

## **CHAPTER I**

### **Gitcha A Biscuit....**

In the midst of the worst recession in 75 years, with trust in business even lower than it was after Enron and the dot-com bust, admiration for the corporate world is in short supply.

On the other hand, those few companies in the world that practice homespun ethics, the seemingly rare few that nurture, develop, train and treat employees with enduring respect, and the fewer still that are jealously protective of their reputations among employees, community and the market place deserve to be admired. Any company that continues to perform well ethically, maintain its good name, and preserve its profitability during what could be called “The Great Recession” of the early twenty-first century will be more admired than the high-octane performers of the boom times. It was precisely because those companies lacked high ethical standards that caused so many of them to falter and collapse when the economy began to unravel.

Superior ethical standards are the norm at Biscuitville and precisely why this vital and growing, 43-year-young company will exit the gloomy post-recessionary tunnel with more market share, greater employee loyalty, a balance sheet as impenetrable and strong as the Rock-of-Gibraltar, a highly recognizable brand within their footprint and, a sustainable competitive advantage that is the envy of many of its competitors. Biscuitville is admired by and involved in each of the

communities it serves and its corporate philanthropy is well respected. Biscuitville is a beacon of light in a period of epic economic darkness. And the reason? A loyal customer base coupled with the best biscuits south of the Mason-Dixon line.

By what standard should Biscuitville be measured to lay claim to the top spot on the podium of best quick serve restaurants? How can Biscuitville, as it surpasses the 1,000 employee mark in 2010, lay claim to becoming one of *Fortune* magazine's Best 100 Companies to Work For, its annual survey of where employees would most like to work? Read on. Biscuitville has all it takes to make that coveted list.

The ultimate business thermometer is ROI. It will tell you if a company is sick or healthy. As an IRS Section 1372 subchapter S private company (where income is taxed directly to the stockholders) comparing Biscuitville to the *Fortune* 100 companies might seem a stretch, since all 100 are public companies. But, with Biscuitville's pretax ROI reaching a high of as much as 58.7% and low of 40.8% over the last five years, Biscuitville can rightfully claim the ROI gold medal against the most ferocious *Fortune*100 competitors on the planet.

A more impressive measurement is Biscuitville's employment scorecard: Biscuitville has never had a company-wide layoff in its history; Biscuitville has never furloughed any crew. Lay-offs and furloughs have long-term cost consequences beyond merely the severance costs. Morale suffers horribly. Survivors' medical costs actually spike due to stress, especially concern about job retention. Rehiring and re-training expenses cut into profits. And, there is

always the possibility that future high performance C- level executives are swept out in the cuts.

“People capital” is an undervalued and unappreciated asset. It is difficult to measure the value of the human resource from a cost-benefit perspective. At Biscuitville, people relationships – the “People First” philosophy – is more important than corporate mission. Who is on the bus (people) is more important than where the bus is going (mission). That’s what makes this company tick.

All employees learn about the importance of respecting each other. And not just vertically. Respect goes in all directions. Top to bottom. Side to side. And out to the customers. Workplace bullying is an epidemic. More than 54 million American workers reported being bullied at work according to a 2007 comprehensive survey on the subject. Workplace violence or rudeness is unthinkable at Biscuitville. It simply asks the employees to treat each other and, ultimately, customers like employees treat one another.

Biscuitville has achieved the Holy Grail sought by all businesses: a Sustainable Competitive Advantage (SCA). It has done so through extraordinary service but with a twist. Because they are treated so well, customers keep coming back. Biscuitville’s remarkable über service gives it a Sustainable Competitive Advantage superior to patent holders, like Cisco; to low-price-producers, like Wal-Mart; to differentiators, like Rolex; and even to a revered trademark, like Coke. By building its brand and investing in its employees, Biscuitville has attained a level of profitability to be envied.

Many innovative business concepts will be explored in these pages. The life story of Maurice Jennings provides insight into why “Founder” is the most important title in business. His son, Burney Jennings, teaches how soft power leadership produces hard dollars as an emerging company matures.

Old concepts and archaic ways of analyzing employee psychology will be dusted off and given a shiny new layer of understanding, much to the relief of beleaguered and undervalued employees. Maslow’s Hierarchy of Needs is out. Meeting employee needs is in. This was echoed when Johnson & Johnson was named to the annual listing of the *Fortune* 100 Best Companies to Work For™ in March 2009: CEO Bill Weldon said that the most important thing his company is doing is “helping employees recognize that we’re going to continue to invest in them and their development.” That concept is nothing new at Biscuitville.

Private ownership of companies that have cherry-picked Sarbanes-Oxley’s best practices trumps public company ownership in today’s time. The expression, “the best of all worlds” describes a company, like Biscuitville, that is private, profitable, accountable and well on the way to the transparency required by the law’s new ethical standards for public companies. And, it has become so voluntarily.

At Biscuitville communication is by action. The Jennings family teaches ethics, and senior management lives righteously. Behavior trickles down. No pomp. No words. “Just do it.” And it gets done. The pay-off is happy employees and an even happier bottom line.

So sit back. Imagine that Troy has just been defeated, and you are starting out on a 43-year odyssey to observe Founder Maurice Jennings vision, to witness Biscuitville's dough-making (yes, pun intended), and to understand how Biscuitville achieved a Steinway-esque reputation "without all the hoopla."

As they say in the South, "Gitcha a biscuit...", and if you want the best of the best, get it from Biscuitville.