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Post-Demo Review for
“Georgetown QSR”
Indianapolis, IN



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Today's Purpose: Review results from compactor demonstration at Georgetown location

Agenda:

- Review Compactor Demo Objectives and Methodology
- Subjective items: Guest feedback, “Green” appeal
- Quantifiable items: trash bag pulls, weights, labor, hard costs
- Q&A/Next Steps

Payoff: Optimize Match Corp Guest Experience, “Green” Appeal, Overall trash handing costs



Compactor Demonstration Objectives

Measure impact of dining room compactors:

Quantifiable items:

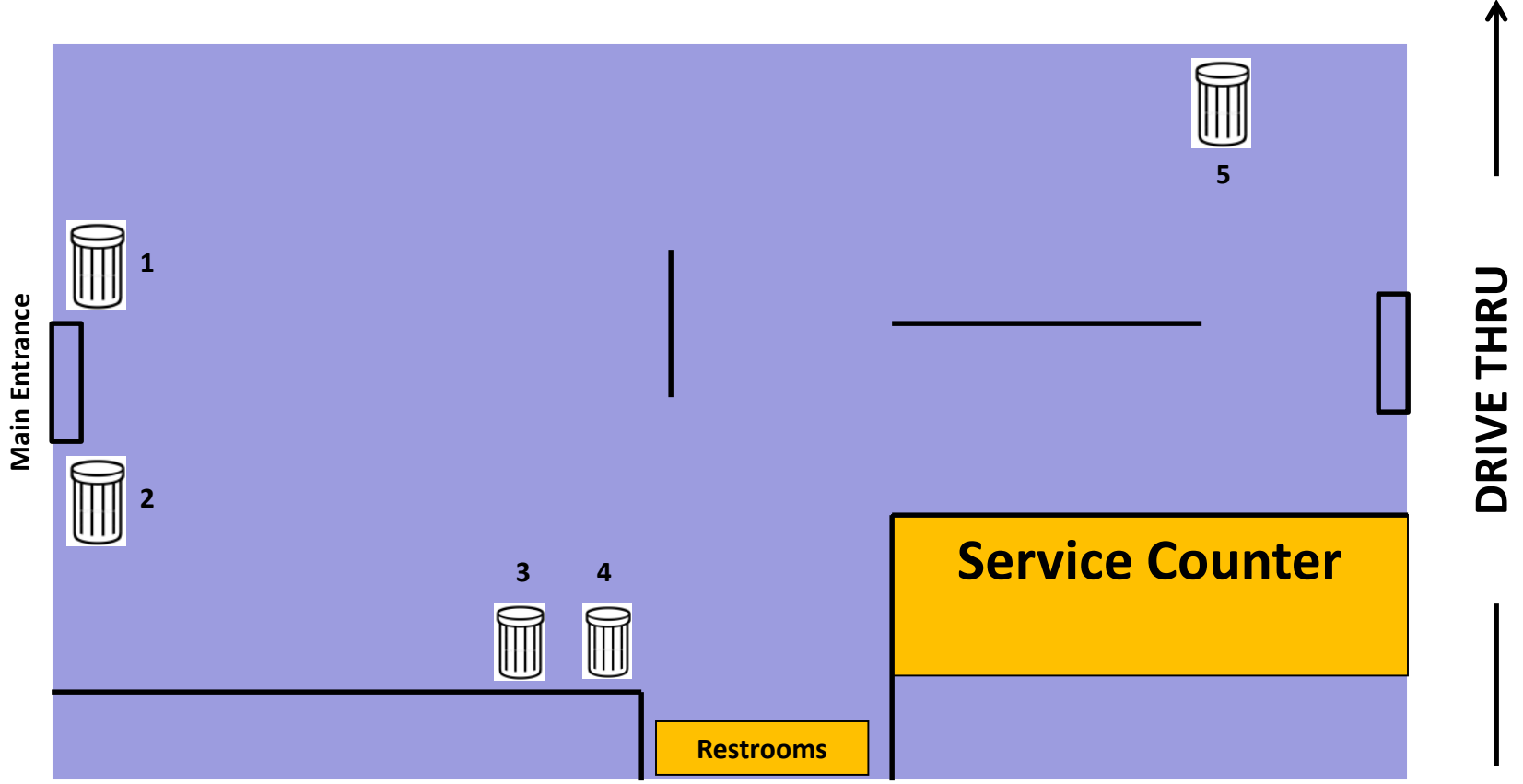
- Daily trash bag pulls before/after
- Labor required to handling trash
 - Distances traveled
- Garbage hauling costs/recycling

Subjective items:

- Store appearance
- “Green” appeal
- Guest impressions
- Team’s impression

Store Layout: "Georgetown QSR"

- \$3.8M in sales, 70-75% drive thru
- 5 trash cans emptied 4 times/day
- 10 yd dumpster picked-up 6 times/wk





Post-Installation Observations:

- **Enhanced dining experience for customers**
 - Guests like “hands-free” ...”sanitary”
 - Interactive experience interests and entertains:
 - ***“I’ve never seen one of those before!”***
 - ***“It makes throwing something away actually interesting for a change”***
 - Great reception by the youth demographic
 - Noticeable change once compactor installed –Overall cleanliness of dining area increased
- Consistent feedback from past experience...



CONSUMER VIDEO

<http://youtu.be/g4KeY7GVuls>

<http://youtu.be/YYxi4-yMn0M>

Enhanced Dining Experience: Guest Surveys

Objective: Measure impact of compactors on Guest Experience, Guest Perception

9 question survey
 4 satisfaction scores
 5 attitude ratings

Surveyed 2 weeks before
 compactor installation, same
 survey 2 weeks after install

Thank you for taking the time to help us better serve you.

Overall, how satisfied are you with this restaurant?

	Very Satisfied	Satisfied	Neutral	Disappointed	Very Disappointed
	5	4	3	2	1

Attitudes about restaurant cleanliness

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Cleanliness is important when I consider restaurants.	5	4	3	2	1
I favor restaurants that are environmentally friendly or "Green"	5	4	3	2	1
Restaurants need to do more to reduce volume of trash	5	4	3	2	1
I would prefer to use a "hands free" trash receptacle	5	4	3	2	1
I consider this restaurant to be environmentally friendly or "Green"	5	4	3	2	1

How satisfied are you with...

	Very Satisfied	Satisfied	Neutral	Disappointed	Very Disappointed
the cleanliness of this restaurant.	5	4	3	2	1
this restaurants effort to reduce volume of trash	5	4	3	2	1
the cleanliness of the restaurant trash receptacles	5	4	3	2	1

Comments: _____

If we have further questions, please provide an email address. Privacy protected

Research completed in 3 QSR locations in 2009-10 in a mix of socio-economic areas, across large sample (n=210)

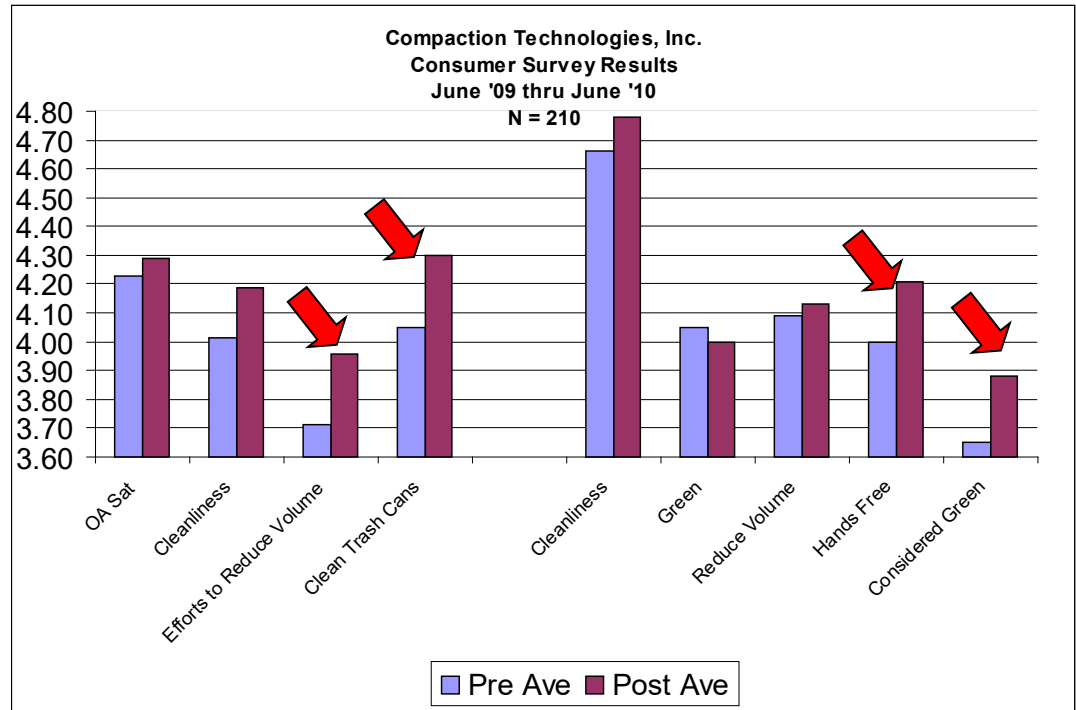
Guests appreciate compactors:

Significant increases in satisfaction scores for

- ***“the cleanliness of this restaurants trash receptacles”***
- ***“this restaurant’s effort to reduce volume of trash”***

...and significantly stronger agreement with:

- ***“I would prefer to use a “hands free” trash receptacle***
- ***“I consider the restaurant to be environmentally friendly or “Green”***

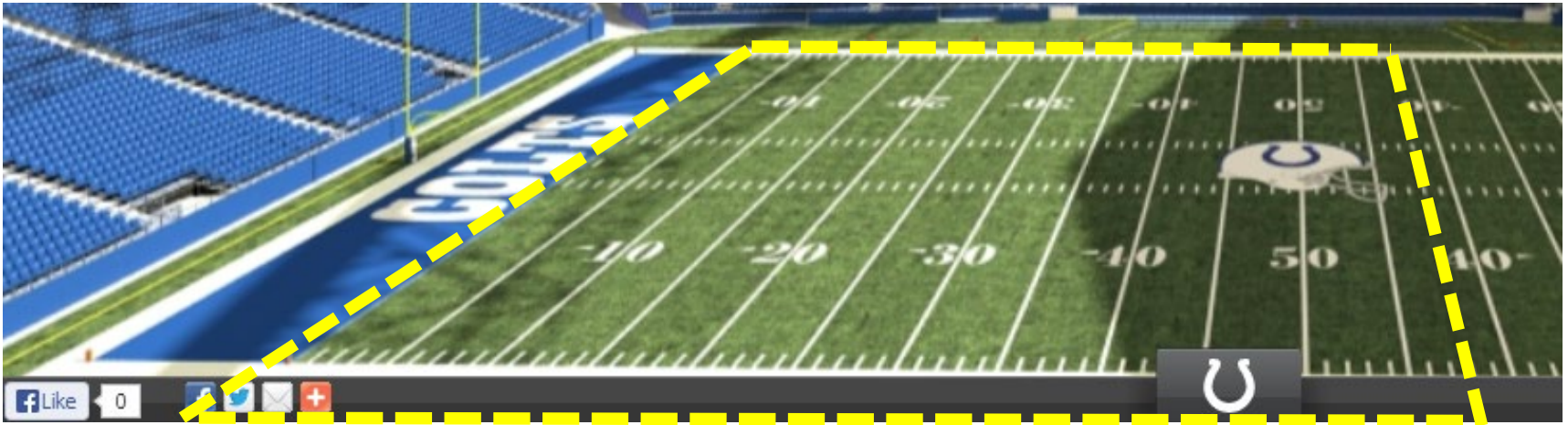


 = statistically significant difference

Environmental Impact:

Installing compactor at Georgetown QSR in 1 year would save:

- 2,280 trash bags and 142 lbs of plastic from entering the waste stream
- Enough plastic bags to cover the surface area of 0.7 acres



Demo Results - Quantifiable	Adjusted Average*	Adjusted Average*	Change
	Pre	Post	
Trash Cans	5	3	
Compactors	-	1	
Trash Bags/Day	18.6	9.5	-9
Bag Costs/Day @ \$0.12 ea	\$ 2.23	\$ 1.14	\$ (1.09)
Dedicated Trash Labor/Day (Minutes)	50.1	23.9	(26.2)
Labor \$/Day @ \$9/hr	\$ 7.51	\$ 3.59	\$ (3.92)
Labor + Bags costs/day	\$ 9.74	\$ 4.73	\$ (5.02)
Compactor cost/day		\$ 4.93	\$ 4.93
Net change in operating costs with compactor			\$ (0.09)

Compactor costs are offset by reductions in labor and bags requirements

* Adjusted for 13% higher sales during Post period

Demo Results - Financials	Adjusted Average*	Adjusted Average*	Change
	Pre	Post	
Trash Cans	5	3	
Compactors	-	1	
Trash Bags/Day	18.6	9.5	-9
Bag Costs/Day @ \$0.12 ea	\$2.23	\$1.14	(\$1.09)
Dedicated Trash Labor/Day (Minutes)	50.1	23.9	-26.2
Labor \$/Day @ \$9/hr	\$7.51	\$3.59	(\$3.92)
Trash Hauling – with 6 yd Trash + 8 yd Recycle	\$14.89	\$12.84	(\$2.05)
Labor + Bags costs + Trash Hauling/Day	\$24.63	\$17.57	(\$7.06)
Compactor cost/day		\$4.93	\$4.93
Net Change in Op Costs w Compactor + Recycle			(\$2.13)

* Adjusted for 13% higher sales during Post period

Summary:

Compacting in the dining room Enhances your customer's experience
No more changing full trash bags during a crowded lunch rush

Guests feel good about your Restaurant when they use it
...clean trash receptacles ---> clean restaurant
...your efforts to reduce trash volume --→ "Green"

Compacting saves A LOT of trash bags...good for guests, employees, the environment, Georgetown McDonald's public image.

Net cost is \$0...Labor and bag savings offset the cost of the compactor subscription

Reducing dumpster volume could enable move to recycling cardboard