



**THE MARKET**

The restaurant industry is constantly redefining itself. New chains are continually emerging to fill niche segments and satisfy consumer needs. Within this fast-growing and challenging landscape, only the strongest brands survive, and flourish. Johnny Rockets is one of those brands.

In 2006, the Johnny Rockets brand celebrated its 20th birthday. With over 200 restaurants, Johnny Rockets can be found in 28 states and nine countries, and on eight cruise ships. Each year, Johnny Rockets serves more than 13 million hamburgers to its guests. Top that off with an aggressive growth plan, and you have the ingredients for a fantastic brand.

Johnny Rockets offers high-quality, simple American fare and a fun all-American dining experience. It's a lively, laugh-out-loud kind of place where guests are treated to great-tasting food and friendly service. The dancing servers, juicy hamburgers, tabletop jukeboxes, and ketchup served with a smile are sure to leave guests happy.

**ACHIEVEMENTS**

Johnny Rockets was awarded the *Nation's Restaurant News* 2006 "Hot! Again" award. The Hot! Again award acknowledges brands that have successfully introduced innovative ideas and new concepts to attract customers and remain competitive in the marketplace. The recognition confirms the dedication of franchise partners and corporate operators to customer satisfaction and to building a strong, unique brand that produces results. In selecting Johnny Rockets for the Hot! Again award, *Nation's Restaurant News* singled out Johnny

Rockets' positive comparable sales growth, clearly defined brand identity, ability to remain relevant in a changing marketplace, and commitment to both progress and success.

In addition, Johnny Rockets has received many accolades recognizing it as a top restaurant. Awards include the highest rating from Zagat in association with *Parenting* magazine for their 2007

U.S. Family Travel Guide and ranking as the No. 1 Full-service Hamburger Restaurant on *Entrepreneur Magazine's* Franchise 500 list. Johnny Rockets was also awarded Best Restaurant Website in the Webawards. Johnny Rockets boasts numerous top-10 rankings from AOL City Guide and Citysearch in multiple categories in cities across the country.

**HISTORY**

On June 6, 1986, the first Johnny Rockets opened on Melrose Avenue in Los Angeles. Johnny Rockets is an international retro restaurant chain dedicated to



providing an entertaining experience where the food and friendliness are reminiscent of feel-good Americana. Johnny Rockets resonates with guests of all ages who enjoy great American fare in an atmosphere that's fun and nostalgic.

**THE PRODUCT**

Every Johnny Rockets restaurant boasts great-tasting food from a menu of all-American favorites, including juicy hamburgers, hand-dipped shakes and malts, and freshly baked apple pie. Guests also enjoy an all-American diner look and feel, servers who know the secret behind getting ketchup out of the bottle, tabletop jukeboxes that belt out tunes for a nickel, and authentic décor. Don't bother looking for a microwave in a Johnny Rockets because the food is always fresh. Everything from the American Fries to the rich and creamy shakes is all made to order.

The hamburger patties are a full one-third pound of fresh ground beef, seasoned, hand-pressed, and grilled to perfection. Johnny Rockets has a variety of hamburgers from which to choose. The most popular hamburger, The Original, features crisp lettuce, ripe tomato, chopped onions, relish, pickle, mustard, and mayonnaise. Hamburgers are served on soft buns delivered fresh by local bakers. Johnny Rockets sells over twice as many "Originals" as any other hamburger. It is truly an American favorite.

Another very popular signature hamburger is the Rocket Double. It has two mouthwatering patties, two slices of Tillamook® Cheddar cheese, crisp lettuce, ripe tomato, an onion slice,





and special sauce, and is sure to satisfy even the hungriest hamburger appetite.

Johnny Rockets is also a great place for shakes and malts. The shakes are made with hand-dipped premium vanilla ice cream, and the malts are blended with real powdered malt. With over fifteen varieties of shakes to choose from, the guest favorite is the classic chocolate shake, which accounts for one-third of all shakes sold.

#### RECENT DEVELOPMENTS

Johnny Rockets is dedicated to using the highest-quality and freshest ingredients in a simple and delicious way. The menu stays true to its Americana roots by offering traditional favorites and only the occasional addition. Johnny Rockets values simplicity; it is one of the charms of Johnny Rockets. Johnny Rockets is not a trend-driven brand, and instead chooses to remain true to



the brand and deliver a consistent experience.

Part of staying true to the Johnny Rockets brand is an unrelenting focus on guest satisfaction. Johnny Rockets recently rolled out a new training program that is employee-centric and designed to educate in a relevant fashion. The tireless commitment of our franchisees and corporate operators is apparent in the brand's industry-leading guest satisfaction metrics. Adding popular new menu items like the Philly Cheese Steak Sandwich have also helped keep the brand vibrant and appealing. The

company expects to keep making customer-driven enhancements as Johnny Rockets propels its retro experience into the future.

#### PROMOTION



Families have always been an essential part of the experience at Johnny Rockets. In 2006, Johnny Rockets utilized its partnership with Royal Caribbean International to offer a promotional contest called the Scratch & Sea Sweepstakes. The program gave families the opportunity to enter to win an exciting cruise ship vacation and other prizes. Like Johnny Rockets, Royal Caribbean embodies the spirit of family fun.

Also in 2006, Johnny Rockets featured a new and innovative kids promotion designed to make learning fun. Johnny Rockets partnered with the next generation of kids entertainment, the Create Your Own Adventure interactive DVD. It's the

first interactive DVD of its kind allowing kids to determine what will happen, with over eleven unique endings. The program is fun and reinforces good decision making. This Johnny Rockets approach to edutainment is a great way to build the brand in the hearts and minds of guests.

#### BRAND VALUES

Making sure every guest leaves happy is Johnny Rockets' top priority. Johnny Rockets, which is driven to exceed guest expectations, measures guest satisfaction 365 days a year. The goal is for guests to feel they have been personally invited to Johnny Rockets for a wonderful dining and service experience that only Johnny Rockets can deliver. To accomplish this, Johnny Rockets has established a five-part Guest Promise. The promise ranges from saying "hello" and "good-bye" to everyone walking through the doors, to handling



guest needs right here and now. Every team member lives this great promise.

Johnny Rockets also adheres to guiding principles. Included in these principles are the tenets of "Take the lead," tenacious focus on results, high integrity, and most important, having fun. Just talk with any team member, and they will tell you: "It's a great day at Johnny Rockets!"

#### THINGS YOU DIDN'T KNOW ABOUT JOHNNY ROCKETS

- Johnny Rockets Secret Seasoning, used on hamburgers and chicken, is a blend of over 30 herbs and spices.
- Johnny Rockets' hamburgers can be made more than 1 million different ways.
- The Johnny Rockets brand name originated by combining the timeless Johnny Appleseed story with the classic Oldsmobile Rocket 88. The unique brand name embodies classic Americana and the promise of the future.