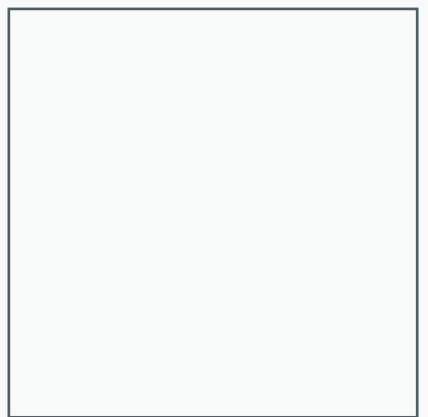
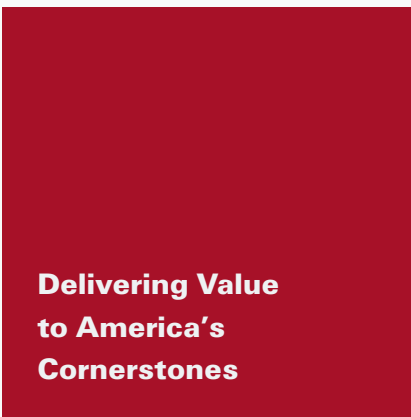
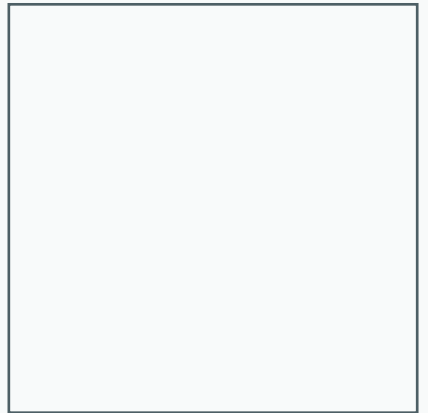
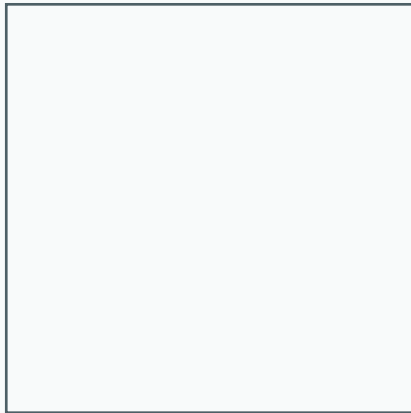
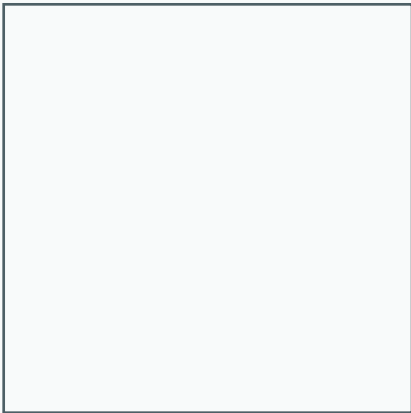
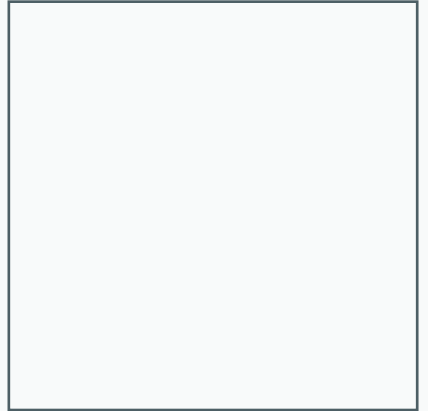
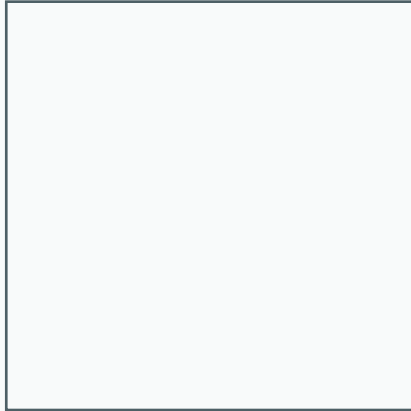
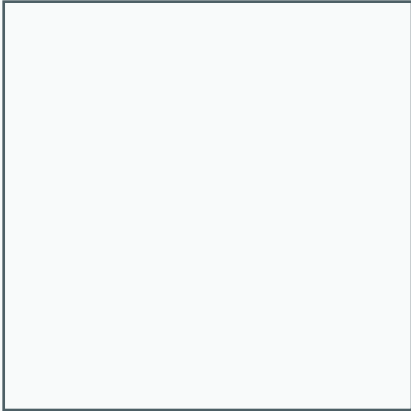


# BUILDING THE FUTURE



**Delivering Value  
to America's  
Cornerstones**



At the National Restaurant Association/  
National Restaurant Association Educational  
Foundation, delivering value to our members  
is vital to building our industry's future.  
Whether telling the restaurant industry's story  
under the umbrella of the Cornerstone Initiative  
Public Relations Campaign, delivering top-  
notch member benefits or providing members

the latest tools  
and programs, we  
are committed to  
delivering superi-  
or value.

**Delivering Value  
to America's  
Cornerstones**



# Building the Future— delivering value to America's Cornerstones

*Delivering value to America's restaurants—the cornerstones of America—means representing, educating and promoting the restaurant industry to policymakers, the media and the general public better than anyone.*

## **DELIVERING VALUE:**

### **Opening Doors for Association Membership**

Representing the \$476 billion restaurant industry, the National Restaurant Association is the most effective resource for educating and promoting the diverse and complex interests of the restaurant industry.

Members enjoy benefits and resources that they typically would not have the time, money or manpower to access alone. As the industry's voice in Washington, D.C., the National Restaurant Association provides members with up-to-date information, business tools to increase profits, analysis of industry news and

trends, and legal updates. We also are the "go-to" source for employee training with our top-rated professional development and certification from the National Restaurant Association Educational Foundation. And we use the collective voice and stories of the nation's restaurants to promote the industry as the cornerstone of the U.S. economy, of job and career opportunities, and of local communities.

With small, family-owned businesses, mid-sized restaurants and large, multi-national companies, the National Restaurant Association is uniquely positioned to support the needs of the diverse restaurant industry with equally diverse solutions.



Over: National Restaurant Association Board member Linda Bacin and Association Chairman Burton "Skip" Sack helped donate food at the National Restaurant Association Restaurant, Hotel-Motel Show.

Left: The Show is an unprecedented opportunity for Association members and potential members to network and learn about new products, services, applications, technologies and ideas.

## Building the Future: Renovation 2005

The National Restaurant Association is embarking on an exciting capital campaign to rejuvenate one of its most important assets—the National Restaurant Association building, located in close proximity to the White House and Capitol Hill. The project is being undertaken to ensure that the Association has a place to conduct business that is in alignment with its mission and its stature as a preeminent trade association, and that facilitates efficient use of all its resources.

## Supplying Practical Benefits Through Partner Programs

The National Restaurant Association recognizes the power of collaboration. Through strategic partnerships with top-notch business allies, we are able to deliver programs and benefits that will help to increase member companies' bottom lines. Our partner programs include:

- **TakeCharge<sup>SM</sup>**, a new credit-card processing program for the restaurant industry that was launched in several states beginning in February 2005. The program, designed by restaurants for restaurants, helps operators improve efficiency and generate more revenue with programs such as gift cards.
- **Money Network** payroll card program, which allows members to pay employees with an electronic payroll card instead of traditional paychecks. It functions just like an ATM card, accessing each pay period's net wages.
- **Restaurant Insurance Corporation Property & Casualty Program**, which makes it easy for members to find the insurance coverage they need.
- **HCareers Online Job Board**, an online restaurant job board that attracts three million hospitality job-seekers per month. Members save more than 50 percent by using HCareers to advertise open positions.



When it comes to credit card processing, take it easy. In fact, TakeCharge.

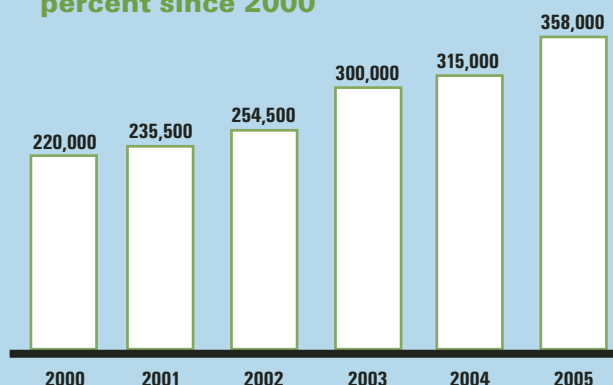
Take on the TakeCharge program and take on payment processing solutions designed by restaurants for restaurants. Make yours, improve your efficiency and generate more revenue with programs such as gift cards. What's more, TakeCharge is simple and fair. When you TakeCharge you won't take on hard-to-understand statements or hidden fees. So why not begin to TakeCharge of your bottom line?

Call First Data today 800.617.6285

**TakeCharge**  
Restaurant Program

A program designed by restaurants for restaurants. Powered by First Data National Restaurant Association.

### National Restaurant Association membership has increased by 63 percent since 2000



## Membership Soars

- National Restaurant Association membership expanded to 358,000 locations in 2005, a 19 percent increase from 2003.
- The number of member restaurants has grown by 63 percent since 2000.
- In 2004 alone, 43,000 restaurants joined the Association, a membership increase of 14 percent.
- Current Association membership is the highest recorded since our founding in 1919.



## Providing the Industry a One-Stop Business Venue: The NRA Show

The National Restaurant Association Restaurant, Hotel-Motel Show is the largest marketplace of products, services, applications, technologies and new ideas in the foodservice industry. It is where cutting-edge technology solutions converge, where suppliers and operators exchange ideas and information, and where real business gets done. Show attendees learn from internationally recognized industry leaders and take home ideas that they can put into action. Major areas of focus include food, beverage, equipment, smallwares, apparel, tabletop, furnishings, design, technology, and services.

In fact, the Show is the only event that attracts more than 73,000 people from around the world to discover new products, meet with engineers from original equipment manufacturers, experience hands-on demonstrations of new technology applications and find solutions specific to their operations that will increase their bottom lines. Each year, the Association introduces new and exciting concepts to energize attendees and promote new thinking within the industry.

### New at the Show in 2004:

- Nutrition & Healthy Lifestyles exhibit featured educational tools to help restaurant operators respond to consumer demand for more menu options.
- At the prestigious Bocuse d'Or USA National Selection, seven top chefs competed for a chance to represent the United States at the international contest in Lyon, France, in 2005.
- Natural and Organic Pavilion showcased exhibitors of natural and certified organic foods and beverages.
- EDGE Pavilion highlighted design ideas that put new life into restaurants—and the customer experience.
- HDTV Sports Bar allowed attendees to find the latest innovations in entertainment technology and design.



“We look at the NRA Show to provide practical applications and education on how to grow a business.”

*Sally Smith, president & CEO, Buffalo Wild Wings, Inc.*

*Top: Top chefs participated in the Bocuse d'Or USA National Selection at the 2004 National Restaurant Association Restaurant, Hotel-Motel Show.*

*Bottom: National Restaurant Association Treasurer Ed Tinsley (K-BOB's Steakhouses, Albuquerque, N.M.), right, represented the Association as a Hennessy Traveler to choose the most outstanding U.S. Air Force foodservice facilities worldwide. The Hennessy Awards were announced at the 2005 NRA Show.*



### New at the Show in 2005:

- The first-ever Kitchen Innovations Awards will showcase the newest and most innovative food-service equipment as judged by an independent panel of experts. All products will be demonstrated in an industry-first, live, hands-on format.
- The International Cuisine Pavilion will showcase authentic multi-ethnic food and beverages from around the globe and will be the place to discover new ideas that meet growing consumer demands for new flavors and more adventurous dining concepts.
- At “Ask the Design Experts”—a design clinic—operators can meet with front- and back-of-the-house design experts for private consultations.
- Chef’s Stage will inspire culinary successes by providing a close-up view of 16 of the best chefs in the United States at work. Challenged to create fun, flavorful and healthy concepts, chefs from various industry segments and regions will demonstrate their cutting-edge skills throughout the four days of the Show.

*National Restaurant Association Chairman Burton “Skip” Sack (Classic Restaurant Concepts, Longboat Key, Fla./Boston, Mass.) and Immediate Past Chairman Regynald Washington (Disney Regional Entertainment/Walt Disney Parks and Resorts, Burbank, Calif.) moderated a session with former U.S. Secretary of State Madeleine Albright—the 2004 National Restaurant Association Restaurant, Hotel-Motel Show keynote speaker—about world events and the role of restaurants as the cornerstone of the nation’s economy.*

### Building Knowledge Through Association Research

The National Restaurant Association is the premiere resource for research and information on the restaurant industry—helping to anticipate members’ needs for business decision-making, improving the image of the industry and developing vital information for the Association’s advocacy efforts.

In December 2004, the Association unveiled its *2005 Restaurant Industry Forecast*. This resource provides in-depth analysis of the industry’s prospects for the remainder of the year, insights from operators and customers, and detailed sales projections for the industry as a whole and for different segments.

### Top Trends to Watch in 2005

- Continued focus on healthy lifestyles as restaurants work to provide customers with balance, choice and customization.
- Greater use of technology and worker training as a means to boost productivity and efficiency.
- Increased upgrades and improvements in decor with the help of new tax-depreciation rules.
- The sophistication of Americans’ palates and knowledge of food.

**Delivering Value  
to America's  
Cornerstones**

**Promoting  
restaurateurs'  
commitment  
to communities**

*The nation's 900,000 restaurants play a crucial role in making their communities—and the world—a better place. The National Restaurant Association plays a key role in helping raise awareness of restaurateurs' many philanthropic efforts:*

■ With founding partner American Express Company, celebrated the 2004 Restaurant Neighbor Award national winners: Wayne Kostroski, Cuisine Concepts, Edina, Minn., for the Cornerstone Humanitarian of the Year Award; Common Man Family of Restaurants, Ashland, N.H., in the large-business category; and Hilton Wichita Airport/Legends Restaurant, Wichita, Kan., in the small-business category. Outback Steakhouse received a special commendation.



■ Partnered with America's Second Harvest to donate 136,000 pounds of leftover food from the National Restaurant Association Restaurant, Hotel-Motel Show, and worked to promote Hunger Awareness Day, June 3. The American Society of Association Executives in April honored the Association for its strong hunger-awareness and relief efforts.

■ Partnered with the American Red Cross on fundraising efforts for victims of the tsunami in southern Asia.

■ Unveiled the Cornerstone Ambassador Program to encourage industry professionals to use their stories to underscore the industry's essential role in Americans' lives.

■ Continued to work with America's Promise—The Alliance for Youth to encourage member restaurants to mentor and reach out to young people.

**Other National Restaurant Association business resources include:**

- *Restaurant Performance Index*, which provides a monthly composite look at the health and outlook of the U.S. restaurant industry based on a survey of operators nationwide, and which has been featured in *The Wall Street Journal*.
- *Restaurant TrendMapper*, the Association's Web-based service, which provides ongoing analysis of key restaurant-industry indicators, including same-store sales trends, commodity and menu prices, capital expenditures, and other economic factors that impact the industry.
- *2004 Restaurant Industry Operations Report*, published with Deloitte, which examines operators' performance measures, such as cost of sales, sales per seat and gross profits.

### **Providing Info To Go: Information Services and Library**

With one of the country's most extensive collections of restaurant industry resources, the National Restaurant Association's Information Services and Library (ISL) department provides reference and research services to the members and staff of the National Restaurant Association. With access to a variety of online databases, as well as close to 5,000 books and magazine subscriptions, the ISL's professional staff is uniquely poised to meet the research demands of an ever-changing industry.

*Top: National Restaurant Association Senior Vice President of Research and Information Services Hudson Riehle unveiled the 2005 Restaurant Industry Forecast at the National Press Club in Washington, D.C.*

*Opposite: The National Restaurant Association, together with founding partner American Express Company, on Sept. 14 proudly celebrated restaurateurs' philanthropic activities with the 2004 Restaurant Neighbor Awards. Pictured left to right are the national winners: Fred Sobrino, Connie Byars and Michael Phipps with Hilton Wichita Airport; Alex Ray with Common Man; Wayne Kostroski with Cuisine Concepts; David Bloom with American Express Company; and Steve Erickson with Outback, Inc.*



In 2004, the ISL created the "Info to Go" database, available to members through the Association's Web site. By logging onto the site, members can access comprehensive summaries of articles appearing in the industry's major periodicals over the last two years. "Info to Go" includes information in approximately 2,000 subject areas and is updated monthly.



### **2005 Forecast:**

**Sales: \$476 billion**

**Locations: 900,000**

**Serving more than 70 billion meal and snack occasions**

**Employees: 12.2 million**

**The largest employer besides the federal government**





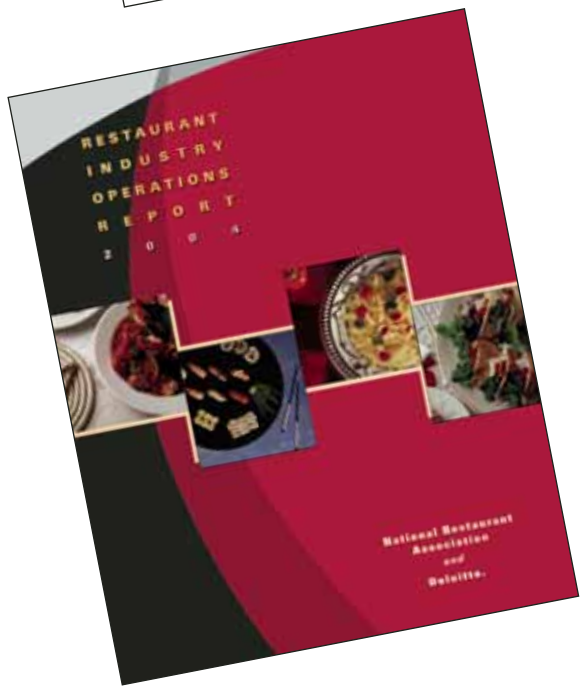
### Delivering Substance with Style: Communications Initiatives

The National Restaurant Association/National Restaurant Association Educational Foundation works aggressively and creatively to promote how restaurants are the cornerstones of the economy, of rewarding job and career opportunities, and of community involvement. Our “target audiences” include public-policy decision-makers, national news media and trade press, consumer groups, other food-industry organizations, the restaurant industry, and the general public.

### Information Resources Offer Crucial Insight

Getting accurate information quickly and efficiently is crucial in today’s increasingly challenging business and regulatory environment. Recognizing that our members’ time is valuable, the National Restaurant Association offers both traditional print publications and online communications to keep members informed about key issues in convenient and timely formats. Our membership communication resources include:

- **The National Restaurant Association Washington Report**, a new biweekly newsletter replacing the *Washington Weekly* that debuted in May 2005 and covers the hot policy issues being debated at both the national and state levels. This “must-read” publication encourages participation in grassroots programs and lets members know about the Association’s numerous high-level products and services.
- **The National Restaurant Association SmartBrief**, a daily e-newsletter that conveniently packages the top restaurant industry headlines and e-mails them to more than 40,000 readers each afternoon.
- **Restaurant.org** and **NRAEF.org**, Web sites that provide 24/7 access to all of the resources of the Association and NRAEF.
- **Toll-free member hotline** (800-424-5156), fields more than 10,000 calls a year from Association members seeking information.



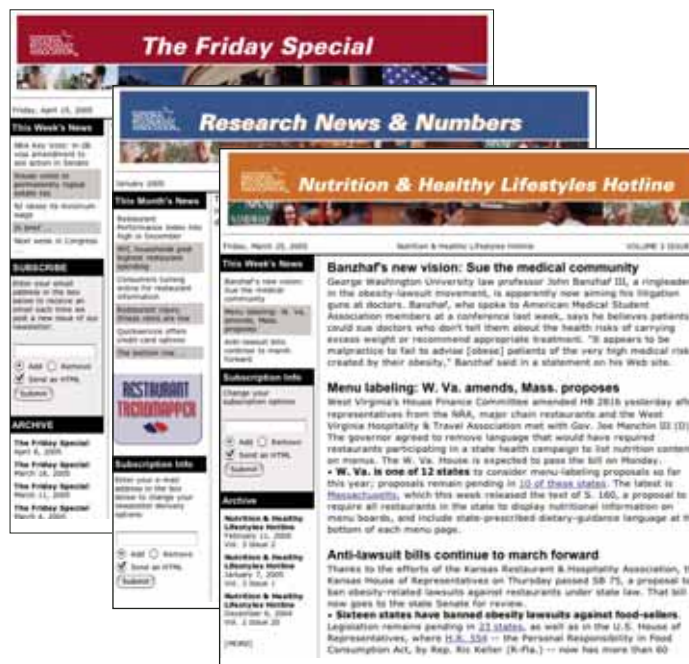
## New Online Publications

- **Research News & Numbers**, a free online newsletter, compiles in-depth Association research, analysis and commentary.
- **Nutrition & Healthy Lifestyles Hotline**, offers a round-up of the latest developments on nutrition, menu labeling, obesity and other issues facing restaurant-and-foodservice operators.
- **The Friday Special**, a weekly summary of late-breaking political developments affecting the restaurant industry at the federal and state levels. This publication mobilizes the Association's grassroots network and updates our membership on the political activity of the NRA-PAC and Save American Free Enterprise (SAFE) Fund.
- **Diversity by Association**, a series of special reports available online, conveys the importance of diversity and inclusion, educates restaurant operators about diversity from a business perspective and serves as a clearinghouse of information for best practices.

## The Industry's Voice to the News Media



Restaurant Association is on the front line of today's 24/7 news cycle, giving members a voice in the public debate that shapes their operations. Through its Rapid Response Program, the Association rebuts denigrating and negative portrayals of the restaurant industry wherever they occur in the media, and commends portrayals that accurately and positively describe the industry. It is part of the comprehensive Cornerstone Initiative, which aims to advance and promote the restaurant as the cornerstone of the economy, career and employment opportunities, and community involvement. A few examples of the Rapid Response Program in action in 2004 include:



- [Dec. 3] Letter to the editor submitted to *USA TODAY* on the “Twinkie Tax.”
- [Oct. 26] Letter to the editor published in *USA TODAY* on nutritious menu options.
- [March 28] Op-Ed published in *New York Daily News* regarding the issue of obesity lawsuits.
- [March 9] Letter to the editor of *The Wall Street Journal* applauding menu options.
- [March 8] Letter to the editor of *Glamour Magazine* on “fast food diet.”

In addition, the Association addressed a host of issues with the news media by:

- Proactively spreading the message that restaurants are part of the solution to healthy lifestyles to millions of Americans through placements in hundreds of media outlets, including the *Washington Post*, *Dallas Morning News*, *San Francisco Chronicle*, *Miami Herald*, NBC's “Today Show,” ABC's “World News Tonight,” CNN and National Public Radio.
- Highlighting the Association's pro-employee/pro-employer public-policy agenda at both the national and state levels, including efforts to end frivolous lawsuits, promote Association Health Plans and update outdated overtime regulations.
- Promoting the 19th Annual Public Affairs Conference, where more than 600 restaurateurs gathered in the nation's capital to discuss key issues with members of Congress.



**“Our industry has become the job-generating machine currently strengthening the economy, employing more than 12 million people and creating an economic impact exceeding \$1.2 trillion.”**

*National Restaurant Association  
Chairman of the Board  
Burton “Skip” Sack  
Nation’s Restaurant News  
September 2004*

**Promoting Healthy Lifestyles**

“We share the same goal for our members, whether they’re visitors to our Web site or guests at our restaurants—to enjoy a healthy and balanced lifestyle. We know consumers’ tastes are changing, and the restaurant industry is working hard to create and promote additional nutritious options.”

*National Restaurant Association  
President and Chief Executive Officer  
Steven C. Anderson  
Restaurant News of the Rockies  
January 2005*

**SURVEY:**

**Restaurant servers earn good incomes**

“These figures confirm what restaurant owners and employees already know: that waitstaff positions are not just flexible, but well-paying as well. This underscores the fact that the restaurant industry is truly one of opportunity for everyone.”

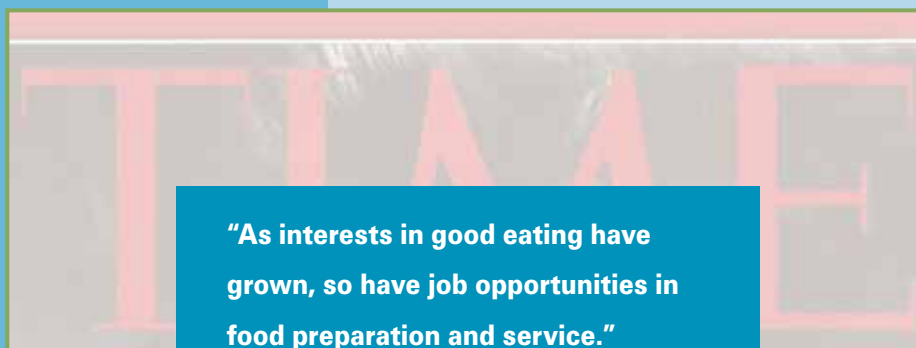
*National Restaurant Association Senior Vice President  
of Government Affairs and Public Policy  
Lee Culpepper  
Daily Report Fulton County,  
May 2004*

“Steady gains in indicators such as personal disposable income and jobs continue to bode well for restaurants in 2005, despite the anticipated challenges of higher energy and food costs.”

*National Restaurant Association Senior  
Vice President of Research and  
Information Services Hudson Riehle  
Boston Herald  
December 2004*

“Our industry is unique in that we interact with hundreds of millions of customers every day, which gives us an opportunity to make quite a difference by taking an active role in the political process.”

*National Restaurant Association Senior Vice  
President of Government Affairs and Public  
Policy Lee Culpepper  
Modern Food Service News  
October 2004*



**“As interests in good eating have grown, so have job opportunities in food preparation and service.”**

*Time Magazine  
May 2004*

“The restaurant industry will serve as a driving force in our nation’s economy by providing jobs to 12.2 million employees and continuing to provide a social oasis and convenience to communities nationwide.”

*National Restaurant Association President  
and Chief Executive Officer  
Steven C. Anderson  
Washington Times  
December 2004*

“In my day, I’ve seen industry moods run the gamut. But the energy at the 2004 NRA Show was downright electrifying.”

*Cameron Bailey, writer  
Restaurant Startup & Growth  
July 2004*



- Getting out the Association's Cornerstone Initiative messages, including a press conference to introduce the *2005 Restaurant Industry Forecast* and the launch of the Cornerstone Ambassador Program.
- Underscoring the industry's commitment to food safety and training, including the Association's sponsorship of the annual Food Safety Summit and its representation of the industry on a "Dateline NBC" segment.
- Promoting the 2004 National Restaurant Association Restaurant, Hotel-Motel Show, which brought 73,000 industry professionals, 2,000 exhibiting companies and 360 members of the news media to Chicago.
- Providing comprehensive Association research and data to highlight the restaurant industry's tremendous impact on the nation's economy by serving as a go-to economic and trends resource, and underscoring the industry's role as a jobs machine.

*Thanks to the strong leadership of the National Restaurant Association Board of Directors, the Association has the industry expertise, resources and critical mass to effect positive and lasting change for the nation's restaurants—the cornerstones of America.*

### **Providing Top-Notch Networking Opportunities**

Thousands of the nation's top restaurant executives continue to take advantage of the National Restaurant Association's Executive Study Group series, which provides unprecedented networking opportunities with industry peers. These biannual seminars are tailored to professionals in specialty fields and address unique issues specific to marketing, finance and tax, human resources, information systems, quality assurance, auditing, risk management/safety and architecture/engineering/construction.

Executive Study Group participants have exclusive access to innovative business strategies from top industry professionals. The meetings explore best practices and lessons learned that helped leading restaurants position themselves for success, gain market share and boost their company's bottom line. Also available are the latest Association research statistics and trends, and inside tips for addressing regulatory and legislative challenges.

#### **Executive Study Groups include:**

Financial Officers and Tax Executives, Foodservice Purchasing Managers, Human Resources, Internal Auditors, Management Information Systems, Marketing Executives, Multi-Unit Architects, Engineers & Construction Officers, Quality Assurance and Risk & Safety Managers.