

Russ White 0:00

Todd Penegor is president and CEO of Wendy's and a keynote speaker for the December 2020 master's degree ceremony at MSU. A graduate of the Eli Broad College of Business, Penegor grew up in Iron Mountain in Michigan's Upper Peninsula, where his father was a Wendy's franchisee. He became president and CEO of Wendy's in 2016. After joining the organization in 2013, as Senior Vice President and Chief Financial Officer. Prior to that he held various leadership positions with the Kellogg company and Ford Motor Company. Penegor serves on the board of trustees of the Dave Thomas Foundation for adoption, and as a member of the Eli Broad College of Business Advisory Board. He earned a Bachelor of Arts in accounting in 1987, and an MBA in finance in 1989, both from MSU. And it's a pleasure to welcome him to MSU Today. Hello, Todd.

Todd Penegor 0:58

Well, hello, Russ. And thanks for the time this morning. I really appreciate it.

Russ White 1:01

Talk about your own path to MSU. Why was this the place for you when you were choosing a college?

Todd Penegor 1:07

Yeah, no, it's a great question Russ. And growing up in the Upper Peninsula, the focus was really going through a big 10 school. You know, I looked at that other school in town, Michigan, I looked at Michigan State looked at Central since my father went there. And after visiting all the schools, I really knew that Michigan State was the school for me, I just felt comfortable there. And then wasn't proven wrong. I love to be in there. My four years loved it so much. I stayed there for grad school.

Russ White 1:38

And talk about how it did impact you. How does it still maybe to be a Spartan? What does that mean to you to be a Spartan?

Todd Penegor 1:45

Yeah. So you know, from an impact perspective, think about it. It's the first time I've ever lived outside the Upper Peninsula as an 18 year old kid driving eight hours away from my hometown in Iron Mountain. And, you know, I was able to grow up and mature living away from home for the first time, I made some great friends, many of whom I still hang out with, from school over all the years that I had at Michigan State. But, you know, what I really appreciated was the support that all the professors and the university gave to me along the way, a lot of opportunities to learn a lot of opportunities to work as teams. And they really gave me the skillsets to put me in a position to be successful into the future. And the connections that the university has, were equally as important, right? My first job out of grad school was with Ford Motor Company, and it was Michigan State that got me that connection, a great finance training ground for any finance professional and I was blessed to be able to start there, I was able to pass the CPA exam on the first time, it took my dad two times, so it was just

competitive to do it. But Michigan State gave me the skillsets to be able to do that along the way. And they had a great reputation at the time, it's got a growing reputation. So I'm glad that that it put me in a position to to get me started on my career and have been successful from from day one. You know, what does it mean to be a Spartan? Well, it just makes you proud to call yourself a Spartan and you know, we talk a lot about "Spartans Will." it's great to see so much success from so many that come out of our university. It's great to see the partnerships that we have with the university, working with Dean Gupta over at the business school, it's just been a lot of fun for me on the journey. And I've just built with so many great memories, growing up, having fun at the university and now supporting you know, not just the the Broad School of Business, but supporting and cheering for all of our athletic teams. So looking forward to a great basketball season this winter from from Tom and the team. And it's just a privilege to be able to be still associated with the University on the advisory board at the at the Broad School of Business and really given my time back to the university to help recruit whether that was at Ford at Kellogg or now at Wendy's to continue to give opportunities to so many great students learning at the university.

Russ White 4:12

Well, you know, Todd over at that spectacular and state of the art Edward J. Minskoff pavilion at the business school we've been talking about is the Todd and Jill Penegor large team room named in honor of your generous support for the project. Why do you think it's important for alumni to give back to their alma mater?

Todd Penegor 4:31

Yeah, I think about how much the alma mater has created opportunity for me and, you know, I, I look back and everybody says, Well, you paid for school when you were there. Well, you know, the school gave back a lot more than then, you know, just, you know, teaching you while you were there at that point in time and, you know, the relationships, the connections, the camaraderie, the pride, I thought it was important with the success that I've been able to have in my career. Make sure that we give back. My wife felt the same way. And we are very proud to help create an even better environment over at the business school with the Minskoff pavilion, and to really leave a legacy of something with the with the conference room, and it's fun. My son, Justin graduated from the University of Colorado, he's now in, in the business school is working on his master's degree at Michigan State. So, you know, there's just a ton of pride when he says to go over there every once in a while, it's a little hard with COVID. But he gets to get over there and study in that room. And, and that's a lot of fun.

Russ White 5:34

Well, so Todd, you're a parent of a student, as well as being on that Broad College advisory board we talked about. So what makes you proud of the ways that MSU is educating future business leaders?

Todd Penegor 5:46

Now what I like the most Russ is very practical, right? So um, you know, what, what I like about what Michigan State does for our business leaders is, it's a really common sense approach to

whatever function you're in. And it is one that's really focused on teamwork, focused on partnership with some strong skill sets and whatever technical function that you've come into. But at the end of the day, you know, it all comes down to leadership, and how do you partner across a team? How do you influence a team? And how do you get the best out of the team, and Michigan State creates that environment teaches it and promotes it along the way, will give you the skillsets to be successful, and that has great connections to set you up to go get your first job or your second job, or you know, whatever you're looking for, to really complement you know, the journey that you want to go on as an individual for your business career.

Russ White 6:41

I'm talking with Wendy's CEO, and two times Spartan Todd Penegor, who's one of the December 2020 commencement speakers at MSU. And I'm wondering, Todd, what messages do you hope maybe that students take from your addressing, it was only three years ago, you addressed the Broad graduates, I imagine there's some evergreen advice. But gosh, three years is a long time these days. And some of that advice, I'm guessing has changed.

Todd Penegor 7:07

Yeah, I think the advice has changed a lot, it was really a privilege to do the business school commencement, you know, three years ago was 30 years after I had graduated from, from the business school. So that was fun, you know, getting the call from, you know, the team this year to do the graduate students just gave me an opportunity to reflect on this year, we spent a lot of time trying to figure out how you leave a little different and lead in a little more remote work environment. And, you know, some of the messages will be some of the messages that I've shared with, with my employees at the company this year, with the field team that I've tried to connect to differently and with our franchise community. And what you're going to really see is a communication is key, you know, people want to still be connected in this virtual world, you need to really be adaptable and flexible. We've all faced many curveballs during the year and you've had to manage through those. And you need to really be nimble to check in adjust to anything that's thrown your way. So you really have to find ways to master adversity a little bit different. And one of the mantras I've had throughout this year is you know, control what you can control, you know, influence where you can, and if you can't influence or control it, don't worry about it, just prepare for it, have the contingency plans in place. And as things come your way, you know, build your plans to successfully manage through it. And it's not easy to do that. It's easy to say it. But we're all learning to work a little bit differently. And for the students that you know are coming out of school this year, whether your undergrad or the graduate students that I get to talk with, you know, they've had this opportunity to learn to work in this environment. So they've already got a lot of those skill sets that they can bring to new organizations to not just survive but to thrive moving forward. So very excited to share some of those leadership messages. And hopefully they take something good away.

Russ White 8:57

Spartans Will. and Todd before I let you go we obviously mentioned you're the CEO of Wendy's just some challenges and opportunities for Wendy's in the restaurant business moving ahead,

I'm sure coverts had an impact but just what's on one of the on the horizon for you and your team.

Todd Penegor 9:13

Yeah, no thanks for the question. Russ on the business. I mean, we've been blessed you know, we're we're in the quick serve, restaurant category. So we've had the you know, ability to manage a drive thru. We were deemed an essential service early on to help take some of the pressures off the grocery stores when you think about why QSR play such a great spot in today's world speed, convenience, affordability, we play in those spots. You know, the drive thru certainly helps we can deliver food fast in an efficient environment. And without Wendy's we can differentiate on quality quality of the food being fresh, fresh, never frozen beef, fresh cut vegetables, all at an affordable price. And when you think about the journey we're on to really compliment all of that. We launched breakfast earlier this year. You know, a little challenging with the morning day part completely disruptive, but our breakfast is doing quite well behind our quality messaging. So that's been a lot of fun. You know, the digital journey that we're on, you know, how do you make a more frictionless experience at the restaurant? How do you turn your parking lots into transaction centers, whether that's, you know, mobile ordering, mobile grabbing goal curbside delivery, a loyalty program to connect the business on loyalty and frequency. A nd then for us, it's how do we continue to provide more access to the brand unfortunately, a lot of restaurant brands are shutting down, and and we have opportunities to continue to grow, whether that's in North America with unique and different formats, complemented by technology are growing our business outside of the US. Those are all things that teams working on with a lot of opportunity going forward. And our higher purpose is to create joy and opportunity through our food, family and community. And we're working hard to bring that to life everyday.

Russ White 10:51

One similar final question Todd, I mentioned your role on the broad college advisory board. And my understanding is you'll you'll even be president in a couple years, I've had the pleasure of interviewing Dean Gupta before and he talks eloquently about the digital disruption coming to higher ed finally, just again, challenges and opportunities for the Broad College and higher ed moving forward? I know that's a lot. But...

Todd Penegor 11:15

Yeah, no, I think you know, and it's great that built such a strong relationship with Dean Gupta, and you know, growing from the treasurer role over time over the next three years into into the president role to help support him on that advisory board. And it's just going to challenge us all learning is changing, right? You know, and how we connect and how we communicate continues to change. And I think the biggest opportunities we have is, you know, how do we work in this hybrid world that we'll all be working in the future when it's a little bit virtual, and it's a little bit in person. And when you have that environment, how do you teach? How do you communicate, how do you connect to make sure that everybody feels included, whether you're there in person or whether you're there by by video, you have to make sure that it is a seamless discussion is everybody's going to look for a little more flexibility, everyone's going to

look to connect a little bit different. And we're going to have to learn how to teach in that environment. We're gonna have to learn how to create working experiences in that environment and really ensure that you know, our students have the skillset to communicate and break through in that that hybrid environment and I know the Dean's focus very much on that and we'll continue to partner with him to bring that to life.

Russ White 12:26

Well Todd, thank you very much. So thank you for all your support for our beloved alma mater and, appreciate your sharing your wisdom with the students and it's been great having you on the program.

Todd Penegor 12:37

Well, thanks for the time this morning, Russ and I know Spartans Will. and Go Green!

Russ White 12:41

Go White! That's Todd Penegor, Spartan twice over and the CEO of Wendy's, I'm Russ White, this is MSU Today.