

Flynn Restaurant Group

Flynn Restaurant Group (FRG) is among the country's top restaurant franchisees. Founded in 1999 by chairman and CEO Greg Flynn, FRG has a business portfolio of \$2.5 billion and employs 48,000 workers in 38 states. Known for setting very high standards for its restaurants, FRG's portfolio features some of the country's top restaurant brands—Applebee's, Arby's, Taco Bell, and Panera Bread.

Flynn's latest acquisition—368 units from Arby's largest franchisee, U.S. Beef Corp., in December 2018—is helping FRG redefine scale in the industry. With this acquisition, FRG established itself as the first privately held franchise operator to top \$2 billion in annual sales—an impressive follow-up from 2012 when FRG became the first U.S. franchisee to reach the \$1 billion mark.

Altogether, Flynn operates 1,249 restaurants in the U.S., placing it among the top 20 largest foodservice companies of any kind.

The company proudly stands by Greg's operating philosophy to provide friendly service, cultivate customer loyalty, and make sure each guest has a quality experience. This mindset permeates all aspects of the business and has helped to establish a highly inclusive and collaborative culture – the team has a sense of pride and a deep connection with the company's mission and success.

Local management is what separates Flynn from other franchisees. FRG lets managers run their restaurants as if they owned them—a unique recipe for success that has spurred a 30% annual growth over two decades.

Tidel Smart Safes Help Flynn Restaurant Group Set the Pace in the Restaurant Industry



Automating cash management is helping Flynn Restaurant Group set the pace in its industry, one faced with relentless competition. It's the type of industry where franchisees can't afford to make mistakes, and where managers, employees, and customers must enjoy a secure and efficient experience to grow and prosper.

Tidel smart safes are critical components of FRG's cash management system. They streamline processes, enhance security, and empower FRG's managers and employees to run consistently superior operations. They also help FRG save time, reduce shrinkage, and optimize cash flow. In short, they deliver operational and strategic benefits that make a real difference.

Setting the Table with Tidel Smart Safes

Initially, Flynn managed cash manually at its restaurant locations. While this approach worked, it was cumbersome, time-consuming, and labor-intensive. The approach also forced FRG's managers to make night drops and fill change orders at local banks. That took time away from managers overseeing franchise operations and helping customers enjoy their dining experiences.

A few years ago, Flynn went on an acquisition spree and started buying Taco Bell franchises through its Bell American division. In 2013, the company purchased 76 Taco Bells from Southern Bells, Inc., and then purchased 62 Taco Bells from Gateway Bell LLC. FRG continued acquiring Taco Bells as time passed. Today, FRG has 282 Taco Bell franchises across nine states, making it the second largest Taco Bell franchisee in the country.

Some Taco Bells FRG acquired had smart safes installed from another provider. A few others had Tidel smart safes. The other provider's safes experienced reliability issues, breaking down frequently and costing FRG time and money. The Tidel safes, on the other hand, proved extremely reliable. The smart safes proved so reliable that FRG renewed their leases when they expired without hesitation.

Tidel's superior performance came as no surprise to FRG. "We knew the Tidel's safes were the industry's Cadillacs," says Deena Libertosky, Director of Treasury, Flynn Restaurant Group, "We have been continually impressed with their quality and reliability. The safes have had very few problems since they've been installed."

Tidel Smart Safes Optimize Cash Management

The Tidel smart safes optimize cash management throughout the organization, delivering critical benefits to both the franchises and FRG. For franchises, the smart safes streamline cash flow, improve customer service, and boost employee productivity and efficiency—all while cutting operational and labor costs, and freeing managers to oversee floor activities, she adds.



The safes enhance security at the restaurants and, according to Libertosky, eliminate the need for night drops. "Employee safety is a top priority," says Libertosky. "The Tidel smart safes eliminate this risk while protecting employees."

What's more, says Libertosky, the safes are a hit with employees. "Managers at many of the franchises were especially delighted with the Tidel safes," Libertosky says, "and not just because they eliminated night drops. The safes are easy to learn to use, seldom break down, and simplify operations. So, we've had little if any resistance from employees," she says.

Smart Safes Deliver Corporate Benefits

Tidel's smart safes also deliver numerous benefits that contribute to corporate growth, says Libertosky. "The safes provide valuable financial data to our finance and treasury organization." she says. "They also help us reduce investigations by 20 percent. Plus, they facilitate cash tracking and simplify bank reconciliation."

According to Libertosky, Tidel smart safes provide the following tangible benefits to Flynn Restaurant Group:

Lower bank fees — For restaurants that have yet to adopt smart safes, their managers make night drops at the bank branch closest to the restaurant location. This forces Flynn to maintain relationships with 70 different banks, and the fees that go along with that. Having smart safes in their restaurants allows Flynn to consolidate their bank relationships to just one – which drastically reduces their monthly bank fees.

Faster access to cash — Tidel smart safes enable Flynn to receive provisional credit for the money deposited into the safes. This accelerates FRG's access to its cash, helping it earn more interest on their money, and providing more funds for capital investments. With FRG's walk-to-bank restaurants, it may take up to 4 days for Flynn to get credit for their cash.

Lower labor costs — Walk-to-bank restaurants require two full-time employees to oversee cash operations. For their restaurants with smart safes, only one full-time employee is required, dramatically reducing labor costs.

"Benefits like these are hard to ignore," Libertosky says. They're also why Flynn is looking to install more Tidel safes in its franchises as their footprint grows.



Taking Cash Management to the Next Level

Tidel's smart safes are taking cash management at FRG to the next level. They simplify and streamline cash management and ensure optimal cash flow throughout the organization. They also save franchises time, lessen employee risk, and reduce shrinkage—all while increasing accuracy and efficiency, enhancing customer service, and improving security.

The smart safes also boost FRG's competitiveness, helping it maintain its double-digit growth rate. For a company looking to dominate the hotly contested restaurant industry, the Tidel smart safes are the right recipe for success. They fit in well with the franchisee's plans for future growth as it strives to become the premier restaurant franchise in the U.S.



“We give our managers the freedom to run their restaurants as if they owned them,” says Libertosky. “It’s what separates us. So, while there are some ‘federal standards and rules’ that govern our locations, managers do their own thing. When we explain all the benefits of the Tidel smart safes, many jump at the chance to install them. I can’t imagine going back to the way we managed cash before Tidel.”