



## 20 Lessons in 20 Years of Global Growth

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ANN ARBOR, Mich. - November 18, 2003 – Domino's Pizza, the world's recognized leader in pizza delivery, marks 20 years of growth and expansion outside the United States in 2003. Twenty years after the first international store opened in Winnipeg, Canada, Domino's Pizza is poised to open its 2,500th international store before year's end.

The journey from one international market to stores in more than 50 and more than \$1 billion in pizza sales every year hasn't been easy. Like many companies attempting to do business overseas, Domino's Pizza was not immune to making mistakes...and learning some valuable lessons along the way. Here are 20 Lessons Learned in 20 Years of Global Growth from Domino's:

1. Culture comes first. Some early attempts to open Domino's stores internationally faltered because the company tried to establish in markets that had cultures unaccustomed to pizza or the convenience of home delivery. Understanding cultures and adapting to them was the first step in the process of global expansion.
2. Local ownership is important. Following lesson number one came the important learning that local ownership is key. That's why we developed our Master Franchise system, teaching local business leaders about Domino's, and helping them establish franchises in their home countries. Today, Domino's Pizza Mexico is a Mexican company; Domino's Pizza India is an Indian company, and so on across the globe.
3. You've got to know the language (part one). When Domino's first opened in England (1985), the marketing slogan in the U.S. was "One Call Does It All." The slogan did not communicate Domino's delivery expertise because, in England, a "call" is a personal visit, not something one does with a telephone.
4. Um, there could be a better way to do this. In Japan, buildings are not numbered according to where they are located, but by when they were constructed, making the finding of addresses quite challenging!
5. One size does not fit all. The most popular pizza size in The Netherlands is small. Customers order multiple small pizzas as individual meals, rather than ordering large pizzas to share.
6. Pizza: It's not just for dinner anymore. The first store in China (1995) opened in the business district of Shenzhen. Commuters would stop by for pizza in the morning for breakfast and at lunchtime, using knives and forks to eat the exotic new meal. Sales dwindled after 5 p.m., as workers departed the business district when the workday was done.
7. Names are good. Delivery team members use landmarks for deliveries in the Virgin Islands, because the streets are not named.
8. Driving is serious business. It takes one year to get a driver's license in the United Arab Emirates. Earning a license requires a minimum of 70 hours of driving instruction.
9. You've got to know the language (part two). There was no word for pepperoni in Japanese when Domino's opened in Japan in 1985.
10. Pizza is remarkably versatile...or, do want pineapple with that squid? While the base of dough, sauce and cheese is essentially the same everywhere, pizza toppings can be customized to suit local tastes. For example, squid, crab, shrimp and pineapple (often together) are popular toppings in Taiwan; corn in the UK; potato and mayonnaise in Japan. One of the best-selling pizzas in Brazil is topped with mashed bananas and cinnamon.
11. Family and community mean a lot (part one). In Mexico, Domino's operates a fully-functional pizza store in La Ciudad de los Niños ("Kids' City"), an amusement park that is "kid size." Children come in, don an apron and proceed to make a personal size pizza with the help of two adult team members. The Domino's store is said to be the number one restaurant attraction in Kids' City.
12. Everyone knows it's windy. As in many non-U.S. markets, the franchisee in Aruba initially purchased customized motorcycles to deliver pizzas. Not long after, he was forced to switch to small trucks due to the strong wind.
13. You've got to know the language (part three). Menus in Belgium are printed in three languages: French, Flemish and English.
14. "Luck o' the Irish" is good for pizza sales. Pizza sales peak in Ireland during St. Patrick's Day festivities, which attract tens of thousands of visitors to the country each year.
15. Family and community mean a lot (part two). Every year in Guatemala, team members build a "pizza chain," which in 2002 was a record 2,200 meters. Corporate sponsors and private donations during this event help raise funds for a variety of children's charities in Guatemala. The event is such an integral part of the culture that streets in downtown Guatemala City are closed on the day of the event.
16. Icelanders lava their veggies. Vegetables for pizza toppings are grown in greenhouses due to the lava terrain of Iceland.

17. Efficiency, efficiency, efficiency. Delivery scooters in the Netherlands are not allowed on the roads, so team members use designated bike routes, which are often quicker than travel on the roadways, anyway.
18. Just pick one, please. The streets in the United Arab Emirates have been renamed three times over the past 30 years, and all three names can still be officially used. This can be confusing, so residents use landmarks, building and business names for reference. All names, plus the different references, have to be mapped by the Domino's Pizza team. It takes weeks to accomplish this task for every new store that opens.
19. When it's cold, pizza is hot! When the first Domino's Pizza store opened in Reykjavik, Iceland in 1993, it set a company store opening record by selling more than 5,000 pizzas in its first seven days.
20. The world, despite its differences, loves pizza. After 20 years of operation in more than 50 countries, Domino's Pizza knows one thing for sure: pizza is among the world's favorite foods. Whether we like it with squid, pepperoni or banana, pizza is something we all have in common.

"We've come a long way since we opened our first international store in 1983, and it is due to the hundreds of franchisees and thousands of team members who have worked to blend the Domino's Pizza 'culture' with the cultures of their home markets," said Patrick Doyle, Domino's Executive Vice President – International. "Not only have we experienced 39 consecutive quarters of same store sales growth and 20 consecutive years of store growth, much of the world remains untapped potential. We're looking to expand our growth aggressively in the years ahead."

#### **About Domino's Pizza**

Founded in 1960, Domino's Pizza operates a network of 7,332 Company-owned and franchised stores in the United States and more than 50 countries, and is the recognized world leader in pizza delivery. Domino's Pizza, named a Megabrand by Advertising Age, had systemwide sales of nearly \$4 billion in 2002. Domino's Pizza was named "Chain of the Year" for 2003 by Pizza Today magazine, the leading publication of the pizza industry. In 2003 Domino's became the "Official Pizza of NASCAR." More information on the Company, in English and Spanish, can be found on the web at [www.dominos.com](http://www.dominos.com).