

Corey Andrew Powell: (00:02)

Dave McKillop is the innovative CEO of CEC entertainment, the parent company of Chuck E Cheese, Peter Piper, Pizza venues, and Pasquale's. The former Six Flags executive has been making headlines recently for his game changing re-imagining of the Chuck E Cheese brand. Dave joins me today to discuss the power of thinking outside the box and to share some of the lessons he's learned along his journey to corporate success. I'm Corey, Andrew Powell, and this is Motivational Mondays.

Corey Andrew Powell: (00:32)

So I am really, really looking forward to this conversation. I'm joined today by David McKillop and he is the CEO of C E C entertainment. And just so you know, the CEC stands for Chuck E Cheese, and I feel so honored because you've done so many great things, but first off, just David, welcome to motivational Mondays.

Dave McKillips: (00:52)

Well, of course, thanks for having me today. This is a treat as well. So I always enjoy meeting new people and sharing some of the story. And it's nice to talk to somebody from New Jersey, which I just moved from. And I can't find a good bagel in Texas. So hopefully you can send me some.

Corey Andrew Powell: (01:06)

Oh yeah. We'll ship out something, like overnight, so they don't get stale. Nice and soft. You got it, man. So, you know, the first thing I have to tell you, just to commend you, a colleague of mine who helps me coordinate our shows, Jessica used to work for you and she speaks so highly of you. So the first thing that strikes me is how someone who no longer works for still has such a high reverence for how they were treated. They still carry that forward in life. So to begin with, as a CEO, can you speak a little bit about what your motto is to invoke that feeling from everyone who works for you?

Dave McKillips: (01:40)

First of all, thank you. And Jessica is a fantastic executive, a great individual, you know, one of the most positive people I've ever had on my team, but you know what I always tell everybody is you don't work for companies, you work for people. And there are a lot of folks, especially the folks that listen in to your podcast that have aspirations of I really want to work for this company or, I've always wanted to work for that company. But the reality of it is, you can work for a jerk. So I've really tried to make sure that you're working for people that you would like to even hang out with, right? That you respect that are going to drive you that are positive. And it's not just about the company of what you're representing, which is important, but it's who you're working for. So I think Jessica was part of a really fun team that we had at six flags at the time. And I think that there are times in your career that you work with a lot of special people and, uh, I'm just appreciative of the compliment. And, uh, that's, you know, something I've always lived in and tried to manage by.

Corey Andrew Powell: (02:38)

It's very effective obviously. So thank you for that. And I guess we should mention that, yes, you were at Six Flags as one of the executives there for about almost 10 years?

Dave McKillips: (02:46)

Roughly a little north of that? Yeah.

Corey Andrew Powell: (02:50)

And that was pretty much overseeing all the theme parks in the country?

Dave McKillips: (02:55)

My last role was President of International and I started at Six Flags and it's actually a funny story if you don't mind me going into it, but this will be a theme throughout some of the discussion that, that we have today. And knowing a lot of the young people that are listening in is, I didn't know what path I was heading down. And as I grew up as a kid in St. Louis, Missouri, and having aspirations of, well, I've really never seen the beach before. Never spent any time on the coast. That it'd be pretty cool. And some buddies and I just jumped in a car and we got jobs at SeaWorld in Orlando. And I had never experienced being around family entertainment, major theme, parks, entertainment like that before. My first job was cleaning up trash at the dolphin community pool. And I'll never forget looking over and seeing a family and a kid light up with a smile like I've never seen.

Dave McKillips: (03:47)

And I'm like, this is what I want to do. I would love to be in this business. I can't believe I'm getting paid to be in an environment where people are just being happy. And you know, it allowed me through my career to work at SeaWorld. And then I was transferred to Sesame Place, which is a theme park right outside Philadelphia -Langhorne. It sounds like you lived not too far from there. And that was a great experience. And then I worked took a job at DC comics and I worked at DC for 10 years. And that's how ultimately I got to Six Flags because they had a new management team set up at six flags and I was invited to join them because DC comics is the licensor of some of the greatest superheroes in the world. Superman, Batman, Wonder Woman, Flash, Green Lantern.

Dave McKillips: (04:32)

They licensed those properties to Six Flags So, in a meeting with the new CEO of Six Flags , he said, boy, why don't you come on and join our new management team? And I did that. So to answer your question directly, I started off in a partnership platform and I moved my way into different roles throughout the company. And that again will be a theme of what we talked about today. You never know what path is going to be sitting in front of you. And if an opportunity comes and it looks like something that could challenge you, then just take it. And I did. So they moved me from selling sponsorships to running 17,000 people of all of the theme parks, running food, service games, merchandise, and procurement. And a lot of that, I didn't know what I was doing, but I had to learn fast. And I surrounded myself, very talented people. And that worked out and not two years after that position, the CEO came and said, we're gonna move you to international. I found myself not only international. I was also overseeing engineering, design

and maintenance. So divisions. I had no knowledge of but I got in there and again, surrounded myself with some talented people and learn the business. So I spent 13 years, total at Six Flags, ran multiple different departments. But if I didn't do that, I wouldn't be sitting here today in a great opportunity.

Corey Andrew Powell: (05:53)

You know, it's really interesting how often we are the ones who are stopping ourselves because we are afraid to move forward, afraid to go into new directions. We can think of a million reasons why we shouldn't do it. And you are an example of, you know, what, even if you kind of got, gotta learn, when you get there, like don't stifle yourself, don't stop your own growth by freaking yourself out, get in there and then do the work. And then you can maybe prosper that way. Now, I will say though, I did do a little research as well. When you were in Missouri though, apparently your dream as a young man was to be a baseball player. Is that correct?

Dave McKillips: (06:27)

I was always involved in sports. I played two sports. I played baseball and hockey and like any aspirational athlete in high school that had a chance to play either legion or someone else like that, they'd be, well, that'd be a great opportunity. And I chased that dream around a little bit and it never came to fruition. And that's when the Orlando opportunity came about. And it's like, boy, I made 180 degree turn to say, I'm going to leave the opportunity to pursue a sports career and move into entertainment. And it's something that's just been wonderful. But again, you know, it just wasn't meant to be, so you just kind of roll and walk down the next path.

Corey Andrew Powell: (07:06)

That's a great, great metaphor for life in general. otably right now, one of the big things that you are making headlines for though is the pivot that the Chuck E Cheese brand made during the pandemic out of necessity. Of course, as many people have done, they've all sort of found these new ways of surviving. Some people found talents that they had, and they began to use them as a business. But I think a lot of your experience in the past led you to be able to land on your feet with new ideas and freshness. Cause you had a big sort of like plethora of information to pull from. And that's important to also note, but you did do some really amazing things like the Pasquale brand that is like a virtual restaurant creation that shares the same space as the Chuck E Cheese brand, right? So you already had your infrastructure in place, but tell me about how you thought of how to create this other brand in a time of need to make sure the company had some other options to bring in revenue.

Dave McKillips: (07:58)

So I joined Chuck E Cheese or CEC entertainment back in January of 2020. And as we all know now have experienced over the last 18 months by March of that year, we were closing down all of our restaurants like, like all the other multiunit chains around the country. In fact, around the world. Being a brand new leader to the group I had, I was bringing in some ideas that were new and we can talk about some of those strategies in a little bit. But one of which is that Chuck E Cheese has fantastic pizza. It has great products, fresh dough, fresh ingredients. It is an outstanding product, but we don't get credit for that because we really get credit for a place that

we play in, which is birthday parties and family and kids entertainment, right? So we don't get the credit for a Friday, Saturday night of a couple single folks from young people saying, 'Hey, let's grab a pizza' and either call your local pizza delivery company or the guy down the street. Nobody thinks of let's call Chuck E Cheese and get a pizza.

Dave McKillips: (08:58)

Number one, we weren't set up for that. We didn't have relationships with the third party delivery companies, Uber Eats and Door Dash and so on and so forth. But what we did is, you know what, because we have great pizza, let's launch a new brand, a ghost kitchen brand is what the term is. Now. We were one of the first in the country to do this. Let's take these great ingredients. Let's flavor them up a little bit for a more mature taste, which means different kinds of cheese, extra sauce, some additional ingredients on top, and flavor profiles. And we remarket it as Pasquale's. And you know, we had some challenges coming out. It was not easy. It was during a time where a lot of small businesses were challenging big businesses in terms of trying to survive at a time of, of just so much unknown back in the March, April time period.

Dave McKillips: (09:49)

And there were consumers thinking that we were, we were trying to fool them. We weren't. We launched a new brand and we used a kitchen with a different type of product. You could still order a Chuck E Cheese pizza, but we want it to try to play to a different particular audience. And you know, that have been successful for us as a brand. And then I think we led the industry and they followed, and many, many ghost kitchens have launched since then. And we still have Pasquale's we're gonna have a big announcement with some new food offerings coming up here in a couple of weeks. Do you have to stay tuned on that? That if you're a meat lover, I think you'd like it.

Corey Andrew Powell: (10:22)

That's awesome. And also, you know, there's a thought too that you weren't just like haphazardly, just kind of throwing a name out there. Like Pasquale's is not some like random name. There is still the brand connection because apparently Pasquale is a member of the Chuck E Cheese band. Correct. And so there's a whole tie in to that.

Dave McKillips: (10:40)

So, you know, as, as you look at a brand extension, if you're if you're going to order Pasquale's Pizza, obviously a wonderful Italian, you know, in the mythology of, of the character, he is from Naples. And you know, he joined forces with Chucky cheese. He is the charismatic humor based fantastic pizza chef. And so why go and borrow a different name or create a different brand, but we have this incredible character already within our mythology that people are familiar with. And it's, it's fun. We've, you know, we've been in business for 44 years. Chucky E Cheese is part of the fabric of America. And now beyond the United States with the 77 locations around the world, but people still have affinity to the brand. So if we could have that brand extension, it was fun. It was relevant. It makes a lot of sense and we own it outright.

Corey Andrew Powell: (11:27)

When it comes to the other part you were discussing though, the experience, the experiential part of Chucky cheese that did still create a dilemma because with the current situation with the, the health matters that we're facing, you can't have a bunch of kids throw, you know, in the ball pits and you know, all over each other in a birthday party. So that definitely dampers the business as well. But then you also thought, well, I'm not going to be defeated in that aspect. Let's try see if we can maybe bring that experience to the home. So tell me about that pivot towards creating the home experience with the Chuck E Cheese kids.

Dave McKillips: (12:03)

First of all, there are no ball pits left at Chuck E Cheese. I'm going to come out there. Cause that's something that people bring up a lot of times but we are re-imagining the brand. And we can talk about that in a little bit, but a brand new entertainment system and a dance floor and a fully interactive experience with all of our games, and everything. So we moved away from balls pits and sky crawls to re-imagine this brand. But to your point, here's what we did. So we launched the ghost kitchen Pasquale's and then we also signed deals with all the third party deliveries. So we could bring the Chucky E Cheese experience home. So we packaged up birthday parties. We packaged up combo kits that we could deliver through a third-party partners. Now that the entertainment piece is the area that we had to make sure that we could deliver as well.

Dave McKillips: (12:51)

So having Chuck E Cheese and coming to visit Chuck E Cheese is a really important part of our experience. So we went in with a new head of entertainment and worked with our veteran entertainment manager as well. And we created all of our entertainment so it can be consumed not only in store, but at home and online. So when we were shooting all of our content, you could log in and you could, you could go to YouTube kids, or you could go to Chuckecheese.com and find all the content. So if you wanted to have a birthday party at Chuck E cheese singing, happy birthday, or any of our seasonal content as well, because we have Halloween content, holiday content spring, summer, uh, we dropped a couple albums as well on Spotify and iTunes. So you were able to bring that Chuck E Cheese experience to home.

Corey Andrew Powell: (13:36)

Wow. And also a touring band, which I, you know, I'm a musician. So I saw that and I'm like, oh my gosh, this is so cool. And it was like, why had that not been done before? Right. That was like the first time a live like touring band of the Chucky E Cheese band was actually put into play?

Dave McKillips: (13:51)

First time we ever took the band and the characters outside of the store for entertainment purposes. So, you know, a number of our locations for generations, haven't seen the animatronics, it's been a fabulous band. And, you know, with all of our characters with Mr. Munch, Pasquali and Helen and Chuck E and Jasper Jowls, you know, they're out there and they're they're legends and their music is actually wonderful. So when we were planning to bring

back Chuck E Cheese, the character program, to the stores, he had been in the studio working on some albums and as the environment was ready to receive him back as a walk-around character, we said, how do we make a splash? And we had just launched the summer of fun album and it was available on Spotify and iTunes and like any other great artists we're like, let's go on tour. So we kicked it off in Clearwater, Florida. It was a free concert. And then we started traveling to multiple cities. We ended up here in Dallas and I got to tell you, I was there to visit it in person. It was fabulous kids. You know, it was like the Beatles coming on stage, people, dancing and cheering. And it was, it was lovely. And what was, as impressive was the line for autographs and pictures with Chuck E Cheese after the concert. It was great.

Corey Andrew Powell: (15:05)

When it comes to just ideas in general, it would seem on the surface that, you know, these are ideas that just happen because, well, we have to think on our feet and we have to respond to the COVID crisis and do something that really will happen immediately to help save the brand. But I get the feeling that a lot of these were ideas that maybe you had been already thinking of. Right? Cause you talk about bringing the brand forward. So I wonder how many of these ideas would you say, or were there ideas that were sort of already in the back of the mind, let's talk about them, but then the current situation made you go, you know what, full speed ahead. Let's just throw this out to the wind and make it happen.

Dave McKillips: (15:42)

The ideas that I had come into the building with, and if you follow some of the things that I've been fortunate enough to do in my career and work, not only at SeaWorld in Orlando, Florida, one of the largest theme parks in the world, I worked two years at Sesame Place with some of the greatest intellectual properties, Bert, Ernie, Big Bird, Cookie Monster, all those preschool characters, then at DC comics with all the superhero properties and Warner Brothers with Looney Tunes to then come here to say, we have incredible intellectual property. How do we bring that to life? And I think when I walked in the door, we were operating as a restaurant company. And one of the seeds I planted literally on my first day is that we're the largest family entertainment center company in the world. And I do think we need to have a little swagger because we're an important part of the generations that have celebrated great moments at Chuck E Cheese. We are a part of the entertainment landscape, and we need to celebrate that. So some of these ideas don't come directly from me, but directionally have been given to a very talented team that I've surrounded myself on and our head of entertainment or head of marketing came together and said, you know, can we bring the characters on a concert tour? And it's like, go get it! Those are the ideas that come from a talented team. Once you plant that seed, give them some room and they'll take it and grow it.

Corey Andrew Powell: (17:04)

For me growing up, it seemed like the Chuck E Cheese franchise was not really in my area. And I was a big, fast food kid growing up for me. It was the, the McDonald's the Wendy's the, whatever, the sort of like the standard ones. And I don't think there was one like entrance in or near me where I was growing up as a kid because I missed out on the whole experience. So I kind of learned about the brand much later and I do feel like I was deprived. Just so we're clear

on that. I want to kind of go back and maybe relive it. But you know, I think that what happens with this brand is that it becomes a part of the fiber of people who grew up with it. But that then connects you now to the adults who you are also trying to reach with Pasquale's. So you are connecting this sort of brand integrity and brand loyalty experience as well. So it was interesting. You had a little bit of a backlash, but let me think of it - those young kids are now your adult pass quality customers in a way, would you think so?

Dave McKillips: (17:54)

I would think so. So, and those young adults are having families and they're having kids of their own. And they're looking to have those memories with their children, their children's friends, their grandparents, and that's, what's really special about being a part of a multi-generational entertainment destination. Because people want to relive those memories. Now, our brand responsibility though, is to re-imagine what we look like today, right? Because you know, the Chuck E Cheese of yesterday belongs to the parents, right? So what does the Chuck E Cheese look like today that needs to belong to the new generation of kids and their needs? Their entertainment consumption patterns are different than, you know, what we had when we were kids. So it gets me really excited that we are going through a remodel and a re-imagination process right now to revitalize this brand. In fact, we just opened locations in Fredericksburg, Virginia, down in Brandon, Florida, right outside of Tampa.

Dave McKillips: (18:54)

We've got a new remodeled location in Madison, Wisconsin, and Indiana and Minneapolis coming up. And it's fantastic, bright colors, more games. I talked about an interactive dance floor that is going to coincide and interact with a huge Jumbotron on the wall. So now you walk in, it's a fully immersive entertainment experience. I've got TVs dropped from the ceilings. We've got the best in class arcade. You may not know this Corey, but we have the largest arcade in the world. 2 billion game plays every single year. We've got the best games in the world, the biggest brands. So for kids, it's amazing, but we've got to make sure that it's comfortable for our parents too. And the little things that we're doing of bringing the experience into the hands of our parents, meaning a new loyalty program, mobile check-ins mobile ordering and making it touchless, making it easy to remove.

Dave McKillips: (19:48)

We got rid of the paper tickets. We moved to eat tickets, right? Just to make it easier. If you think about it, when a mom comes with a couple of kids and they stay on average around two hours at Chuck E Cheese, that's an experience, right? There's a lot of energy going on at Chuck E Cheese, right? So when those 5, 6, 7 year old kid's been running around for two hours, they're ready to go home and I'll tell you who's ready to go home. Mom's ready to go home. What the experience was before though, is when you're ready to go and get your check at a regular restaurant, just like, Chuck E Cheese, when you're ready to go, now you've got to stop. And you got to spend 10, 15, 20 minutes at what we call the ticket muncher. That's where you put those paper tickets in the machine.

Dave McKillips: [\(20:25\)](#)

We've eliminated that process. So you're now leaving happy if you're ready to go. And then you've got to slow down 20 minutes, put the paper in the machine and then go and pick out your prize. That 20 minutes may slow down that experience where you were on a high. And now that last 20 minutes is different. If you look just across the restaurant industry, the frustration about the experience is getting your check. That's it. So we've eliminated that now. You're having a great time. After two hours, come on little boy, little girl, let's head out and you walk away holding hands, put you in the back of the car and they're leaving happy. And that's a great memory when you leave happy, you come back happy.

Corey Andrew Powell: [\(21:08\)](#)

Thank you to everyone listening today. And don't forget, you can find us everywhere you stream and download your favorite podcasts. We'll see you next week on Motivational Mondays.