



Jim Keyes Offers Hope to Franchise Owners

Surprise Speech on Convention Floor

The most successful NCASEF National Convention and Trade Show ended in Orlando last week with a surprise visit by former 7-Eleven President and CEO Jim Keyes. Keyes led the company back from the brink of bankruptcy in 1991 and helped turn it into the world's largest retail chain. Keyes said he wanted to speak at the convention to offer hope to franchisees and to thank them for their role in the 1991 turnaround. "A CEO doesn't do this, a corporate support center doesn't do this. Collectively it happens, especially at the point of sale. It happens in your store every single day," said Keyes. His remarks were well received by the over 1300 franchisees in attendance.

"We needed to hear from Jim Keyes," said Jay Singh, NCASEF Chairman. "His heartfelt speech was an important reminder that we have been through tough times before and we will work hard to get through this period. It is time for [current CEO] Joe DePinto to take a page from the playbook of our former President and CEO. Jim Keyes always understood that franchisees are the brand. It's a crucial point DePinto and others in power at 7-Eleven are failing to recognize."

7-Eleven is under pressure to get franchisees to sign the 2019 Franchise Agreement, and is exerting pressure of its own on the franchisee community—including offering incentives to get people to sign now. But, many are resisting because the terms of the new agreement will further erode franchisee profitability while reducing their independent status. Perhaps the best example is the company's decree that all 7-Eleven stores must be open on Christmas, which eliminates the franchise owners' ability to decide whether to work one of the busiest days of the year or take it off to spend with their family.

Many of you approached NCASEF leadership in Orlando with the same simple question: "Should I Sign?" Unfortunately, the answer to that question is anything but simple. Our goal is to provide you with as much information as possible to help you make an informed decision. We strongly suggest you read the memo from our General Counsel Eric Karp found [HERE](#) where he outlines and analyzes 45 significant changes found in this agreement. Only you can make the decision which is right for your own store, employees and family.

Jim Keyes shared anecdotes about his time at the helm of 7-Eleven, including how he fought others at corporate when he wanted to sit down with franchisees at the NCASEF convention to

hear directly from franchisees. He credits those discussions with helping 7-Eleven rebound in 1991. “I learned so much from those franchisees in those few days we were together,” said Keyes. “I learned that it wasn’t personal. We had to find a way to make money at each individual store because the company was only going to be as successful as the success of each individual franchisee.”

7-Eleven is also feeling pressure from the news media, which has taken notice of our plight. [This article](#) published earlier this week by The New York Times and [this story](#) in The Orlando Sentinel illustrate how our story is being told. We continue to speak with other members of the press to push the story even further and keep the pressure on the company.

We still have much work to do. Just as in 1991, 7-Eleven is at a turning point. Jim Keyes ended his speech recalling the words he saw framed on the wall at the company’s Japanese headquarters. It said, “Respect your stakeholders. Respect your customers. Respect your franchisees.” These are words Joe DePinto should take to heart.