

SHAKEY'S UNIVERSITY

SESSION II - 1988

JUNE 6 through JUNE 17

SHAKEY'S NATIONAL TRAINING FACILITY
6522 East Northwest Highway
Dallas, Texas 75231

INSTRUCTORS

John Stafford
Debbie Green
Tim Nelson

S H A K E Y ' S U N I V E R S I T Y
SCHEDULE OF EVENTS

Day 1 - Monday, June 6, 1988

PLACE: Training Classroom
 TIME: 8:00 am - 5:00 pm
 TOPICS: Introduction
 History of Shakey's
 Pre-Exam
 Operations Manual Overview
 Course/Store Positions Overview
 Sanitation

Day 2 - Tuesday, June 7, 1988

PLACE: Training Classroom/Kitchen/Northwest Highway
 TIME: 8:00 am - 6:00 pm
 TOPICS: Salad Bar
 Food Preparation
 Safety and Security

Day 3 - Wednesday, June 8, 1988

PLACE: Training Classroom/Kitchen/Northwest Highway
 TIME: 8:00 am - 6:00 pm
 TOPICS:

Group 1	Group 2	Group 3
Quiz	Quiz	Quiz
Pizza Construc-	Fryer/Micro-	Dough Prep/
tion/Cooking	wave/Range/	Rolling
	Buffet	
	Bar Service	
All groups: Buffet management		

Day 4 - Thursday, June 9, 1988

PLACE: Training Classroom/Kitchen/Northwest Highway
 TIME: 8:00 am - 6:00 pm
 TOPICS:

Group 1	Group 2	Group 3
Quiz	Quiz	Quiz
Pizza Construc-	Fryer/Micro-	Dough Prep/
tion/Cooking	wave/Range/	Rolling
Sandwiches	Buffet	
	Bar Service	
All groups: Purchasing		

Day 5 - Friday, June 10, 1988

PLACE: Training Classroom/Kitchen/Northwest Highway
 TIME: 8:00 am - 6:00 pm
 TOPICS:

Group 1	Group 2	Group 3
Quiz	Quiz	Quiz
Fryer/Micro-	Dough Prep/	Pizza Construc-
wave/Range/	Rolling	tion/Cooking
Buffet		
Bar Service		
All groups: Receiving and Storage		

Day 6 - Saturday, June 11, 1988

PLACE: Training Classroom/Kitchen/Northwest Highway
TIME: 9:00 am - 5:00 pm
TOPICS: **Group 1** Fryer/Micro-wave/Range/ Buffet
Group 2 Dough Prep/ Rolling
Group 3 Pizza Construction/Cooking Sandwiches
All groups: Equipment Maintenance

Day 7 - Monday, June 13, 1988

PLACE: Training Classroom
TIME: 8:00 am - 6:00 pm
TOPICS: Quiz
Cost Controls
Customer Service

Day 8 - Tuesday, June 14, 1988

PLACE: Training Classroom/Kitchen/Northwest Highway
TIME: 8:00 am - 6:00 pm
TOPICS: **Group 1** Quiz
Group 2 Dough Prep/ Rolling
Group 3 Quiz
Fryer/Micro-wave/Range/ Buffet
Bar Service
All groups: Equipment Maintenance

Day 9 - Wednesday, June 15, 1988

PLACE: Training Classroom/Kitchen/Northwest Highway
TIME: 8:00 - 6:00 pm
TOPICS: **Group 1** Dough Prep/ Rolling
Group 2 Pizza Construction/Cooking Sandwiches
Group 3 Fryer/Micro-wave/Range Bar Service
All groups: R&D Presentation

Day 10 - Thursday, June 16, 1988

PLACE: Training Classroom
TIME: 8:00 - 5:00
TOPICS: Quiz
Personnel Management
Architectural Services Presentation
Operations Presentation
Course Review

Day 11 - Friday, June 17, 1988

PLACE: Training Classroom
TIME: 8:00 am - 5:00 pm
TOPICS: Final Exam
Local Store Marketing Presentation
Graduation

PREPARATORY ASSIGNMENTS FROM OPERATIONS MANUAL

Day 1 - Monday, June 6	<u>Volume 1</u> - Pizza Ingredients, Salad Selected Prep Recipes
Day 2 and 3 - Tuesday, June 7 Wednesday, June 8	Group 1: <u>Volume 1</u> - Pizza Construction, Sandwiches Group 2: <u>Volume 1</u> - Pasta, Chicken & Potatoes, Beverages Group 3: <u>Volume 1</u> - Dough Prep & Rolling <u>Volume 2</u> - Sanitation/ Maintenance
Day 2 - Tuesday, June 7	All Groups: <u>Volume 1</u> - Buffet
Day 3 - Wednesday, June 8	All Groups: <u>Volume 2</u> - Purchasing
Day 4 and 5 - Thursday, June 10 Friday, June 11	Same as Day 2 and 3. Rotate groups.
Day 4 - Thursday, June 10	All groups: <u>Volume 2</u> - Receiving and Storage
Day 6 - Saturday, June 12	<u>Volume 2</u> : Customer Service Safety/Security
Day 7 and 8 - Monday, June 13 Tuesday, June 14	Same as Day 2 and 3. Rotate groups.
Day 9 - Wednesday, June 15	<u>Volume 2</u> : Personnel

HISTORY OF SHAKEY'S INC.

The Founders of Shakey's

Sherwood (Shakey) Johnson and Ed Plummer opened the first Shakey's Pizza Parlor in 1954 in Sacramento, California. Twenty-nine years earlier, Johnson was born ten blocks away from the location where he began his business.

While of Swedish descent, Johnson spent his early years in the "New Italy" section of Sacramento. Here he learned about Italian food seasoning and was thus able to help his mother exchange recipes with neighbors. During this time he also studied and developed an interest in Dixieland and Ragtime music, which would later affect the original concept of Shakey's Pizza Parlor.

After high school, Johnson served in the Navy (1943 - 1945). While stationed in the South Pacific, he contracted Malaria and lost interest in food, resulting in chronic malnutrition accompanied by slight tremors; hence, his shipmates gave him the nickname "Shakey." As there were already four other Johnsons in his company, the nickname stuck.

Out of the service, Johnson held various jobs while attending junior college and law school on the G. I. Bill. When attending law school, he worked as a law clerk and also sold insurance. He preferred the insurance business and eventually dropped his law studies.

In 1954, Johnson pooled his funds with those of college friend Ed Plummer to open the first Shakey's. The building was a remodeled grocery store located at 57th and "J" Street in Sacramento.

The parlor opened on Friday evening, April, 30th, with \$1.85 in the till and only the two owners and their friends to serve. As the ovens were not complete, only beer was sold the first weekend. Johnson played the piano, entertained and served beer.

With money from the beer sales, the partners bought pizza products and began selling pizzas on Monday. By 10:00 p.m. that evening they were out of food and people were standing in line to get in. Ten days later they had fourteen employees and a month later jazz band entertainment was added. People were still standing in line.

The partners had no money to advertise the first month but during the second month of operating they bought some inexpensive radio spots. One year later they bought some more radio time and broadcast a nightly, one-hour show called "Some of Shakey's Friends," created by Johnson and featuring the jazz band appearing at the parlor. It ran for nine years.

Johnson retired in 1967 at which time there were 272 Shakey's parlors across the United States. Johnson sold his operations to the Colorado Milling and Elevator Company of Denver, Colorado. A year later, CM & E merged with Great Western Sugar Company to form Great Western United Corporation. In 1968, Plummer also sold his interest to Great Western United Corporation which was, in turn, bought by Hunt brothers in 1974. In 1984 Shakey's was purchased by Gary Brown and Jay Halverson, two long-term franchisees of the Shakey's system. Shakey's Pizza Restaurants is now headquartered in Dallas, TX.

The parlor at 57th and "J" Street has grossed over six million dollars. Sherwood Johnson had started with a total investment of \$3,400 and retired thirteen years later a multi-millionaire.

The Growth of Shakey's

With the success of the first Sacramento parlor, Johnson and Plummer opened a second Shakey's two years later in a remodeled mattress factory on Foster Road in Portland, Oregon. The Shakey's name and concept were already familiar due to the nightly jazz radio programs they sponsored.

In 1957 the partners began franchising. Opening that year were franchised parlors in Seattle, Washington; Albany, Oregon; Carmichael, Concord and Marysville, California.

The franchise units also introduced a standard Shakey's building design. Prior to it, the parlors had always been located in existing remodeled structures.

International Expansion

Shakey's began to expand outside the United States with the opening of a parlor in Winnipeg, Manitoba, Canada on February 15, 1968.

Expansion then went southward with the opening of the Mexico City parlor on May 7, 1968.

The first of many successful Japanese parlors opened in Okasaka, Tokyo on July 26, 1973. Expansion continued with parlors opening in Santoloc, Manila and Rizal, Philippines in 1975.

Today, there are already nearly 500 Shakey's Pizza Parlors throughout the continental United States, Alaska, Hawaii, Guam and the aforementioned foreign countries.

Menu Expansion

The original menu from the "J" Street parlor offered nine different pizzas. From this point on, numerous new ingredients and products were made available to expand customer appeal.

In the mid-1960's Shakey's added salad to its pizza-only menu. In 1968 the company approved chicken as a Shakey's menu item.

At the same time, Shakey's introduced an "all-you-can-eat" luncheon buffet, then called "Smorga-Pizza." The name was changed to "Bunch-of-Lunch" in 1970. In some areas it is known by other names but the concept of a luncheon special offering pizza, chicken and chips and salad has remained the same.

Introduced in the mid-70's were Shakey's Hot Hero sandwich and Shakey's version of Italian spaghetti served with garlic bread. Since that time, both the sandwich and spaghetti programs have been expanded and improved. Also new pizza products, such as the "Deli" and thick crust pizza were incorporated into the menu.

Still more recently, Shakey's has introduced the New Homestyle Pan Pizza into the Shakey's System.

New Concept

Recognizing that the marketing concept has its own "life-cycle" -- that is, it exists in different stages and changing competitive environment -- Shakey's began a new strategy:

1. Improve our existing pizza product.
2. Develop new pizza-based products.
3. Define and improve the components of "fun" at Shakey's.
4. Began a major remodel program.

This was the result of recognizing, as with any business, the need to respond to the concepts of evolutionary cycles or be faced with market decline and obsolescence.

By gradually integrating a new building design, new pizza products and a new dining room layout throughout the system, Shakey's hopes to be viewed as a "dining experience" in the years to come.

Restaurants remodeled under these design guidelines have exceeded our greatest expectations in terms of volume and sales increases.