

Concord Quarterly

March 2005

Volume V, Issue I

'Real Honest Barbeque™' in Manhattan

Monday, February 7, 2005 marked the beginning of the Famous Dave's era for Concord B Que Corp as its first restaurant opened in Manhattan, Kansas. The opening events included a ceremonial ritual called the "Passing of the Fire." Famous Dave's Founder, Dave Anderson, began the ceremony in celebration of his Native American heritage at the opening of his first restaurant location in Hayward, Wisconsin. With each new Famous Dave's opening the ceremonial fire is passed from

the most recently opened restaurant to the newest location. The Manhattan Fire Department and Famous Dave's friendly mascot "Wilbur" the pig, arrived at 10 a.m. on a retired fire engine, delivering the ceremonial embers. After their arrival, the ribbon cutting ceremony was completed and the restaurant was open for business! Mayor pro-tem, Ed Klimek and the Manhattan chamber staff were present for the opening events.

In preparation for the opening, the staff 'practiced' their new skills in

cooking, greeting, and serving customers during a friends and family event held the previous Friday and Saturday. It was also an opportunity for local community members to see the new restaurant.

The layout of the Manhattan Famous Dave's is a new version called the 'smokehouse'. It is a variation of the original Famous Dave's and includes a double-sided fireplace, a full bar, separate carry-out entrance, and indoor and outdoor seating for 272 guests. The sectioned dining areas include a bait and tackle room, a main dining room, and the bar entitled "Dave's garage".

In the first weeks of being open, the restaurant saw impressive sales and guest counts. The location broke Concord records and showed that the restaurant is a perfect fit for the Manhattan community.

Craig Schreiber, General Manager, said "We are very excited to be bringing the Famous Dave's experience to the Manhattan community. Famous Dave's will offer our guests a unique experience, based on value, variety and REAL HONEST BAR-BEQUE!"



The Concord Famous Dave's restaurant in Manhattan, Kansas. The 'smokehouse' is one of many different Famous Dave's layouts.



Famous Dave's has a large selection of BBQ entrees as well as a full service bar. Pictured above are some of the bartenders during training week.



During training week the staff completes several training exercises including learning the menu, computer system, and how to be 'famous'.



The entire Famous Dave's staff in Manhattan trained for one week prior to opening. There were about 150 individuals on staff for the opening of the new location.

Holiday Inn Hotel & Conference Center changes direction, creates regional appeal

Concord's one and only hotel, Holiday Inn Hotel and Conference Center in York, Nebraska, has made some changes.

Team Management, Inc of Omaha has contracted with Concord to manage the property. Greg Miller President of Team Management, brings over 15 years of hotel management experience to the York team. He has been working diligently to invigorate the staff and management team's attitude, direction, motivation and commitment to the property. Team Management is providing an entire training package to the employees of the property.

The new management team is positioning themselves in the York community with their slogan "Big City

Splash with Hometown Class". They are striving to become THE full-service hotel for the entire York region using both their experience and talents.

Kyle Hovermale, Operations Manager, has also recently joined the team. Kyle was previously a night manager of a the Holiday Inn Capital Hill Hotel & Conference Center in Washington D.C. Kyle has also worked in hotel management in Omaha at the Park Plaza Regency Hotel.

Kim Peters, new to the Holiday Inn property, is serving as the Conference Center Manager. Kim brings over 20 years of sales and restaurant experience to the York hotel.

Also on the team, Cindy Auxier is the Executive Housekeeper and has

worked at the Holiday Inn location for nine years. Angel Bevard, Front Office Supervisor, has been with the property for four years and offers a welcoming personality for all guests. Another important team member, Heidi Gibb, serves as Banquet Captain for the hotel.

James Sleight, has recently been added as a Sales Manager for the hotel. James has several years of experience sales management. He also has a degree in marketing from Peru State College.

Overall, the team wants to provide the best service possible to each and every guest. This philosophy earned the team a feature article in the December 7, business section of the York News Times, the York community's local newspaper.

A few words from our guests!



Manhattan, Kansas:

A guest visiting Manhattan, Kansas commented that the food and the service at Village Inn were excellent. She said that she would definitely be back the next time she is in town. She appreciated the impressive staff and said to keep up the good work.



Lawton, Oklahoma:

Two guests of Lawton, Oklahoma, wrote that even though there are many options of eating establishments, Applebee's is their favorite. The guests stated that they dine at the restaurant on a regular basis, and it seems that the location is always busy. The guests believe that this is because of the hard working staff and manager Dawn Sherrill. The guests included the poem below about their favorite restaurant.

Eatin' Good in the Neighborhood
Is what the ads are always boasting
But we don't care about the locale,
Rather the grub inside that is roasting.

As an apparent matter-of-fact,
The misnomer contradicts your case.
There are no homes in view,
And the area is a busy commercial place!

But the edibles are recurrently excellent,
And the servers are supreme.
The joint is always rockin',
and the manager is a living dream.

Be kind to her with your scrutiny,
And we will continue to return.
The whole staff is extremely delightful,
So it's not only the cuisine for which we yearn.

--Inspired by Dawn Sherrill & her team in Lawton, OK



Topeka, Kansas:

A grateful guest of the Applebee's Neighborhood Grill & Bar in Topeka, Kansas, wrote a letter explaining one of her visits to the restaurant. She wanted to say that the staff is the "most concerned, caring, and professional group of folks." While dining at the restaurant, her husband was in need of medical assistance. Everyone was so helpful in getting him the care he needed. Their server, Matt McClure, even drove her to the hospital and stayed with her until family arrived. She finished the letter stating that the manager, Justin Wiese and the entire team were excellent!

Service

QFSC

Applebee's Carside launch

Applebee's Carside initiative was launched the week of February 14, nationwide. Most Concord Applebee's locations, with only a few exceptions, began offering this popular convenience to their guests.

The Carside initiative focuses on increasing sales and guest counts without creating a wait for the guests in the dining room.

Concord's main focus, following the launch, will be to create an awareness of the program, while highlighting the convenience the service has to offer. With national media, local media in certain markets, and a direct mail piece, this goal has the marketing support it needs.

More and more guests are finding that they want Applebee's food, but don't necessarily have the time to dine in the restaurant. The fast-paced lifestyle has shown that convenience is needed in everyone's life. Thus Carside was born, as the guests showed an increase in the

demand. The advertising elements explain to the guest that the Carside experience can be done in three easy steps, (1) call it in, (2) drive up and your food is brought to you in your vehicle and (3) enjoy Applebee's wherever.

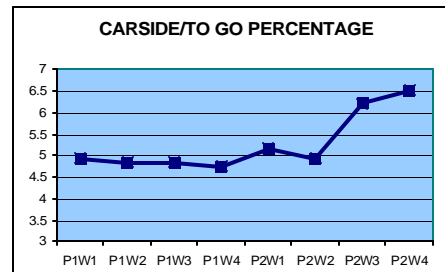


Applebees.com is also offering information for the guest with its Carside locator for participating locations. It offers a full menu for ordering, and shows which items are "Carside-friendly".

The conversion of the restaurants to being Carside ready included adding parking signs, awning additions to the

exterior of the building, cabinets, monitors, cameras, and additional computers. A complete Carside station was added inside each Applebee's restaurant. Additional support materials for the Carside launch included reflective aprons and fleece jackets for the Carside specialists to wear.

As a result of the launch, Concord's To Go percentage has seen a definite increase. The graph below shows the weekly percentages for the first eight weeks of 2005. With the Carside launch and additional media support, Concord should see this percentage continue to rise throughout the year.



Quality

QFSC

Coming soon, easy to use pay cards

Concord payroll is implementing a new plan to distribute paychecks to field employees. The new system is called pay cards and it is designed to be a simple and easy way to receive your paycheck without any delays or problems.

How it works in six easy steps.

STEP 1: Each employee will be issued a card with an account number, an ACCESS CODE, and a packet of information from Money Network. After the initial implementation to all Concord locations, the packets and cards will be distributed in new employee orientation.

STEP 2: The employee must activate the card by calling the toll free number designated on the back of the card.

STEP 3: The employee works during the normal pay period for Concord Neighborhood Corporation, Concord Hospitality Inc, or Concord B Que Corp.

STEP 4: Concord payroll will issue payment and put the amount of money the employee earned into their Money Network account.

STEP 5: When payday arrives, the

employee can withdrawal or move their money as they see fit, using an Automated Teller Machine and their PIN, a pin based Point of Sale at a retail store, or a transcheck™.

STEP 6: The employee will receive a pay stub that will show the amount deposited into their account as well as the usual taxes and deductions.

Conveniences of pay cards.

Pictured here is an example of Concord's new pay card.

•The accounts are FDIC insured.

•Employees can use transchecks™ to use or move money as an alternative to the card. Three of these checks are provided in the initial information packet.

•Accounts can be viewed on the Internet and statements can be printed if the employee wishes to have an account summary. The website address is www.moneynetwork.com.

•The Money Network customer service line is 1-888-913-0900 and can be used at any time to check account balance, ask questions, report a lost or stolen card and order more transchecks™.

•No more stop payment costs

•No more lost checks

•An escalation list is available if there is any problems with the customer service line at Money Network.

•Any pin-based transaction system will take the card. (Some fees may apply)

•It is automated, weather or delivery system will not hold up paychecks.

•The customer service is available all day, every day.

•The amount deposited will show on pay stub as category PAYCAR.

•Each restaurant location will be given a list of FREE ATM locations in their area.

•Employees do not have to go to the restaurant on payday to get their money.

Overall, this pay card system will make the pay process more convenient and reliable to all Concord employees in the field.

ApplePM rolled out for Applebee's managers

Concord has recently rolled out a new program, ApplePM developed largely by Applebee's International, with technical assistance from Trabon Solutions in Kansas City. Apple PM (performance management) is a performance evaluation for all Applebee's managers and replaces the former evaluation system of rating individuals from 1-5 on different tasks and then briefly commenting to support the rating.

The main reasons for the change is consistency, fairness, accountability and clarity of expectations. Consistency provided from one evaluation to the next for the individuals and fairness between managers by evaluating the same tasks, creating a level playing field. Accountability is determined by comparing an individual's results to that of the store and determining how they contributed to it's success and to what extent. Clear expectations are presented to the individuals being evaluated, because the criteria is straightforward, the individual

has either met the expectation or not. Each employee will get an overall grade from the evaluation to be used in a process called calibration or ranking of all managers.

The cycle of the program includes planning, executing and assessing performance. Planning involves setting objectives and creating development plans for the managers. Executing is the process through key performance indicator scorecards, and competencies. Assessing the manager's performance is done through self-assessments, reviews, one-on-ones, calibration, and then followed with compensation adjustments based on the results.

The evaluations for management, area directors, and regional directors have two parts, a behavioral piece and a financial piece. The behavioral portion evaluates specific competencies and the financial is based on the key performance indicators using Decision Logic results. Applebee's managers will be evaluated twice a year. One evaluation looks at

behavioral tasks only and is not tied to compensation. The second evaluation includes behavioral and financial criteria and is directly tied to the individual's compensation.

Accessibility is also a positive feature with the new system because individuals can view schedules, tasks and assessments online. This benefits both those being evaluated and those conducting the evaluations. Concord executives are allowed to view a ranking, by grade earned, of the individuals in the company by store, by area, or by region. This feature of the program allows for decisions to be made about placement, movement, and advancement of all Applebee's management.

Currently, the program is going through the initial review cycle for all Applebee's managers. As this cycle is completed, each manager and director will have a clear picture of where they stand at Concord.

NEWS BRIEFS

Lubbock-South Loop Applebee's receives award

In Lubbock, Texas, the City Wide Pride Committee presented Veronica Vasquez, General Manager of the Lubbock South Loop location, with a plaque signifying the store as "A Business With Pride" for having the best kept landscape. The Applebee's restaurant and award were recognized on the local FOX NEWS 34. "We are happy to receive this award. We take pride in our store and are lucky to have a great landscaper and employees who care for the outside appearance of the restaurant, in addition to the inside service," said Vasquez.

Development news

Concord is currently looking into several sites for new construction. Ryan Bird, Director of Development said, "There are a lot of great opportunities for Concord's growth in 2005. Currently we have four property contracts pending in some great communities."

MDA fundraiser at Village Inn

In the month of March, all of the Concord Village Inn locations are selling one dollar shamrocks to help raise money for the Muscular Dystrophy Association. VICORP Inc., partnering with MDA, offered the opportunity to both corporate and franchise Village Inn locations at no cost. The shamrocks were custom-made, complete with a Village Inn logo. Furthermore, the servers at each location were offered contest prizes as an incentive to sell the shamrocks.



Rachael Svoboda shows off her wagon used for Applebee's delivery to downtown area businesses.

Downtown Lincoln Applebee's delivers

The downtown Lincoln, Nebraska, Applebee's Neighborhood Grill & Bar is now offering delivery from 11 am to 2 pm for businesses within a certain radius of the restaurant. The team has implemented a system to take to go orders and deliver them to businesses with the help of thermal delivery bags and a wagon. The location has seen a significant increase in their to go percentage since they started the program in December.

Roundtable discussion direct, open forum

In 2004, Concord Applebee's decided in order to get more input from the restaurants, they would create a committee consisting of one General Manager from each of the eight Applebee's areas. The committee includes Bill Winberg (West/Midwest); Doug Schliefert (Midwest); Ted Carlson (North); Scott Bransfield (Central); Carlos Lopez (Rio); Mark Redmond (Gulf East); Dona Bouchard (Gulf West); and David Norman (South). The committee is led by Maggie Stine, Vice President of Corporate Operations, and meets via conference call approximately every two weeks. The committee has spent the majority of their time on a proposal that would make it easier to develop hourly employees into managers. The amount of time that has been spent on this proposal reveals the enormity of the project. In short, the idea is that if there is a staff member qualified to be a corporate trainer, and they are also interested in a management position, Concord will have a program in place to help make this transition easy and effective. The goal is to build the company muscle from within when it is appropriate, staff our management teams, and provide hourly staff with appropriate development tools. The committee is currently conducting a trial of the program in the Lincoln area in order to work out all of the kinks and

ensure a successful rollout of the program. The committee has since moved on to numerous other ideas and subjects until the trial is complete.

Projects and ideas currently on the table include potential automated tip share through the pay card system currently being developed, automatic gratuity for large groups, hourly and manager recognition through rewards (national conferences, Manager of the Month, etc...). The roundtable committee is very focused on creating complete and successful management teams. The team has a main focus to hear all questions, concerns, and ideas that any Concord employee may have. The group's objective is to come up with answers by asking the right questions of the right people or coming up with proposals to take to the administration for further discussion.

The roundtable has proven to be very educational for all of the members on the committee as well as the administration involved. They are looking forward to hearing all ideas. Every idea and every voice is being heard.

"We have complete faith in the program and would like to thank the administration for the opportunity to voice the opinions of the field in such a direct and open forum," said Bill Winberg, General Manager of the Applebee's in Scottsbluff, Nebraska.

Concord says good-bye

Jon Jackson, a valued Concord employee passed away February 6, 2005 after a fatal automobile accident while traveling on Interstate 80 in Nebraska. Jon was a dear friend and co-worker, and a dedicated husband and father. Those who knew him say that he was always smiling, always up beat and an all-around great guy.

Jon began working for Concord in 2001 as a cook at the Gateway, Lincoln, Nebraska Applebee's location. He entered the management training program in the Fall of 2002. Jon was an assistant manager at the Old Cheney-Applebee's location in Lincoln, Nebraska for two years. When given an opportunity to become a banquet manager at the Holiday Inn Hotel and Conference Center in York, Nebraska, Jon accepted it. Jon had been at the York Holiday Inn property for five



July 20, 1973 - February 6, 2005 months at the time of the accident.

Jon made such a positive impact, not only on Concord employees and staff, but those individuals he came in contact with in the communities where he lived and worked. He will be remembered fondly by the Concord family.

Community

QFSC

Concord fundraiser for Jon Jackson family

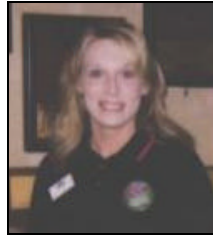
Jeans For Jackson is a fundraising campaign put together by Concord to assist in raising money for the Jon Jackson family. The fundraiser was executed internally for any employee wishing to participate. Ten Concord Applebee's locations, the York Holiday Inn and the corporate support offices all partic-

ipated. All employees at these locations had the option to wear jeans for a shift when they donated \$5 to the Jeans for Jackson fund. The fundraiser also allowed kitchen staff to wear their own hat, since they already wear jeans to work. The fundraiser was held for one week and raised over \$4500 for the family.

Jeans
for
Jackson

Meet Concord's associates in the field

This section of Concord Quarterly is designed to help the company's staff across the country learn more about their peers in the organization. If you too would like to be featured here, ask your manager for a response form to submit. Response forms are now available in the forms section on DL by searching "Employee Profile".



Tiffany Morgan
Crestview, FL; Applebee's
Server

What do you like best about working at your restaurant location?

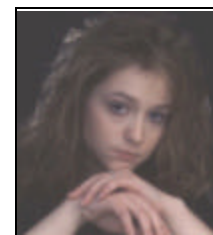
"Everyone works great together. It's like one big happy family."



Joel Davis Jr.
Lawton, OK; Applebee's
Server

What is the key to being successful in your position at your restaurant?

"There are a lot of elements required to be a successful server, but I'd have to say the key is being genuine and truthful to both guests and colleagues."



Katie Stop
Norfolk, NE; Village Inn
Server

Tell us about a favorite repeat guest.

"I have this couple that comes in every weekend and they tell me about how their day went or what recently happened to them. I love when the customer feels comfortable enough to open up to me."



Amber Zamora
Boulevard--Amarillo, TX; Applebee's
Bartender

What do you find to be the most rewarding thing about working for Concord?

"I am grateful to be a part of this team. I enjoy working with everyone and hope to be here for years to come."



Tiffany Reckard
North Platte, NE; Applebee's
Hostess

How do you feel your restaurant is perceived in your community?

"I feel that this restaurant is perceived as a really great place to eat, drink and have a good time."



Roxanne Puckett
Emporia, KS; Village Inn
Server

How does your position with Concord differ from other jobs you have had?

"Everything is very organized, everyone knows exactly what their position entails and how things are run."



Cole Cassity
Emporia, KS; Applebee's
Broil/Fry Cook

What do you like best about working at your restaurant?

"The friends I have made since working at Applebee's."

A bit of inspiration...

"Life is not measured by the number of breaths we take but by the moments that take our breath away."

--George Carlin

NEWS FROM THE FIELD...

Ted Carlson



Ted Carlson has recently been promoted to Training General Manager, which is a new position at Concord. Ted was required to meet intense criteria in order to achieve this title. This criteria included earning at least a score of 650 on an Applebee's Operations Assessment (AOA), receiving an overall satisfaction rating of 65% or higher on a customer service index (CSI), completing the Serving Our Neighbor (SON) leadership track program, working in a training store for a least one year, and holding the position of general manager with Concord for two years or more. Ted has been with Concord for eight years and has worked at all of the Lincoln, Nebraska, Applebee's locations.

Craig Dessel



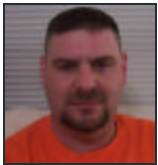
Craig Dessel has been named the General Manager of the Hays, Kansas Village Inn restaurant. Craig is familiar with the Concord family and all that its culture has to offer. Craig displays a positive attitude and outstanding community relations that will serve him well in this new management position.

Dave Storjohann



Dave Storjohann has been named General Manager of the Manhattan, Kansas, Village Inn. Dave has been with Concord for two years and was an Assistant Manager at the Emporia, Kansas, location before making the move to Manhattan. Dave's over-the-top enthusiasm and analytical thinking have played a huge role in earning him this position.

Mike Freitag



Mike Freitag has been named the General Manager of the Government Applebee's location in Mobile, Alabama. Mike was formerly an Assistant Manager at the Airport location in Mobile. His high level of commitment and dedication have earned him this new position with Applebee's. Mike has been with Concord for two years.

Lubbock 4th Street Management Team

Five managers have been announced to be the Applebee's management team for the second Lubbock, Texas location, under the direction of Greg Mathews, Area Director. Nick Perry



Pictured here are Greg Mathews, Brenna Wilson, Nick Perry, and Paula Kirk.

will lead the team as General Manager. Nick has been with Concord for six years. Paula Kirk, returning Concord manager, will be the Assistant General Manager for the restaurant. Brenna Wilson, Jay Connor and Justin Hart will round out the team as Assistant Managers. The team has been accepting applications and interviewing staff for the location throughout the month of March and is gearing up for their March 28 opening.

CHANGES IN THE OFFICE...

Shelley Domant



Shelley Domant joined Concord's support center on January 19, as Paralegal/Executive Administrator. Shelley will work directly with President Larry Bird and Vice Presidents Maggie Stine, John Gabel and Robert Marshall. Shelley was formerly a paralegal for ten years at the Gallup organization in Omaha, Nebraska.

Richard Zierke



Richard Zierke joined the Concord support center staff on February 14 as Training and Development Coordinator. Richard has been with Concord for two and a half years in the field, and has recently decided to lend his expertise at the support center. Richard will assist in the training department with certifications, openings, and various other training functions. Prior to joining the corporate office Richard was an Assistant Manager at the North 27th Applebee's in Lincoln, Nebraska.

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For additional copies contact Jill Pontow in the Marketing Department at the corporate office (402) 421-2551

Quality

QFSC

Bannister graduates from AII Leadership Institute

On February 23, Andrea Bannister, General Manager of the Manhattan, Kansas Applebee's location, graduated from the Applebee's International Leadership Institute. The Institute was created to assist the development of high performing General Managers and newly promoted Area Directors. Applications numbering well over 100 were accepted from both Applebee's franchise and corporate locations. Acceptance into the Institute was based on Batrus results, essay questions and interviews. Andrea, one of 15 students chosen, balanced her every day work load with attending the classes in Kansas City.

Andrea hails from Manhattan, Kansas where her love for sports has her balancing her support between the K-State Wildcats and the Missouri Tigers.

In addition to attending the Institute, managing the Manhattan Applebee's and training MITs, Andrea is also raising her five year old son, AJ,



who started school this year.

"Congratulations to Andrea on this great accomplishment and representing Concord Hospitality. Andrea clearly demonstrates QFSC and embodies the culture that is Concord," said Jen Coniglio, Regional Director of Operations.

On February 21, Concord announced the promotion of Andrea to Area Director for the Applebee's Central region. In this new position, Andrea will oversee five Applebee's locations in Kansas and Missouri. Andrea has been with Concord's Applebee's restaurants for six years.

Village Inn upgrades training materials

Concord's first restaurant concept Village Inn, is starting 2005 with much enthusiasm for a productive year. The restaurants are showing great strides with their current skillet campaign, comp sales increases and plans for continued success.

Concord's six Village Inns recently updated all of their training materials in order to become more effective and efficient when training new managers and staff. This update included new manuals for all positions, new training videos, and some new ideas on how to make new hires, quality employees.



Good Food... Good Feelings®

VICORP, the parent company for Village Inn, has provided Concord's training department with all of their most current training supplies for both hourly and management teams. Furthermore, Village Inn will begin a trainer certification program in order to introduce communication and coaching techniques to individuals training new employees and managers. The program has been rolled out by Randy Mutchie and his training team and promises to improve the quality of training at the restaurant level.

Fun

QFSC

Smile... You're on Concord Camera



Pictured above is the Famous Dave's management team dressed up for their new employee orientation. The managers performed various skits in order to help break the ice with the new Famous Dave's staff. Pictured from left to right are Nathan Meile, Craig Schreiber, Brian Pruzenski, Paul Walker, and Leon Brown.