SCK, installed in the UK, and accelerated it into a truly successful customer deployment.'

KFC (Great Britain) Limited selected SCK's wireless technology and restaurant management software applications, and now has a truly networked Smart Commercial Kitchen in all of its company owned stores, which according to SCK, is the first of its kind for the industry.

Koether has also helped to create a breakthrough bi-directional wireless network that links ovens, fryers, smart sensors and other related kitchen equipment to a suite of SaaS software applications.

With this major contract, SCK now has systems installed on two continents, seamlessly integrating with back of house software and several different POS hardware and software providers.

The company has demonstrated and proven 'the long envisioned benefits of an integrated online kitchen'.

EMN8, Inc.



We spoke at length to Perse Faily, CEO of California-based **EMN8, Inc.** - or **Enterprise Media Network**. She began by saying that though traffic appeared to be appreciably lower at FS/TEC, it proved to be a very good event for them as they experienced strong interest in their self service solutions.

We then discussed what EMN8 showed at FS/TEC, and how since 2002, EMN8 have leveraged their unique combination of expertise in branding, product marketing, media management and technology to develop and deliver brand-tailored, full-function self-service solutions to more QSRs than any other provider in the market.

This year EMN8 presented version 5.1 of its **OrderM8** self-service platform to FS/TEC attendees. The product includes new features, such as quick access to prior orders and special offers, which enhance speed of service and the personalization of the kiosk user experience.

In addition, the new simplified cash management components and reporting applications enable restaurants to complete daily cash management in just minutes in a secured location.

EMN8 also previewed an entirely re-architected suite of menu and management applications and enterprise management tools that will

become commercially available in the first half of the year.

MenuM8 is a wizard-based drag-and-drop application that allows operators to easily configure and manage menu and product data, text, images and other media used in product presentation and localized marketing programs at the kiosk.

A unique feature of MenuM8 is its SKU map module that enables the kiosk and POS databases to be fully synchronized. Using MenuM8, operators can manage multiple versions of their menu, located in any number of restaurant locations, all with one tool.

MARKET READINESS AND VALUE PROPOSITION

Faily then spoke about how both EMN8's direct experience with their QSR customers' guests, and their market research, indicate that consumers, particularly those between 18 and 54 years of age, are at ease with self-service and find it a highly relevant and attractive order and payment option.

'Highly valued are the use of media, personalized interactions, easy access to more options than available on the menu board, and cash

acceptance,' she said.

In locations where kiosk ordering is available, Faily notes that significant adoption rates are possible, and have been achieved by EMN8 customers. She feels adoption is driven by perceived consumer value, the design of a compelling self-service solution, and the integration of self-service into restaurant operations .

'The time is right,' she adds. 'We anticipate broad scale adoptions by major brands in 2009 and 2010, and are currently in the midst of a significant multi-market program expansion with one of our customers.'

'Self service is a win-win,' Faily continues. She says that EMN8's research across multiple customers indicates that consumers who use self-service are significantly more satisfied and more likely to return.

'QSR brands and owner operators experience incremental revenues from increases in average check and throughput, increased sales per labor hour through labor redeployment, and improved guest satisfaction,' she concludes.

FS/TEC Conference Highlights

Roundtable Discussion—Next-Gen POS

This was the second year that FS/TEC hosted the Roundtable Discussions, presented by the National Restaurant Association's MIS Executive Study Group.

Here industry specialists gathered to share a boxed lunch and discuss various technology issues with each other. The editor sat with the group that looked at Next-Generation POS, led by Heather Jackson, of Wendy's / Arby's Group.

First, Heather Jackson told how hers was a new position – to assess POS solutions for **Wendy's** and **Arby's**. 'Our goal is to get from three different systems to one single POS solution, in order to streamline maintenance and support,' she said.

She was joined by:

- Tim Davis, from **Louisiana Kitchen** (formerly **Popeye's**), who was interested in this topic because his group is deciding on a new POS

system. 'It's difficult to introduce new POS systems in franchised stores,' he noted.

- David Taylor, from **Church's Chicken**, who is evaluating POS systems from two final providers, and is currently in contract negotiations with one of these, with the intention to roll out to franchisees over time, and eventually have a company-wide system.

- Greg Hensley – Product Planning for **ParTech, Inc.**

To start the discussion off, Jackson asked Taylor what his main two criteria were for selecting two POS vendor finalists.

He replied that for him, the system had to be user friendly, plus, as Church's Chicken had previously had a web-based POS which caused problems if the Internet was down, they wanted a client/server system, 'until connectivity is better for web-based solutions'.

Jackson then asked everyone: Do your franchisees get options with regards to selecting a POS?

Taylor said: 'No – we suggest which ones they use.'

'Well we have to give our franchisees options,' commented Jackson.

'By suggesting the system ourselves, we can give better support, and recipes are easier to control,' explained Taylor.

'True,' said Jackson, 'there are a lot of efficiencies you can share by having the same system company-wide...'

'It's also better for marketing purposes,' added Taylor. 'We haven't met with much resistance, except that franchisees want a reasonable price.'



THE ROUNDTABLE DISCUSSIONS, HELD ON THE FIRST DAY OF THE SHOW

He told the table how two solutions were piloted in four franchised restaurants – and that each provider had to show the full solution and also test their back office on Church's **Panasonic** hardware. Their POS also had to run on Church's current hardware. Taylor's final two are Aloha MenuLink and **XPIENT**.

Jackson told how her team switched applications and trials between stores, to get added feedback. 'We ended up with a full consensus,' she said. 'In March we took out the previous system and replaced it with what we had recommended.'

Davis then said that Louisiana Kitchen wanted a vendor with hardware and software offerings, and also one who would protect any recent POS investments. 'We are now down to **XPIENT** and **SICOM** – and may install both,' he said.

Taylor told how corporate builds Church's database, but that the chain's hardware and software comes from a vendor. 'The only database change we allow is for pricing,' he added.

'Yes...that's a touchy subject,' said Jackson.

'We will still manage our own database,' noted Davis.

Taylor said it was the same for Church's. 'They (the franchisees) have to ask us if they want to make any changes.'

Jackson then asked the table how they feel about POS add-ons and extensions, as Wendy's / Arby's have been looking at these.

Davis feels that Drive Thru timers are going to be huge for Louisiana Kitchen. 'They give good data,' he said. 'We have six test sites going on with these.' He is also looking at Video Analysis, to check transactions.

Church's Chicken apparently use **Texas Digital** timers integrated with their POS, so they can look at analyses, such as average check, online.

'They do give good data,' he agreed.

'It's interesting that people have a different perspective about narrowing down their vendors,' noted Hensley—the only vendor at the table. 'Large franchise communities want large vendor choice, and are not as keen to go with corporate's choice...'

Taylor: 'Oh – it took a long time to make them see there was no other option.'

Hensley told how **ParTech** aim to match the right product with the right customer; and offer the right fit for the style of service and type of organization.

'Products are not as flexible as people perceive,' he said. 'We deal with many enhancement requests, so our next-generation product would take these into account.'

Davis asked if **ParTech** have any nutritional capability. Hensley said that yes, it IS possible.

Taylor told how Church's negotiated that in future they can move to .Net without added expense from their selected vendor. This future-proofing means that once connectivity improves for web-based POS, Church's will change their system. 'Otherwise we would regret just having a client/server application,' he noted.

Jackson finished the discussion by saying that: 'The important thing is to negotiate, in this environment.'

MORE DISCUSSIONS...MORE ROUND TABLES...



CIO Panel Discussion

This year's CIO Panel was moderated by Rob Grimes, Chairman & CEO of **Accuvia**, who questioned a panel of high-ranking IT executives from the restaurant industry about their current technology strategies, and where they see technology headed — for their brands, for the industry as a whole, and in general.

The panel included:

- KC... Kathleen Chugh – VP of IT for **Bravo Development, Inc.**
AL... Alan Little – Technology Managing Editor, **Nation's Restaurant News**
TV... Thys Van Hout – CTO for **SUBWAY**
DS... Dan Sheehan – SVP & CIO for **Dunkin' Brands, Inc.**
DSt... David Starmer – VP of IT for **Back Bay Restaurant Group**
GW... Glenn West – Senior VP of IS and eCommerce for **Papa John's International**
DW... Dusty Williams – CIO of **OSI Restaurant Partners**
-

two or three, to a single vendor. The tighter economy means we push things through faster.

Q: In terms of system purchases, is this done at corporate level, or do franchisees buy in themselves?

GW: There's much talk about collaborating with franchisees. Some are resistant...but corporate tries to collaborate and facilitate knowledge, which helps.

DS: Donuts uses **Radiant POS** and **Red Prairie** Back Office; Baskin Robbins uses **Dell**. But our franchisees have user forums to suggest changes and improvements to these applications.

Q: Data security – whose responsibility is it?

DW: It's going to be an IT problem, as it is perceived that way. It's never a comfortable topic, plus, hackers are more advanced than security systems. Franchisees are responsible for PCI compliance in stores, but we do help, i.e., one POS system throughout makes it easier – so we try to educate.

DSw: It *is* an IT problem, but also an enterprise-wide problem, so all need to play a role. These types of issues are the norm now, and need to be addressed.

AL: A lot of small operators see breaches as a way to say: 'Why bother?'. I agree that it will be the norm, but it's a lot of work.

TV: We are all fallible (laughs). But seriously – it's a shared responsibility, not just a technical problem – we need to all be aware.

Q: What is the number one challenge facing the industry where technology may be a solution, or play a part?

TV: The economy, both here in the US and globally. The challenge is how can we help our franchisees using technology to make more money, either to help build their sales or to help reduce their costs, or help them buy that next store. That's what technology can do.

KC: Back Office and food & labor costs are the biggest expense, and technology can help with this.

DW: The question is perhaps, how do you make technology work for the customer?

DS: Gathering information on a day-to-day transactional base, getting that data, and understanding how customers are behaving and how promotional items are performing - having that data is king right now.

Q: How has the economy changed your focus in terms of IT? Have you re-prioritized?

GW: We're trying to help our franchisees survive this economic trough.

Our technology initiatives that don't yield immediate returns for franchisees have either been slowed down or deferred.

DS: For us, priorities haven't changed. We help our franchisees manage inventory and control their food & labor costs. It's all about execution.

DSt: The situation has given us the opportunity to focus on the fundamentals. I feel that if we go backwards a little, we will be better placed when things turn around.

KC: I've found that I've had more to do, as other departments want more efficiency, and so come to me.

DW: The economy makes us look at the business process as a whole. We have focused on front-of-house technology that helps get customers in and out of the restaurant faster.

TV: Our fundamental priorities haven't changed; we know the importance of capturing transactional data to figure out what is and isn't working. If anything, we are implementing these tools faster.

AL: During the last 12-18 months, franchisees have told us that they are now narrowing down their vendor choices from

Q: What do you believe to be the future of mobile marketing?

TV: This is an area that's going to change. Our new POS platform has to handle things we don't even know yet, so adaptability / future-proofing is now fundamental in IT design.

DW: If we bear in mind that three years ago Dunkin' Donuts wasn't taking credit cards... We know we can't run before we can walk.

AL: SaaS used by smaller operators allows good marketing, and can drive traffic. Big players like mobile marketing but want more standardization, so are not diving in yet.

DW: We are now starting to do eMarketing, with coupons and other things. We didn't want to but our customers are driving what we do – even if we don't want it.

AL: The ability to have loyalty in my cell phone as opposed to just another card in my wallet is appealing even to non-regular texters. The ubiquity of the cell gives you an ideal platform.

DSw: As banks drove self-service, so food-service will drive eMarketing and mobile marketing.

Q: How do you feel about Social Networking in our industry?

KC: I feel it's something restaurants haven't tapped into it yet.

GW: We've done marketing campaigns with Facebook and have also set up a page for our team members; an employee forum for communications. We'll continue to explore these opportunities.

DW: It's good for getting in touch with potential employees. We got involved with Facebook when we blocked it and realized how many people use it!

Q: Handheld technology – will it be applied in your stores?

KC: We are trying to balance ambience with technology, but PATT is a possibility further



THE PANEL, FROM LEFT TO RIGHT: ROB GRIMES, KATHLEEN CHUGH, ALAN LIDDLE, DAN SHEEHAN, DAVID STARMER, THYS VAN HOUT, GLENN WEST, DUSTY WILLIAMS

down the road, so cards don't leave the table.

DW: Yes. Speed of service will be a huge issue for us.

DSw: We are beginning a pilot of pay / order @ table soon, and will implement more over time.

AL: People don't want to wait, but speed of service is critical to the fast casual segment, and has taken on a new level of meaning due to the recession. For example, workloads of remaining employees have expanded, as labor is pared down to combat the crisis.

Q: What is the number one technology focus in our industry in the next twelve months?

KC: Mobility, for sure.

DS: Video at the store integrated with the POS.

DSw: Both of the above – as they bring the most bang for the bucks. Plus smarter and better use of existing technology.

TV: Taking advantage of what we have, as you build what you don't have.

GW: Cost litigation efficiencies...focusing on

keeping as many stores open as possible during the economic downturn.

DW: Anything we can do to drive costs out of the business.

Q: And finally, what is the coolest technology you have / wished you had?

KC: My cell phone is the coolest I have – a tracker on my kids would be what I want!

DS: I like the idea of GPS on my kids...also the cell phone.. I'm liking mine a lot.

DSw: My iPhone, and GPS to link to my son and know which roads to avoid if he's out in his car!

TV: As an amateur astronomer, the coolest tech I have is the ability to bounce signals off the aurora and measure how far away they are. I'd like to use existing radio satellites for communications.

GW: I'm just curious about the future of technology, in terms of how it will affect my kids' lives.



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FTA Hospitality Technology Advisor

Published bi-weekly by
Accuvia Publishing

10220 River Rd.
Suite 110
Potomac, MD 20854

www.accuvia.com

Chairman:
Rob Grimes

President & Publisher:
Mark Ozawa

Editor:
Rachelle Claret

Design:
Jasper Ho

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