

Denny's

Denny's Franchise Owner Saves Time and Money with HughesNet



Every time Denny's updated its menu, franchise owner Joe Terrell spent about a day entering new pricing, items, and back-office codes into his restaurant's system. "And then I'd spend the next month going in and out of the system to correct mistakes," he explains. Just when everything seemed to be in place, new updates would come from corporate and the process started all over again.

HughesNet®

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Menu updating is just one of the challenges Terrell eliminated when he updated his system with Denny's "Technology Refreshment Package," which includes a broadband managed IP service from HUGHES, IBM point-of-sale (POS) and back-office terminals from Agilysys, POS Software from XPIENT, labor scheduling software from MenuLink, and installation service from Spartan Computer Systems.

Terrell is among the first of Denny's 300 franchise owners to take advantage of this technology package, designed to improve communications, operational efficiencies, and transaction speeds; reduce expenses associated with electronic payments; and enhance customer service.

Benefits are derived from a direct network connection between Terrell's Illinois-based restaurant and Denny's corporate offices in South Carolina. That broadband connection, from Hughes, allows him to receive quarterly updates to the complete menu. Denny's multicasts the menu across the HughesNet Optimized Network service to reach 550 corporate-owned restaurants, and to any franchises that deploy the technology upgrade package.

"I was the second franchise owner to sign up," says Terrell. "And I'm encouraging everyone to adopt it. The first and most immediate benefit came from the menu downloads. The Denny's menu is quite large and even on DSL, the updates can take hours. Using the Hughes managed service and the Technology Refreshment Package, it's automatic and fast. I'm not only saving hours of my personal time, but I'm cutting



down on human error and eliminating pricing mistakes that were coming out of my pocket.”

However, restaurant owners and managers aren't the only ones benefiting from the new solution. Customers are reaping the benefits too.

Improved Customer Service

Terrell's franchise used dial-up before installing the HughesNet service at his restaurant in Mokena, Ill., just 30 miles south of Chicago.

“With the HughesNet service, we are saving at least one minute per customer credit transaction,” Terrell explains. “Our team

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members swipe customer credit cards and before they hand them back, they're processed. On Sundays that makes a big difference when we have a full restaurant. Often, all our customers decide to leave at the same time. If a customer is tenth in line, that's up to 10 to 15 minutes of his time that I can be saving, which everyone appreciates. We have also experienced fewer dropped transactions and customers can pay with a debit card more easily with the new technology upgrade package.”

With his old system, Terrell's debit card customers were automatically charged an extra 20 percent due to a system glitch that prohibited cashiers from running debit cards twice to account for tips. Banks would hold the extra charge for five to seven days before releasing the funds, and at least once a month Terrell received customer complaints of overdrawn accounts. “Now I can run the cards through just once without any problems. I haven't had a single customer complaint since installing the system.”

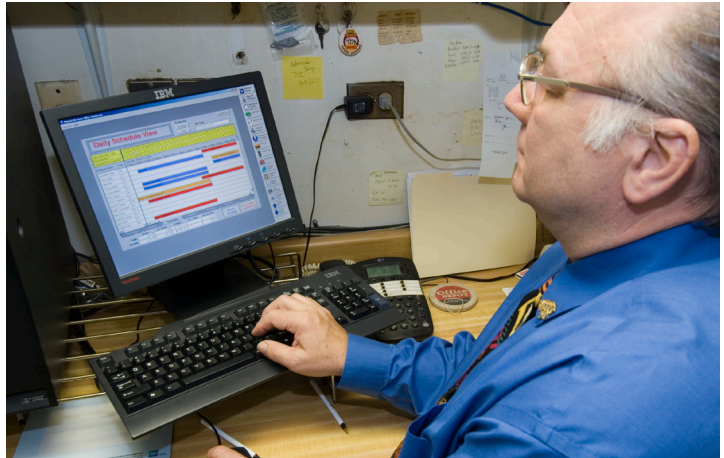
An added bonus for Terrell—his old dial-up transactions cost four cents per swipe, and 35 percent of his customers pay with cards. Over

the course of a year, that is 78,000 transactions. By eliminating those costs by using HughesNet managed network services, Terrell estimates he stands to save more than \$3100 per year.

Streamlined Operations

Terrell's complete solution includes a point of sale register and two input terminals for placing and managing orders. The system also includes an application that enables Terrell to better train his new employees. The program teaches them everything from entering and voiding an order, to cashing out a customer, to changing the guest counts. When he places the system in training mode, new servers can place orders, experiment on the register, and make mistakes without interfering with daily operations.

There is also a back-office system from MenuLink that runs payroll, time, daily balancing, menu usage, and monitors labor costs. "Right now, if I want to know if servers are selling beverages, I can get sales by the hour, day, week or year," Terrell says. "This real-time information lets me better motivate my servers and identify areas where we can improve sales."

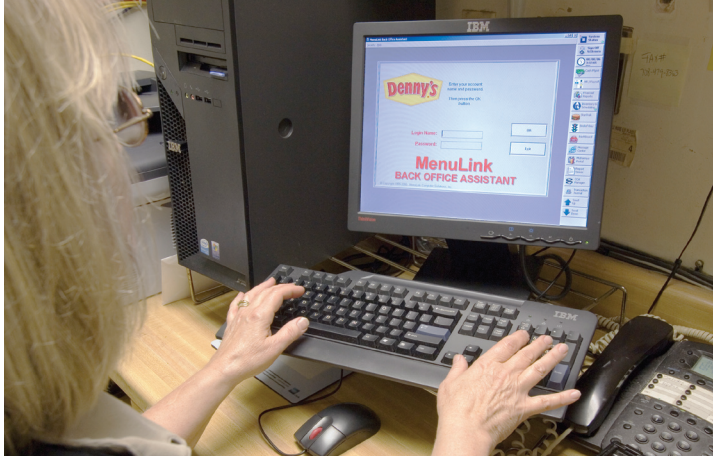


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Future Opportunity

Looking to the future, Terrell hopes to move a Wi-Fi service onto his HughesNet service. He currently pays \$100 a month to offer free Wi-Fi to his customers. He sees an opportunity to reduce that expense, if he can connect a wireless router to his satellite network and make the necessary security adjustments.

So far, Terrell says the ROI has been worth the investment. "It's a step up in technology for us. It makes it a lot easier for us to do our jobs and reduces the amount of time a manager spends in the back office. And I love that credit cards can go through a lot more quickly. All in all, the advantages I've seen thus far have been worth the investment and the opportunities for the future are even more exciting."



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About Hughes Network Systems

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