



KUKEC'S PEOPLE

Geneva woman helps with life's transitions

In July 2013, Cynthia Wade of Geneva found herself at a major crossroads. She had just turned 60, had shoulder surgery and watched her 23-year-old daughter move out of the house. After facing an empty nest, she also lost her job. Facing such major transitions led her to form a new organization that would help others in similar situations. On Friday, she cuts the ribbon for Do-Over. me, a non-profit that aims to help people in Kane County who are seeking a job, facing life after divorce, or other major life transitions, she said. See more on page 2.

CNBC host-CEO to help others

Marcus Lemonis, entrepreneur and host of CNBC's reality series, The Profit, and chairman and CEO of Camping World and Good Sam in Lincolnshire, launched The Profit Campus Town Turnaround Initiative. It is a nationwide outreach program to colleges, universities and trade schools that encourages students to pursue and engage with struggling businesses in their local areas that could benefit from Marcus Lemonis' assistance. If the existing company the student

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Relish the hot dog



Tim Walter, chief executive officer of T. F. Processors with Erin Walter co-founder/CEO of Nuphoriq at their Elk Grove Village-based Tasty Catering which has won awards for its food and its workforce culture. The family owned business has been spawning several other companies as well.

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'Original meal on a bun' led to Tasty Catering, numerous entrepreneurial ventures and 280 'family' employees

BY ANNA MARIE KUKEC | DAILY HERALD BUSINESS WRITER

An image of a hot dog is framed and hangs with honor in a meeting room at Tasty Catering in Elk Grove Village. It means a lot to Tom Walter, a serial entrepreneur of sorts.

"It's the original meal on a bun," said the Chief Cultural Officer, 66.

The hot dog symbolizes for him a simple beginning that eventually led to Tasty Catering becoming a successful, award-winning company.

Tasty Catering also has spawned several additional companies, including That's Caring, an eco-friendly online gift company, T.F. Processors, a wholesale contract manufacturer, nuphoriq and others. He's also created some real estate companies here and in Arizona. Over the years, he has continued to buy and sell hot dog stands, restaurants,

bars and even a carpet cleaning company.

Yet, when he sees that hot dog, it reminds him of how it ultimately has employed more than 280 people throughout all his companies and put food on the tables for their families.

It also meant a life-changing turnaround for Walter himself. He has grown as an entrepreneur, book author and public speaker. He has a strong devotion to family, God, core values and his employees. His children, Erin Walter and Tim Walter, his brothers, Larry and Kevin Walter, and family friend Jamie Pritscher all have supported various business ventures. Together, they've gone through the

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growth of the companies, survived a tough recession, and now they're repositioning those companies for the future, he said.

The Daily Herald Business Ledger recently honored his children with Entrepreneurial Excellence Awards.

"Everyone here is someone," said Tom Walter, who doesn't want to be called CEO. "They all matter. We are a family. Everyone."

Being someone was what Walter wanted while growing up in Chicago's Edison Park neighborhood. Tom Walter was the second oldest of 11 children. He left home at 19 to make it on his own. He worked at Northwestern Railway in the signal department and took business classes at Loyola University. He never earned his degree. He received a draft deferment during the Vietnam War and later decided to open his hot dog business.

He started Tasty Pup on North Milwaukee Avenue in Niles after receiving a \$5,000 loan from his girlfriend, Bobbi, in 1970. A couple years later, he paid her back and the two got married. They raised daughter Erin, now 30 of Schaumburg and head of nuphoriq, and Tim, 33, of Elk Grove Village. He runs 80 Nine Holdings, the parent company of all the firms, and Touhy Capital, the funding arm and employee financial assistance firm. Tim is in line to succeed his father one day.

Back in the 1970s, Tom Walter and his partners eventually launched two more Tasty Pups in Chicago. They bought a failed Roy Rogers restaurant and rehabbed it into W.W. Gizmos restaurant.

Tom Walter soon sold off the Tasty Pups and later opened Tasty Dawg in Elk Grove Village in 1984. He also opened some bars, including Filthy McNasty, Cheers Cafe and Jawbones Music Bar.

He diversified and started a carpet cleaning company, but sold it a few years later.

At that time, I didn't really know how to be a leader or a CEO," he said. "I just knew how to be an entrepreneur. I didn't know the secrets to making it last."

With experience, that changed.

Back in those days, he wondered if anyone knew what the term "entrepreneur" meant, and it wasn't just a fancy French word, he said.

"I just didn't want to work for someone else for 50 years," he said.

He learned about failure, when Gizmo's began floundering, due to employee theft. He sold the restaurant in 1979.

He still had his hand in Tasty Pups and the bars. But the hours were long, and he realized he wasn't home much.

"I had a life-changing moment in



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1984, when my son was 3 years old and he asked, 'How come you're never home?' That's when I drove to work and went in and said I want out in 60 days."

While he sold off his partnerships in the bars and hot dog stands, it didn't last long. He opened two Tasty Dawg stands in Elk Grove Village and another in Glendale Heights, with his brothers Larry, 57, and Kevin, 51, as partners. This time, he was able to manage his time better, he said.

"God has truly blessed me and everything has been a learning experience, and I've been spending my life now advising younger entrepreneurs so they don't make the same mistakes," he said.

Arizona real estate

Tom Walter started dabbling in real estate after a family trip to Phoenix for a soccer tournament in 2001. While there, he visited a getaway home in Peoria owned by his late brother, Rick.

Tom Walter at first thought about sharing a home with his brothers. The idea expanded to offering it to other siblings and Tasty Catering staff.

"We bought a beautiful home with pool and hot tub on a golf course in Northwest Glendale. This has become an internal time share wherein we pick weeks out to spend time at Walhalla. We have a pool service, landscaper and maid service."

Tom Walter took advantage of depressed real estate in the Phoenix area when he saw many foreclosures and homes those under water due to the economy.

"So we offered staff the opportunity to buy suppressed real estate with the hope that it would rise (double or

triple in value) and provide additional money to the staff," Tom Walter said. "This also allowed staff to become 'owners' without having to think of a business model. So we invested in a home that is rented providing cash flow and equity appreciation."

Hot dog study

While getting the real estate going in Arizona, the hot dog business back home was starting to change.

Tasty Dawgs had been offering party catering since 1989. The deli trays and other offerings became popular and business picked up.

In 2004, Tim Walter did a study on their hot dog stands and how to make them more competitive. Tim provided a 25-page report and said

Tasty Dawg couldn't compete with all the growing fast food chains in the area. But he found that the catering aspect of the business was showing success. The three brothers sold Tasty Dawgs to focus on catering and Tasty Catering in Elk Grove Village moved forward.

By 2005, they had a so-called "cultural revolution," Tom Walter recalls. His top employees approached him about the concept of creating an employee-led culture. They selected team leaders.

They also developed the company's core values: God, or your higher power, comes first. Family is second. Education and then work, in that order, he said.

"That's the order of your priorities," he said. "If you have any family issues, you should go home and take care of them."

Work environment is key. "It's all about making the workplace a fun, loving workplace," Tom Walter said. "If you're a toxic company, it becomes rotten and the outcome is rotten."

Tom Walter, from left, with his brothers Kevin and Larry at their Elk Grove Village-based Tasty Catering which has won awards for its food and its work-force culture. The family owned business has been spawning several other companies as well.

Fighting the recession

Retaining that business model was tough during the country's Great Recession in 2008, one of the harshest that the Walter brothers have ever encountered.

Tasty Catering was heading "toward a financial rocky place," Tom Walter said. He sought to lay off five employees.

He gathered the team leaders and told them of the dire financial situation.

They wanted to discuss it among themselves. When Tom Walter returned, the team leaders said they couldn't choose anyone for the layoffs.

"That's when I got hot under the collar," Tom Walter said. "But I was committed to our core values and went along with it."

The team leaders suggested the entire company have their hours cut so no one would have to be laid off.

"They told me that we all have families, and no one is hiring now. If we're family, we won't just throw them out. Everyone is important to the company," Tom Walter said.

Meanwhile, Tasty Catering boosted its marketing during the recession and bought out two competitors, one in Bloomingdale and another in Schaumburg, Tom Walter said.

The strategic decisions paid off and by 2011, the company was setting records again. Work hours were restored for employees.

Brother Kevin Walter agrees they took the right approach.

"Our people helped us to get out of some bad times," Kevin Walter said. "It's the human capital that is the most valuable. When you get the right people, the sky is the limit."

Larry Walter believes their management styles help the organization, adding that they each follow their own areas of responsibilities.

"We're equal partners, but there's still a pecking order," middle brother Larry jokes about the friendly sibling rivalry.

The brothers also agree that they'll keep an eye out for additional acquisitions.

Many catering companies are focused on expansion this year, which includes additional business units, said Bonnie Fedchock, executive director of the National Association for Catering and Events.

"This year has been a strong year for the catering and events industry" and many are poised "for growth and expansion in 2015," Fedchock said.

Anecdotally, she said members are booking more events and spending more per event.

"Budgets aren't as extravagant as they were in 2008, but they are definitely growing," Fedchock said. "The challenges to profit right now are increasing commodity prices and not everyone has raised their prices yet."