

Operator

, in this **issue**.

President's Corner

2013 Convention Beckley Store adds OJ Text my market Everyone loves a parade NESO Boardmember Retires

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Just Wondering

I hope you all enjoyed our last NESO newsletter, three days after it was sent out, our talented executive secretary, Jerry Coyne called and told me to start on the next President's message. So my thoughts wonder around to come up with a topic to write about...low and behold May was here. The Blizzard of the month was Confetti Cake...need I say more? What a disaster! This was the worst debacle that IDQ has come up with ever! I do not know who was to blame, the FAC? The USCI? The IDQ brand officer? or the test stores? Somewhere something went very wrong.

First, 2/3 of the stores didn't even buy the new scoop, this scoop was much smaller than the brownie batter scoop. Second, the underestimating of the units per store combined with stores using the bigger scoops limited the product very quickly. Tuesday my son's store would get the product in and by Friday we were out again. Finally one of my employees made me a mini Blizzard of this flavor. It was like eating a cup of vanilla Dairy Queen. It had 2 pieces of cake in it and 3 or 4 red/blue sprinkles. It just had no taste at all. If you doubled the portions it actually tasted like something, but then if you over portioned you ran out. At our DMA meeting, some stores reported customers bringing back the Blizzard for this very reason.

In my humble opinion, the May Blizzard of the month has done more to devalue the brand than any other one thing IDQ has done over the last several years. These allocation restrictions and forcing us to buy from the IDQ distributor weekly just to take business away from the DQOA is hurting our brand in a big way. Lots of operators have had some really great suggestions to alleviate the problems associated with limited time offered products. Those suggestions are all falling on deaf ears at IDQ. May is one of our most important Blizzard months, in this economy we cannot gamble with our customers and product availability. If you have never called your FAC rep, take a few minutes and let him know your thoughts on some of these matters. Hopefully he can voice your concerns to IDQ.

On a lighter note, sometimes when you tell people you are a DQ owner, they have visions of piles of money, which makes every day great right? Its my turn to tell you about a day in my life as I work in a Dairy Queen, year 51. It was Friday, June 10th and it was a warm summer evening. As we were finishing up outside with our weekly car cruise an argument started at the DJ table. The car cruise customers are unique and the word sometimes that can be used is "high maintence." I have 9 historical cars myself and have spent decades of time restoring them, so I understand why many are very particular about their hobby cars.

This night was similar to other nights and the dispute was over who won the weekly trophy, again a common occurrence. As this was settled it was time to go into the Dairy Queen and see if I could help in any way with the lines of customers. Before I could help I had to make a stop in the restroom, only to open the door to a pile of...Well lets just say feces right in the middle of the tile floor! But this is not the most interesting part of the evening. As I am cleaning up some customers pile of crap, the manager in charge comes to tell me a customer is in the front room with a MONKEY! (and no I am not making this up) So I walk out and see this lady with a monkey wrapped up in a blanket, and decide right then and there this is a job for my son, Dean.

President's Letter Continued on Page 4

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2013 NESO Convention Announced

The 42rd Annual NESO Convention and Trade Show will be held at the Mountaineer Casino in Chester WV, January 17-19, 2013.

The Convention committee is busy planing another informative and fun convention for the Operators and Suppliers.

Please watch your mail and check www.NesoNews.com often for updates.

MOUNTAINEER CASINO RACETRACK & RESORT

Beckley WV store adds OJ



The Beckley, WV Dairy Queen, was formerly owned and operated by Linda and Randy Lowe and recently sold to Linda's brother, Jimmy and his wife Cindy Argabrite. They recently installed the OJ brand in the store back in November 2011 and followed up with a Grand Opening on November 14th, with a live broadcast using their local radio station.

They have also utilized the DQ Hub for bounce back coupons and have obtained daily OJ customers coming in each day. OJ sales were seven percent of net sales this past January through May, and actually OJ sales dropped somewhat in March and even into June, due to the warmer DQ months and National Blizzard Sale. They also felt that the OJ lineup did not cannibalize other DQ sales at this time.

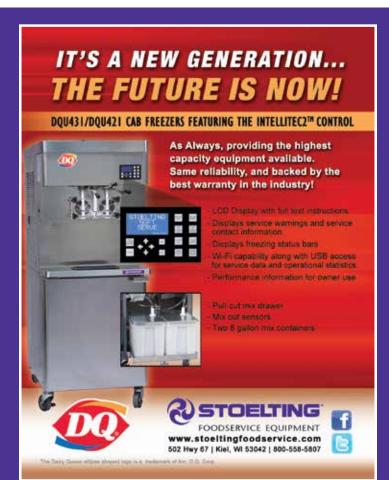
The training of staff was relatively easy and included a video. The top seller is the OJ Original and all popular flavors are posted on the wall near the prep area. Their Dairy Queen is located on Harper Road, off Interstate 64 here in Wild Wonderful West Virginia. Jimmy & Cindy Argabrite: jargabrite@suddenlink.net or (304) 253-2049

Text my market • a new approach to marketing

Robert White, East Palestine Ohio, Dairy Queen owner and operator called me one day to ask about a new service. The name of the business is TEXT MY MARKET. Upon some investigation I met Jordan Hemming, regional sales manager, for Text My Market. They are based in Utah in business for 10 years focusing on the text market for the last 2 years.

So what is it? Well for a set up fee and monthly fee they will text your customers with offers designed just for your store. In the age of people dropping land lines for cell phones it does make sense. So TMM will reach out to your customer with any text offer you can dream up. But how do you collect the phone numbers of your customer? No DQ can tie up valuable employee time with data collection. TMM has simplified the process. The answer is "short code". I had never heard of a short code until Jordan and I talked. It is a 5 digit number you see listed on billboards and other ads. They involve the customer in this way, "text the word shark to XXXXX (the code) and receive a free shark tooth necklace". These advertisements are popping up everywhere. That is how businesses are collecting the phone numbers of customers. Some compliance issues are involved with the short code process and TMM has covered all the bases.

So as your DQ customer stands in line, for example you would have a laminated sign posted in your DQ or drive-thru provided by TMM,



for a free 16oz drink or other small item. The sign will say text the word drink to this number (XXXXX) and receive a free 16oz drink immediately. So by the time the customer gets to your register, the return text is immediate and the customer shows the DQ employee the phone message to redeem the free drink. You have collected your first customer number. The employee has no involvement except to redeem the text message for the drink. So now you have collected bunches of numbers and you start blast texting your customer.

They recommend two to three offers per month. Some popular DQ texts are: 1) BOGO Blizzard today, FWD to your friends, VALID 6/21 at XXX LOCATION. 2) Buy a Burger and Drink get a free Fries (med) 3) Buy a Hotdog and get Chili and Cheese added for free today 4) Tax Day Special 5) \$.99 Chicken Wrap today only when you show this text 6) Buy a value meal get a free small sundae 7) \$4.99 lunch special today 8) Cake advertising) You get the idea. Jordan says he has a 10-15% return on this text marketing. They have accounts with other Dairy Queens, Subways, Pizza places, Bread Companies, BBQ places, restaurants, and other services.

TMM will call you weekly if you have not called them first. You will have your own account person, tell them the offer and they do the "blasting" for you. All you have to do is hang the signs up in a very noticeable place and let TMM build your customer base. Even if your customer does not redeem that days' offer it still reminds them of your location and maybe they will stop for some other favorite product. The start up fee is \$149.00 and then \$79 per month which is a special rate. You get 1500 texts per month with this plan. You can contact Jordan Hemming at 801-836-1123 for more information. Very interesting idea especially easy if you are not very computer savvy! Bob White: basketbally@zoominternet.net

Pam Simmons · pamelalsimmons@aol.com

Everyone Loves a parade

Ruby Winn of Romney, WV has been involved in her Community for Years. This year with the help of her employees built the float in the picture, and none other than Ruby herself waving to her customers and friends, passing out coupons and candies. If you have a Chick-Fil-A close to you, visit with the manager,

they are totally involved with their community. I have never seen a local ad for Chick-fil-A, but they are without a doubt the busiest fast food restaurant in our town. Keep up the good work Ruby and Frank. Ruby Winn • rubyw@citilink.net



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President's Letter

In the mean time, the manager has asked the monkey to leave but the customer becomes irate and says it is a service monkey. As Dean approaches her, she gets out papers declaring the monkey is a service monkey. Words are exchanged and finally, the customer takes the monkey outside. She was very hostile and agitated and told us we had no legal right to ask her what service the monkey does. The situation was uply. Some customers told us after she left that wheel chair patients are starting to use monkeys as service animals to help increase independence a little bit. We have contacted our health department in regards to the law. Upon further research Ohio does allow monkeys to be trained as service monkeys. As a business owner we can only ask if the animal is a service animal and what tasks it performs. You cannot inquire about the person's disability or remove the animal unless it is out of control or not house broken. I think it is great that animals can really give some independence to some people who need help.

So a day in the life of a Dairy Queen owner is never a dull moment. I would have found it very interesting to hear the story of how and why monkeys are used to improve the quality of someone's life. The customers sitting around would have appreciated and understood the reason for the monkey, but all we got was a bunch of hostile static instead of support for a great cause. If the customer really cared about the monkey and wheel chair bound people, she would have been glad to educate the curious, but she did more to damage the service animal industry than help it.

How similar is the monkey story to the Confetti Blizzard fiasco? We have the perfect month to do some really great business with a really great flavor if the portioning would have been corrected. Its really the perfect DQ storm, but instead of hitting a home run and knocking it out of the park, IDQ has to limit the product. The limitations in my opinion are self serving for IDQ, which turns the entire thing into...the lady with the monkey plus bad attitude. Instead of a great opportunity for everyone it turns into dissatisfied and disgruntled people on both sides of the counter, same as the monkey lady.

My point I am making about IDQ, we had an opportunity to hit one out of the park and they don't have the portioning correct and not enough product, the best customer service in the world cannot overcome the brand damage by this ridiculous allocation program. Next up, I am hearing rumblings about the candy shoppe Blizzard and the portioning...

So the next time you think you are having a bad day, remember my story and sometimes it better to clean up the crap then deal with crapper... I mean customer. Have a great and profitable summer! More info on service animals at ada.gov

Longtime NESO Board Member Retires



After 36 years, Donna Peterson has decided to retire from the NESO Board of Directors. Donna and Dale Peterson began their Dairy Queen careers in 1958 in Kansas City and have owned Dairy Queens in Missouri, Illinois, Arizona, West Virginia, Virginia and Maryland. Donna also worked for IDQ in Florida.

Donna has worked tirelessly over the years to support and promote NESO/DQOA. Her dedication, ideas and sense

of Humor have helped to make NESO what it is today, an association dedicated to assisting Dairy Queen operators to become more profitable and learn from their fellow operators. Her hard work has been invaluable in making our NESO conventions so Successful.

She always went above and beyond her expected duties to help make the conventions run smoothly. Donna & Dale were the first and only husband and wife NESO board members and now their daughter Vicki is a NESO Board member and Secretary of the association. She has big shoes to fill. Donna still works and fills in at the stores by making cake blanks or wherever she is needed. There weren't many who could keep up with her on a Sunday night on the drive thru, or take in more \$, just give her a good helper and look out. Donna's family now operates 7 stores, and one new one under construction. You can contact donna at: singingdonna@comcast.net Some quotes from Donna's fellow Board Members, friends and family:

"Wherever she goes she improves morale and the stores fight over her. Customers and crews alike say she brings one smile to work and leaves many more when she goes home. Vicki and I will never be as good as our parents." - Son Roger & Daughter Vicki

"I have had the privilege of serving our NESO membership with Donna for many years. I first met her and her husband Dale in the 1970's through our NESO conventions. She is an extremely hard worker, diligent note taker, and above all a wonderful person. She is always ready for a good story, has a quick wit, and enjoyable to be around. I will miss her and her positive contributions she has made to the NESO organization. Good Luck in your retirement and thank-you for your years of service on the NESO Board." - Ron Rapp

"Donna Peterson has the wonderful ability to make you feel like she has known you your whole life. She has always made me feel very welcome at every meeting we have ever been at together. I especially appreciate her voice of reason during some meetings, clever personality, and her leadership qualities during the convention. I can still remember her singing with her group during our banquet and what a wonderful example she is to other operators in our membership. I cannot imagine a meeting without her being there." - Pam Simmons

"Donna has a zest for life that is contagious. She brings energy, laughter and fun to every meeting and convention. For over thirtyfive years, I've been blessed to have her as a mentor and a friend. By example she's taught me the art of playfulness, cheerfulness and



Top: Dale and Donna's first DQ in Missouri, 1958. Bottom: Dale and Donna at a home show. (Donna is pregnant with Vicki).



merriment. She has shown me the way to stay young at heart, no matter what my age is. And I will forever treasure these words of wisdom she first spoke to me many years ago." Oh no I really shouldn't, well, okay just one more." - Kathy Wallace

"I remember the first time I met her (many years ago). She was so friendly to us and I always felt very comfortable with her. Over the years I have come to know her as a very capable, smart, and fun lady! Best wishes to her in her retirement!...hope she still comes to our conventions...we will miss her." - Gail Stegeman

"Donna always has a smile or a laugh whenever she meets you. Her laugh can be heard all over the room regardless of size or noise. Very bright and well informed. She will be missed." - John Wilcox

"I personally have learned much from Donna about business and life, she will be missed as a staple at the Board meetings and I sincerely hope she will

grace us with her presence at many more of our future Conventions." - Jeff Haynes

Just Wondering...

Send us your "Just Wondering" quotes for the next newsletter at: neso@suddenlink.net

As my fifty-six years of DQ ownership is coming to an end, I was Just Wondering how many designs that the corporation has used over the years. I remember what I refered to as "The little Bo peek", "The Barn", "The Red-White & Blue" and others that I have forgotten and still I wonder what will they come up with next. Remember even Grill & Chill has already made some changes so what will be next...Just Wondering.

Thinking how big the corporation is getting and the number of employees it takes to operate. You have to remember that we owners are paying their salaries. Just wondering if all of these employees are necessary or could the corporation trim down and be more efficient just as store operators have to do in their stores.

Just Wondering what would the corporation do to stores if the DQOA wasn't around. Cost of goods before the DQOA were out of hand and very very high. I think most operators need and want good leadership but leadership who also has Franchisee's good will at heart. Good leadership, not greed, will make a healthy system.

Just Wondering about stores who always pay their royalties and advertising costs and meet all the demands from local, state and

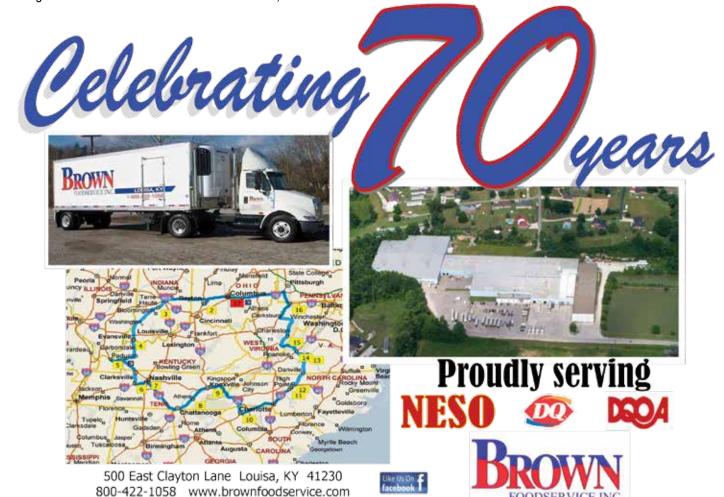
even some federal restrictions and never cause any problems for the corporation and yet all they get is more demands with all kinds of inspections and more control measures. Just Wondering if the problem stores should be better controlled than the no problem stores.

I was thinking about all these new products coming out and where to put them. Most stores are built with cement and block. It is hard to make adjustments to add new products without major cost to the owners. Just wondering if the corporation ever considers what it costs to meet their demands.

Just wondering why at a Mcdonalds or other chain stores you can put a monkey to work and by the end of the day it is becoming productive. At a Dairy Queen you can put a college graduate to work and at the end of the day they quit from all of the items to be mastered and each month more coming into the store.

Just Wondering what new demands are next from IDQ/ADQ?

John Wilcox • williew@mail.usa.com



COLAHHH



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Save the Date Dairy Queen Operators' Association 42nd Annual Convention November 18-21, 2012 Walt Disney World Swan Room Rate: \$135/night (INCLUDING Resort Fee) single, double, triple, quad Reservations: 800-227-1500, Dairy Queen Group (Room rate offered 3 days pre and post - Based on Availability, First come, First served.) Full Registration Materials to Follow geoendquar dept.com - 1952) 556-5511 - 1719 lake drive west, chanhassen, mn 5537

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