

Pieces falling in place in Pizza Inn restructuring

by [Steve Coomes](#) * • 21 Dec 2006

LOUISVILLE, Ky. — [Pizza Inn](#) announced it is debt free for the first time in several years and that the company's restructuring plan has positioned it for a bright future.

According to a news release, the company completed the \$11.5 million sale of its corporate headquarters building Dec. 19. It will rent the facility for the next 10 years. Cash from the sale was used to eliminate bank debt and litigation settlements with Ronald Parker, the former chief executive and president fired by the company in 2004. (Read also [Pizza Inn settles with Parker, former CEO, for \\$2.8 million](#)). And last year, the chain dismissed PepsiCo, the chain's long-time beverage provider. (Read also [Pizza Inn settles PepsiCo lawsuit](#)).

Earlier this year, it outsourced its distribution services to SYGMA and Institutional Jobbers Company (IJ). Distribution previously was handled through Pizza Inn's Norco Restaurant Services arm. SYGMA distributes food and other supplies to Pizza Inn locations in the Midwest and West United States, while IJ distributes to locations in the east. The chain said the change brought significant cost reductions for the company and its franchisees.

"The cornerstone of our turnaround plan has been the creation of a healthy operating environment for our current and future franchisees," said Tim Taft, president and chief executive officer of Pizza Inn. "As a result of accomplishing these two very important initiatives, we are seeing our franchisees reinvest in their restaurants and become increasingly more engaged in the future of the Pizza Inn brand."

Larry Rust, president of the Pizza Inn Franchise Association, added, "We as franchisees are pleased to be benefiting from the recent price reductions on key food and paper items. In addition, Pizza Inn's management is continuing to work with the franchisee committees to help us further improve our cost structure and increase our sales. We are thankful for management's leadership in pursuing these initiatives."