

# chain leader®

## TREND-FORWARD INSIGHTS TO BUILD BRANDS

Cracker Barrel  
reaches customers  
with **country music**.

PAGE 19

**Local sourcing**  
shrinks costs, raises  
quality. PAGE 34

How Eat'n Park  
courts and **retains**  
**young managers**.

PAGE 44

[www.chainleader.com](http://www.chainleader.com)

Subway ingredients  
are packed in larger  
but lighter containers,  
shipped less often.

## Sustainable RETURNS

Chains invest in green programs  
to save energy, money and  
the Earth. PAGE 22

CLICK HERE TO

**RENEW**

your FREE **magazine**  
subscription

CLICK HERE TO

**START**

a FREE **e-newsletter**  
subscription



# Your Reputation Depends On The Little Things.

Discover the baked beans that pack professional grade popularity. Only Allens Baked Beans are preferred by two out of three foodservice operators nationwide\*. That's because only Allens delivers all the qualities operators want most in their baked beans:



Awarded the 2008 USA Gold Taste Award, American Academy Of Taste for the best baked beans in foodservice.

- Sweet, full flavor and aroma
- Dark, rich color and glossy sheen
- Tender, meaty beans in thick, savory sauce
- High beans-to-sauce recipe

Instead of grocery store baked beans, serve the foodservice favorite. Nothing's easier — just contact your Allens representative or phone Allens today.


## Allens®

\*The Winnie Group Survey

Siloam Springs, AR 72761 ♦ 1-800-234-ALLEN, Ext. 379 ♦ [www.allens.com](http://www.allens.com)







# Sugar In The Raw. Sweeten your image. *Naturally.*

Sugar In The Raw® is pure 100% turbinado sugar made from the first pressing of fresh-cut cane grown in the rich volcanic soil of Maui, Hawaii. Its golden amber color and distinctive flavor enhances everything from a cup of coffee to today's specialty drinks.

Want to give your beverage service an instant upgrade? Offer Sugar In The Raw, naturally.



t h e   n a t u r a l   u p g r a d e

Sugar In The Raw is a registered trademark of the Cumberland Packing Corp. © 2007 Sugar Foods Corporation



**SUGAR FOODS**  
CORPORATION

[www.sugarfoods.com](http://www.sugarfoods.com)  
1-888-708-2222



# Language BARRIER

Consumers do care about sustainability; they just use different words than the media or business to describe their concerns.

Only about half of consumers, 54 percent, say they understand the term “sustainability,” according to “The Hartman Report on Sustainability: Understanding the Consumer Perspective.” And of those, most could not clearly define it. But the report shows that 93 percent exhibit what the firm calls “sustainability consciousness.”

“Understanding the Consumer Perspective” not only looks at how people define “sustainability,” but how they use their opinions on the topic to make decisions about what to buy and use. Published in 2007 by Bellevue, Wash.-based research firm The Hartman Group, the report is based on results from a survey of more than 1,600 respondents plus qualitative efforts such as interviews.

For example, 72 percent say they believe their purchases have an impact on society. And 71 percent are “somewhat” or “very likely” to pay a 10 percent premium for sustainable products.

## RISK FACTORS

The report outlines how perceptions about the environment translate into behavior. For instance, 47 percent of respondents agree, “I feel personally affected by global warming/climate change.” They are used to wearing sunglasses and sunscreen to “block out harmful UV rays.”

Similarly, they filter tap water to reduce risks from the water supply and use sanitary wipes on their grocery-store carts to prevent contamination.

Many consumers are making low-sacrifice, low-risk changes as a result of their thoughts about the environment, though the report says they tend to be focused on time investment rather than purchases. Fully 77 percent recycle household items; 76 percent

regularly turn off the faucet while brushing their teeth; and 73 percent donate household items to community or nonprofit organizations.

## GROWING AWARENESS

The report calls 17 percent of consumers “periphery consumers,” those who concentrate their awareness on their own lives and bodies. They tend to focus on personal benefits, convenience and price. Sixty-five percent are “mid-level consumers,” who also consider their surroundings at home and in the community. These consumers look for expert opinions and seek knowledge. Hartman calls 18 percent “core consumers,” those who have extensive awareness and are concerned about the greater good.

According to the findings, some of the things that motivate people to look beyond their personal concerns are having children, participating in outdoor recreation, and seeing a cherished way of life changing or disappearing. ■

## PERCEPTIONS INTO PURCHASES

“The Hartman Report on Sustainability: Understanding the Consumer Perspective” asked consumers which business practices are important in their decision to buy a particular product. Percentages show those agreeing that the practice is “very important” or “somewhat important.”

Produce safe working conditions for its employees	65%
Strive to reduce and minimize waste and pollution	62%
Provide good wages and benefits to its workers	51%
Strive to reduce and minimize the environmental impact of its production	50%
Avoid unnecessary packaging	44%
Produce and distribute products in an energy-efficient manner	42%
Strive to reduce and minimize the use of nonrenewable resources	42%
Utilize green building techniques in their manufacturing and facilities	26%

**BIG idea** Promote sustainability practices using terms consumers use: hope, responsibility, values, simplicity, reliability. Consumers respond to food terms like local, fresh, seasonal and organic.





# BORN IN THE U.S.A.

*America's Best Flame Roasted Peppers*

THE HOME FIELD ADVANTAGE YOU CAN TASTE. Dunbars flame roasted peppers are grown and processed in California under the strictest safety standards and in an audited "Sustainable Agriculture" program. Available in natural pieces, sliced, diced or pureed; these labor-saving and eye-catching peppers are ready-to-use and add value to almost anything on your menu. Give your customers the home-grown flavor and security of Dunbars Roasted Peppers. Call us today or tell your distributor that you want Dunbars.



[www.MoodyDunbar.com](http://www.MoodyDunbar.com) 1.800.251.8202





## 22 COVER STORY

## Sustainable Returns

Chains are trying all sorts of green programs to reduce their impact on the environment, from putting solar water-heating panels on roofs to even using worms to compost waste. While many are still testing the waters, others such as McDonald's and Ted's Montana Grill are well on their way to a comprehensive strategy that saves money, energy and the Earth.

By Monica Rogers



22

## 19 BRAND TACTICS

## Cross Country

Cracker Barrel is selling exclusive country-music CDs in its units and testing its first television ads in a decade to make the chain top of mind for new segments of the population without alienating its core customer.

By Margaret Littman



## 34 NEW PRODUCT PIPELINE

## Staying Close to Home

'Wichcraft has found that buying local ingredients results in better products and cost savings. The 12-unit sandwich chain is now taking its local buying practices national, maintaining its strong ties with New York area purveyors while developing new ones on the West Coast.

By Monica Rogers

## 38 TECHNOLOGY

## Working Smart

High-tech equipment is great for chains that can find it and afford it. But for others like Virginia Barbecue, Schlotzsky's and Foster's Grille, smart use of widely available pieces is an energy-smart alternative.

By Lisa Bertagnoli

## 44 HUMAN ASSETS

## Exchanging Information

Eat'n Park has developed several initiatives to find and keep young unit managers. They include a 10-week management internship, mapping out career paths and a monitoring program to keep the job from overwhelming neophytes.

By David Farkas

## TAKE NOTE

The "Environmental Defense" story on Page 31 of the February issue gave an incorrect unit count for Saladworks. The Conshohocken, Pa.-based chain has 89. We regret the error.



34





**“For corporate responsibility, energy-efficient equipment is a really nice thing, and it helps franchisees from a financial standpoint.”**

—Brian Kendrick, Focus Brands  
senior director of store development

## departments

### 2 CONSUMER PULSE

Sustainability Language Barrier

### 6 EDITORIAL

Stealing Ideas

### 8 INDEX

People and Companies  
in This Issue

### 12 ON THE MONEY

Private-Equity Players  
Wait and See

### 14 UPSTARTS

Chicken Dijon's  
Mediterranean Diet

### 16 HOW TO GROW TO 100 UNITS

Marketing on a Dime

### 51 VENDOR EXCHANGE

Products and Services  
Information

### 52 VIP RADIO

Austin Grill: What Recession?



Chain Leader (ISSN 1528-4999) (GST #123397457) is published monthly by Reed Business Information, 8878 S. Barrons Blvd., Highlands Ranch, CO 80129-2345. Reed Business Information, a division of Reed Elsevier, Inc., is located at 360 Park Avenue South, New York, NY 10010. Tad Smith, CEO; Jeff Greisch, President, Chicago Division. Chain Leader® is a registered trademark of Reed Elsevier Properties, Inc. used under license. Circulation records are maintained at Reed Business Information, 8878 S. Barrons Blvd., Highlands Ranch, CO 80129-2345. Phone: (303) 470-4445. Periodicals Postage paid at Littleton, CO 80126 and at additional mailing offices. POSTMASTER: Send address changes to Chain Leader, P.O. Box 7500, Highlands Ranch, CO 80163-7500. Publications Mail Agreement No. 40685520. Return undeliverable Canadian addresses to: RCS International, Box 697 STN A, Windsor, Ontario N9A 6N4. E-mail: [submail@reedbusiness.com](mailto:submail@reedbusiness.com). Chain Leader Copyright 2008 by Reed Elsevier, Inc. Address subscription mail to Chain Leader, 8878 S. Barrons Blvd., Highlands Ranch, CO 80129-2345. All Rights Reserved. PRINTED IN THE USA. Reed Business Information does not assume and hereby disclaims any liability to any person for any loss or damage caused by errors or omissions in material contained herein, regardless of whether such errors result from negligence, accident or any cause whatsoever.

## WEB EXCLUSIVES

- How chains are going green at headquarters
- The average restaurant uses 300,000 gallons of water, but there are ways to conserve
- Kevin Perkins and Ken Cole discuss why now is the best time to sell Sizzler
- Ivette Diaz talks about her role as Burger King's director of corporate social responsibility
- Green efforts to trim operating costs
- Cameron Mitchell shares what's next now that he has sold Mitchell's Fish Market
- Restaurants Unlimited is poised for expansion thanks to its purchase of Pacific Coast Restaurants
- Lee Roy Selmon's spinoff from OSI Restaurant Partners

## PODCASTS

- Austin Grill CEO Chris Patterson takes advantage of the economic slowdown
- Mark Hampton's execution of Vicorp's Legendary Recipes program
- Roland Dickey Jr. primes Dickey's Barbecue for national expansion

## HOW TO GROW TO 100 UNITS

- Aaron Allen of Quantified Marketing Group shares some tips for marketing on a small budget
- Kelly Harris of Times Grill pinpoints the 10 key areas small chains need to invest in as they expand
- Don Vlcek of Marco's Pizza provides 10 tips for working with suppliers

## PLUS

- Industry blogs from chain veteran Lane Cardwell and Senior Editor David Farkas
- Daily news
- Franchise opportunities
- Topic-specific pages on marketing, expansion, operations and more

[www.chainleader.com](http://www.chainleader.com)



# Stealing IDEAS

**S**oon after I became editor-in-chief, I judged article entries in an award program that our company used to have. As business-to-business publishers, we have publications for many different industries, and had even more at the time. I remember getting wrapped up in an article in one of the automotive magazines that we used to own. It would not have been *Road & Track* or *Car and Driver*; it might have been *Heavy Duty Trucking*. I don't remember what the story was about, but I was so impressed that an article on a topic I didn't understand or even care about could hold my attention.

**Award winners get opinions from customers however they can, from mystery shoppers and interviews to watching what gets thrown away.**

I started looking for ideas to steal to make *Chain Leader's* stories that compelling. And I still try to judge a journalism award program once a year or so to keep finding those ideas worth swiping.

## ALL IN THE INDUSTRY

Another awards program that I participate in is the Silver and Gold Plate Awards from the International Foodservice Manufacturers Association. In this program, industry leaders nominate foodservice executives in nine categories. The judges, trade-media editors and the prior year's winners, select the best based on factors like operations success, human resources, menu and marketing innovation, and industry participation. We talk it out at a day-long session and select the nine winners. Then there's a secret ballot for the Gold Plate.

There are plenty of ideas worth stealing in the pile of nomina-

tions, and not just from the forms touting chain operators.

Tour kitchens and facilities frequently. If you want to get in somebody else's facility, you need to let people in yours. In the noncommercial segments like schools and health care, operators are eager to share what's new. They don't compete with each other the way chains do, but there are non-competitive areas where you can share ideas like food safety and purchasing efficiencies.

Be active in industry associations so you're helping to set the agenda, to the benefit of the industry and your company. Most Silver Plate winners are active members.

Watch what your customers throw away.

Schools do it to see what the kids don't eat. You can do it to see if people are avoiding bread, hate the new sandwich spread or getting cold fries.

## CUSTOMER SERVICE

Get opinions from customers however you can, and get them involved in the process. At top colleges, foodservice directors hold contests and serve parents' recipes. They listen to their vegan students and end up serving veggie dishes that appeal to more than vegetarians.

Don't assume you've got a captive audience, no matter where you're located. The best foodservice operators in corporate accounts and hotels don't just strive to keep their customers in for meals, they compete to bring in customers from outside. They think beyond their core customer, as do hospital kitchens that don't just serve patients and doctors but administrators, families and the community in a variety of settings.

Oh, and there are also ideas to steal from the chain winners, who at press time don't yet know they've won. I won't spill the beans here, but I'll promise to profile the winners and their concepts on our Web site as soon as we can. ■

# BIG ideas

**"Could you double-check the envelope?"**

—*Martin Scorsese, accepting the Academy Award*

**"For a true writer, each book should be a new beginning where he tries again for something that is beyond attainment.**

**He should always try for something that has never been done or that others have tried and failed. Then sometimes, with great luck, he will succeed."**

—*Ernest Hemingway, accepting the Nobel Prize*

**"Awards are merely the badges of mediocrity."**

—*Charles Ives, American composer*

**"Far and away the best prize that life offers is the chance to work hard at work worth doing."**

—*Theodore Roosevelt*

**"Winning may not be everything, but losing has little to recommend it."**

—*Senator Diane Feinstein*

*Mary*

Mary Boltz Chapman  
Editor-in-Chief



# America's #1 baked beans get the approval that matters most.



## Your customers.

Serve Bush's Best, the taste they truly love. The baked beans preferred 5 to 1 over any other brand.\* That's because we use our secret family recipe and slow-cook our beans the old-fashioned way. So they have real baked-in taste that wins the highest praise.

For the authentic quality your customers expect, choose America's favorite, Bush's Best.



### FREE SAMPLES & RECIPES

Try Bush's Best Baked Beans and see why they're #1. Contact your sales representative or call Bush direct.

### A family of favorites.

Serve these customer-pleasing Bush's Best products: Chili Beans, Garbanzo Beans, Kidney Beans, Pinto Beans, Pork & Beans, Blackeye Peas, Great Northern Beans, Green Beans, Hominy, Lima Beans, Southern Peas, Spinach and other Greens.



**FOODSERVICE**

Bush Brothers & Company • Knoxville, TN 37950-2330  
1-800-251-0968



Companies (**bold type**) and individuals in this issue are indexed to the first page of the story in which each is mentioned.

- A** Albanis, Niko...14  
Allen, Aaron...16  
**Appalachian Energy**...22  
**Architectural Energy Corporation**...22  
**Austin Grill**...52
- B** Bazor, Ed...22  
Bolden, Karen...44  
Bond, Harry...44  
Broadhurst, James...44  
Broadhurst, Jeff...44  
Buffets...12
- C** Carvel...38  
**Chicken Dijon Rotisserie Grill**...14  
**Chipotle**...22  
Cinnabon...38  
Colicchio, Tom...34  
**Colorado Restaurant Association**...22  
**Consortium for Energy Efficiency**...22  
**Country Music Hall of Fame**...19  
**Country Music Television**...19  
**Cracker Barrel Old Country Store**...19  
Curcio, Mike...38  
Cutler, Efrem...34
- D** Davies, Nancy...16  
Davis, Brad...22  
Dengler, Jeff...44  
DePalo, Steve...22  
Derrington, Robert...19  
Doolin, Joni...44  
**Duke Marketing**...16
- Duke, Linda...16
- E** Eat'n Park...34, 44  
**Environmental Protection Agency**...22
- F** Feinstein, Diane...6  
Fitzgerald, Tina...22  
**Focus Brands**...38  
**Food Service Technology Center**...22  
Foster, Shawn...38  
**Foster's Grille**...38  
**Fresh Air Fund**...34
- G** Godward, Mark...38  
**Grand Ole Opry**...19
- H** Hallmark...19  
Handy, Tara...22  
**The Hartman Group**...2  
Hemingway, Ernest...6
- I** International Foodservice Manufacturers Association...6  
IPC...22  
It's A Grind...16  
Ives, Charles...6  
Ivey, Rick...38
- K** Kane, David...34  
Kendrick, Brian...38  
**Kmart**...19  
Kowalski, Rick...16  
Krauss, Alison...19
- L** Landry's...12  
Langert, Bob...22  
Lau, Penny...16  
Lawrence, Tracy...19  
Lewis, Kate...22  
Lillich, Ron...22  
Longoria Parker, Eva...16
- M** McAdoo, Randy...34  
**McDonald's**...22  
McKerrow Jr., George...22  
Miller, Cliff...44  
**Moe's Southwest Grill**...38  
**Monical's Pizza**...44  
Moore, Jamie...34  
**Morgan Keegan and Co.**...19
- N** National Restaurant Association...22, 44  
Nimeh, Joseph...14  
Nimeh, Steven...14
- O** O'Connell, Kevin...44  
Ortuzar, Sisha...34
- P** Parker, Mary Louise...16  
**Pastrami King**...34  
Patterson, Chris...52  
**Pennsylvania State University**...44  
**People Report**...44  
**Pittsburgh Human Resources Association**...44  
**Pyrogrill**...38
- R** Roosevelt, Theodore...6
- Ryan's...12
- S** Salmon Borre Group...16  
Saltzgaber, Mark...12  
Schlotzsky's...38  
Scorsese, Martin...6  
**Seattle's Best Coffee Intl.**...38  
Sharlow, Jana...44  
Shippey, Scott...22  
**Spicy Pickle**...16  
**SRE**...38  
**Starbucks**...19  
**Stir Crazy**...16  
**Subway**...22
- T** Taco Bell...22  
**Ted's Montana Grill**...22, 34  
**Thompson Hospitality**...52  
Tucker, Ken...19  
Turner, Josh...19  
Turner, Simon...19
- U** U.S. Green Building Council...22  
**Ufood Grill**...34
- V** Virginia Barbecue...38
- W** Wal-Mart...19  
Wichcraft...34  
**The Winning Team**...22  
**WD Partners**...38
- Y** Young, Richard...22  
Yum Brands...22

If you think the only dough we make is in our kitchen,  
take a look at Item 19 of our UFOC.



[www.peterpiperfranchise.com](http://www.peterpiperfranchise.com)

Get acquainted with a 35-year-old, 139-unit regional food and entertainment franchise system, now poised for national expansion.

Our concept offers a highly attractive family dining and entertainment concept for all ages. Guest frequency is driven not only by a high-quality offering of pizzas, appetizers, salads, desserts, wine and beer, but also by an entertainment component with over 40 high-energy games for children and families.

We are looking for a few sophisticated Area Developers to help us grow in select parts of the country.

Contact Don Pijut at 480-609-6413.

This is not an offer to sell a franchise. Franchises are offered by prospectus only.





**PUBLISHER:** Patricia B. Dailey

**EDITOR-IN-CHIEF:** Mary Boltz Chapman

**MANAGING EDITOR:** Maya Norris

**SENIOR EDITOR:** David Farkas

**SENIOR ART DIRECTOR:** Ala Ennes

**PRODUCTION ARTIST:** Krystina S. Kliman

**CONTRIBUTING EDITORS:** Lisa Bertagnoli, Margaret Littman, Monica Rogers

**CHIEF EXECUTIVE OFFICER:** Tad Smith

**CHIEF FINANCIAL OFFICER:** John Poulin

**PRESIDENT, CHICAGO DIVISION:** Jeff Greisch

**VICE PRESIDENT/PUBLISHING DIRECTOR,**

**FOODSERVICE & HOSPITALITY GROUP:** Steven Rourke

**ASSOCIATE PUBLISHER, DIRECTOR OF SALES:** Ray Herrmann

## HOW TO REACH CHAIN LEADER

**PHONE:** (630) 288-8201 **FAX:** (630) 288-8215

**E-MAIL:** ChainLeader@reedbusiness.com **INTERNET:** www.chainleader.com

**WRITE:** Chain Leader, Reader Services

2000 Clearwater Drive, Oak Brook, IL 60523

## TO SUBSCRIBE OR CHANGE ADDRESS

**PHONE:** (800) 446-6551 or (303) 470-4445 **FAX:** (303) 470-4280

**E-MAIL:** subsmail@reedbusiness.com

**INTERNET:** www.getfreemag.com/ChainLeader

**WRITE:** Chain Leader, Reed Business Information

8878 S. Barrons Blvd., Highlands Ranch, CO 80129-2345

## FOR ARTICLE REPRINTS OR ELECTRONIC USE

**PHONE:** (800) 290-5460, ext. 176 **E-MAIL:** chainleader@theygsgroup.com

## REGIONAL ADVERTISING SALES MANAGERS

**SOUTH/SOUTHEAST**  
Jeff Christerson (678) 461-4063

**CALIFORNIA/SOUTHWEST/MOUNTAIN**  
Susan M. Hojer (310) 314-2149

**NEW ENGLAND/MID-ATLANTIC**  
Rich Zelvin (630) 288-8226

**INSIDE SALES/CLASSIFIED**

Jim McMurray (630) 288-8467

**PUBLISHING SUPPORT:** Linda Wojak (630) 288-8201

**SENIOR MANAGING EDITOR, CUSTOM MEDIA:** Alison Otto

**MANAGER, INTEGRATED COMMUNICATIONS:** Vicki Staffeldt

**DIRECTOR OF AUDIENCE MARKETING:** Kati Tucker

**PRODUCTION MANAGER:** Joyce Simon

**CUSTOMER CONTRACT COORDINATOR:** Joanne Westphal

**GRAPHIC PRODUCTION MANAGER:** Rick Lesser

**DIRECTOR, ELECTRONIC MEDIA:** Kim Kishbaugh

**ELECTRONIC MEDIA SALES MANAGER:** Darrell Dal Pozzo

**INTERACTIVE MEDIA PRODUCER:** Gregory Sokolowski

CHAIN LEADER is published monthly for executives of multiunit restaurant companies by Reed Business Information, a division of Reed Elsevier Inc. Subscriptions are \$109 per year in the United States, \$131 per year outside the United States.

©2008 Reed Elsevier Inc. All rights reserved.

CHAIN LEADER® is a registered trademark of Reed Elsevier Properties Inc. Member BPA Worldwide.



## One Name Multiple Locations Infinite Solutions



# Wasserstrom

Supplying the foodservice industry since 1902



**Smallwares-800.999.9277**

**Equipment-800.444.4697**

Columbus, OH • Jacksonville, FL • Dallas, TX • Phoenix, AZ • Oklahoma City, OK  
Greenville, SC • Allentown, PA • Venezuela, South America

w w w . w a s s e r s t r o m . c o m





Inspired by nature.

Perfected by engineers.

The world's most energy-efficient fryer.

Unsurpassed energy-saving performance makes our new gas fryer better for the environment – and great for your bottom line. Low emission levels and flue temperatures keep kitchens cooler. And fast oil temperature recovery decreases cooking times – even when frying the heaviest loads. Also available in electric models. Discover why our new fryer is a smart addition to any kitchen on the planet.



EcoSmart™ products demonstrate our commitment to greener, more energy-efficient technology.



**ALTO SHAAM®**

W164 N9221 Water Street, P.O. Box 450  
Menomonee Falls, WI 53052-0450, U.S.A.  
Phone (262) 251-3800 • 1-800-558-8744 U.S.A. & Canada  
Fax (262) 251-7067 • 1-800-329-8744 U.S.A. Only  
[www.alto-shaam.com](http://www.alto-shaam.com)



Private-equity players are likely to stay on the sidelines until the smoke clears.

## WAIT and See

It's like, "The world has changed. What do I do now?" says private-equity adviser Mark Saltzgaber, referring to the calls he gets from restaurant CEOs and investors. Things have changed indeed among restaurant companies; namely, valuations are falling along with sales and profits. *Chain Leader* recently asked the San Francisco-based consultant, who specializes in restaurants, how that situation is affecting the "deal guys," those who provide always-needed capital to the industry.

### Give us an idea of sentiment among private-equity players.

There's clearly a negative bias and overall wait-and-see stance, but also some very different perspectives. Some believe that the worst is yet to come and are simply out of the game. Others believe, while times are tough, the public markets have essentially priced in the bad news, and, if private valuations have recalibrated sufficiently, they remain very interested. A recent phenomenon has been the interest of new players who seek out distressed situations.

### What's been private equity's contribution to the restaurant space?

Private-equity buyers and minority investors can be very legitimate sources of capital and liquidity, especially given the fact that the [initial public offering] market is essentially closed and lenders have retrenched dramatically. They still have hoards of committed capital, which they are being paid to put to work.

### What's the risk environment now for such capital?

The greatest risk to investors and buyers is the combination of negative operating results and overleveraged balance sheets. As seen with Buffets and Ryan's [which filed for bankruptcy in January], the result can become lethal very quickly.

### Can we expect to see more such distressed situations?

In the foreseeable future, you are going to continue to have poor operating results and additional bankruptcies, both of which will impact the mentality of private-equity firms and lenders.

As for new transactions, given the decimation of the public stocks, there will likely be high-profile attempts to take companies private. Landry's, for instance, whose stock has dropped by more than 50 percent from its 52-week high.

### Don't falling valuations make private-equity guys eager to own something?

The key question is, have sellers' expectations adjusted accordingly? After a dramatic correction, there's typically a time lag where buyers and sellers don't see eye to eye. And given the sky-high valuations not too long ago and what private-equity buyers are probably willing to pay today, which is two-times EBITDA less than several months ago, it's safe to assume you won't see the level of activity in coming months that we saw through last summer.

### Still, something good must come eventually.

One positive outcome of this brutal environment is that pricing and leverage multiples will be more reasonable, placing less emphasis on growth and cost cutting, which have taken the focus away from day-to-day operations and concept evolution.

### Any current robust opportunities?

Quality QSR operators and franchisors will continue to garner the most attention given their positioning, free cash-flow generation and the relative stability of their royalty fees.

Second-tier concepts in casual or family dining have no shot of attracting interest without a significant real-estate portfolio. Even then, as was the case with Smokey Bones, the price paid will reflect asset value and nothing more. ■



"One positive outcome of this brutal environment is that pricing and leverage multiples will be more reasonable, placing less emphasis on growth and cost cutting."

—Mark Saltzgaber

**IN THE WORKS:** Financial adviser Mark Saltzgaber believes investors will have the chance to "go low" as operating results continue to languish.





# ALASKA SEAFOOD.

Wild, Natural & Sustainable.  
From the beginning.

That's how it's always been in Alaska. And in 1959 it became law when the Alaska state constitution mandated that all seafood be managed for sustainability. It's a long-term fishery practice revered the world over — one that ensures this consumer preferred, uniquely delicious resource will be enjoyed for years to come.

**Wild ALASKA Seafood**  
ASK FOR ALASKA





# MEDITERRANEAN Diet

Chicken Dijon plays up its points of differentiation while driving sales as it embarks on franchised expansion.

**Chicken Dijon units average 1,600 square feet and cost \$250,000 to \$325,000 to open.**

**B**rothers Joseph and Steven Nimeh hope to take their family business, Chicken Dijon Rotisserie Grill, to the next level. The Torrance, Calif.-based company has been a fixture in Southern California for the last 15 years, but now it's ready to franchise throughout California and the Western United States over the next five years.

Seven-unit Chicken Dijon has spent the last two years grooming the fast-casual rotisserie-chicken concept for expansion.

terran food, and blended that together in a real nice, eclectic atmosphere that focuses on lunch, but also it's designed to allow people to look at [Chicken Dijon] as a dinner opportunity," Albanis says.

The company also polished customer service. While servers always delivered food to the tables, they now check on customers within three to five minutes of receiving their food. Servers also bus the tables before guests leave to gauge their satisfaction and offer to-go boxes.

Since implementing these changes in 2006, same-store sales increased 16 percent in 2007.

## SALES DRIVE

The company is looking for other ways to drive sales and keep costs down.

Because catering has high profit margins and fixed costs, Chicken Dijon has spent the last two years building its catering sales to 10 percent from 2 percent. The company will continue to set up catering presentations to local businesses with at least 15 employees, doctors' offices, pharmaceutical representatives and party planners. It also recently hired a consultant to find catering leads.

This year Chicken Dijon will work with a consultancy to analyze and restructure the menu board to increase its ticket average to \$15 from \$13. By redesigning the menu, the company wants to guide guests to buy more profitable items and more signature items like rotisserie chicken and salads.

In the meantime, Chicken Dijon opened two company stores in Irvine and Long Beach in 2006 and will retrofit its three oldest stores with the prototype design in 2008. Then it will open two more in Los Angeles and Orange County in 2009.

But most of Chicken Dijon's growth will be through franchising. It has partnered with Fransmart, which is contracted to sell 650 units in 10 years. Two franchised units have since opened in Palos Verdes in 2006 and South Torrance in 2007. Another two will open in West Los Angeles in 2008.

Chicken Dijon hopes to have 30 to 45 units opened in California and the Western United States in five years. ■



## SNAPSHOT

**Concept** Chicken Dijon Rotisserie Grill

**Headquarters** Torrance, Calif.

**Units** 7

**2007 Systemwide Sales** \$5.8 million

**2008 Systemwide Sales** \$6.2 million (company estimate)

**Average Unit Volume** \$800,000

**Average Check** \$13

**Expansion Plans** At least 2 franchised units in 2008

## MODERN MEDITERRANEAN

Chicken Dijon bills its fare as California cuisine with Mediterranean flare. It features items such as rotisserie chicken seasoned with Mediterranean spices and pita sandwiches. But to further play up its Mediterranean influence, the company added new appetizers and sides such as stuffed grape leaves.

To boost dinner sales, Chicken Dijon debuted a new prototype in 2006. Unlike the bright, sterile interiors of some QSRs and fast-casual concepts, Chicken Dijon's new atmosphere is reminiscent of casual dining, with dark woods, brown leather and dim lighting, says COO Niko Albanis.

"We've taken the No. 1 protein sold and consumed in the world and taken the second-fastest-growing ethnic food category, which is Medi-

**IN THE WORKS:** To keep food costs down, Chicken Dijon plans to renegotiate with vendors to lock in better long-term pricing.



# [INSPIRED]

...THROUGH CUSTOMERIZATION

You've done the work. The food is prepared. Now, standing between you and a happy customer is your **Hatco Foodwarmer**. Relax. We design them not to let you—or the temperature—down. See, we have this thing about performance. That's why we'll look closely at your operation and come up with innovative solutions that impact efficiency, flow, and quality. We'll be there with experience and know-how you can profit from. It's our brand of customerization. We want to see you and your customers inspired. For a warm serving of what **Hatco Foodwarmers** can do for you, visit us at [www.hatcocorp.com/inspired](http://www.hatcocorp.com/inspired).



*Tall Humidified  
Holding Cabinet  
FSHC-12W1  
with transport package*



*Unique Needs, Exact Solutions.*



*Nothing less than the best.™*

800.558.0607

[www.hatcocorp.com/inspired](http://www.hatcocorp.com/inspired)





# MARKETING on a Dime

Operators and experts say effective marketing doesn't have to cost a lot of money or time.



**A**s a small chain expands, it usually devotes its resources to areas such as operations, human resources and franchisee support with little left in the budget for marketing. But marketing doesn't have to be expensive or time consuming. *Chain Leader* spoke to several operators and experts about some cost-effective marketing tools that have proven to be successful.

**Nancy Davies, group account director for Chicago-based Stir Crazy, Salmon Borre Group, Lake Forrest, Ill.**

One of its effective—and inexpensive—marketing tools has been the “Stir Crazy’s Cook Like a

Wok Star.” The popular event can accommodate 25 people and is held every six weeks in a special section of the restaurant on a traditionally lower-traffic evening. It is hosted by a Stir Crazy chef, who takes guests through the process of creating an appetizer, entree and dessert. For the \$25 fee, guests enjoy two glasses of wine that complements the food they will be preparing, cooking instruction, and they leave the restaurant with a notebook containing the night’s class recipes, shopping list with comparable costs from multiple grocery stores as well as descriptions—with photos—of various rice, noodles and other ingredients used in Asian cooking.

Clearly at \$25 a guest, Stir Crazy’s Cook Like a Wok Star is not designed to be an immediate money-making venture. However, it is designed to break even. It provides the store with a public-relations opportunity, a great way to create unique word-of-mouth buzz, a way to interest and introduce the restaurant to new patrons and also act as a thank you to current patrons. Its ultimate goal of driving increased business to the individual restaurants has proved itself at the current locations that hold the event.

**Linda Duke, CEO, Duke Marketing, San Rafael, Calif.**

Using food instead of cash is a great way to gain momentum, such as sampling at kids soccer or baseball games and handing out an incentive to come into the restaurant. Dropping off a sample platter to area car dealers, who order food from various restaurants each Saturday for their sales staff, along with a menu and a first-order incentive, and following up on Saturday morning to take their order—this introduces your restaurant to some people that haven’t tried it and is usually a big cash order before the restaurant gets busy for Saturday lunch.

**Big idea** CEO Linda Duke of Duke Marketing recommends delivering menu samples to five local businesses or organizations a week. By the end of the year, the restaurant will have introduced itself to 260 businesses and potentially hundreds of guests, with a very small investment in food and labor.





**Penny Lau, director of marketing,  
Spicy Pickle, Denver**

Our goal is to get the maximum exposure for the expenditure. For example, Denver has a light rail system like a commuter rail, and we have a lot of white-collar professionals that commute to work each day via the train. So we were trying to come up with ways to let these commuters know that Spicy Pickle was right on their way home or right on their way to work.

We hired a gentleman to put on a 6-foot pickle suit, wear wingtip shoes. He rode the light rail reading the *Wall Street Journal* during peak commuter times. So needless to say, if there's a 6-foot pickle on the train with all the bankers and the lawyers going downtown, and he's wearing wingtips and he's sitting on the train reading the *Wall Street Journal*, I don't care how bad of a day you're having, you're going to crack a smile. And it really got people talking.

He started handing out to all of the commuters certificates for free sandwiches at our restaurants. And he said, "Hey, on your way home, you have to get off right by the Spicy Pickle restaurant. Go on in there and we'll get you a free sandwich."

So we put him on the train for three or four days. It was crazy because by the third day people were attacking this poor pickle because they knew he was giving out free sandwiches.

**Rick Kowalski, vice president of operations,  
It's A Grind, Long Beach, Calif.**

PR is very efficient because it's not that costly, yet we get our name out in some interesting ways. We've tied in with some celebrity events recently. The MTV Movie Awards in September of last year we got some great PR from. We got some great photos of our brand with some celebrities holding our coffee. That got published in different publications.

We're looking at another celebrity fund raiser [for Eva Longoria Parker] in March. It's a fashion show up in Los Angeles. Again we're serving coffee there, but we're also getting our name out with the celebrities. It just seems everybody wants to know who's doing what in the celebrity world, and if we can tie our product to it, we get to tag along.

We were approached by the production assistant [for the television show "Weeds"]. He lives in Long Beach and liked our brand a lot and said, "Would you be interested in working with us?" At the time the show was not very well known; it's on Showtime, so it's a cable production. So basically all we've done for the last four seasons is provide coffee and props for the show. They had to shoot a couple of scenes in a coffeehouse, and we provided furniture and a menu board and cups and different things to make

it look on their set they were actually filming in a coffeehouse.

["Weeds" star] Mary Louise Parker holds the cup in a lot of the segments of the show. If you watch the show at the very beginning when they show all the credits, there's a bunch of people coming out of an It's A Grind coffeehouse. There's a full on logo for about three to four seconds. ■

## Paying Too Much For Cartridge Replacements?

### TAP into the Savings Solution!



#### Total Assurance Package (TAP)

##### ADVANTAGES:

- **Low Maintenance, Low Cost Carbon Elements**  
→ Change just once a year
- **33x Finer Filtration**  
→ .015 microns compared with typical industry standard of .5 microns
- **5x More Taste and Odor Reduction**  
→ 10:1 reduction compared to 2:1 NSF standard
- **"Serviceman in the Box"**  
→ SMART Control contains self-cleaning ability, cartridge replacement alerts, and data-downloading capability

 **Antunes Filtration Technologies**  
DIVISION OF A.J. ANTUNES & CO.

**For more information please call 800.253.2991 or  
visit [www.ajantunes.com](http://www.ajantunes.com) and click on Antunes Filtration Technologies**





YOU WON'T TASTE  
A FRESHER TORTILLA.

OLÉ OFFERS A POWER-PACKED LINE OF TORTILLAS, CHIPS AND FLAVORED WRAPS INSPIRED BY AN AUTHENTIC MEXICAN MENU, BUT FLEXIBLE ENOUGH TO BE USED IN ANY MEAL SOLUTION. FROM WRAPS TO TRADITIONAL MEXICAN FARE, OLÉ QUALITY MEANS A LONGER SHELF LIFE AND FRESHER TASTE IN A VARIETY OF FLAVOR. VISIT OUR WEBSITE TO SEE OUR FULL LINE OF AUTHENTIC MEXICAN FOODS.



1800 878.6307 · [WWW.OLEMEXICANFOODS.COM](http://WWW.OLEMEXICANFOODS.COM)

YOU WON'T TASTE  
A FRESHER TORTILLA.





Josh Turner is one of the country music stars who has released high-profile music albums for distribution exclusively through Cracker Barrel stores.



# CROSS Country

Cracker Barrel makes the most of its country-music connections to **GRAB A WIDER—AND LOCAL—AUDIENCE.**

Until recently, if you were one of the 8 percent of Americans without a car, you probably never saw advertising for Cracker Barrel Old Country Store. The Lebanon, Tenn.-based chain of 562 restaurants across the country almost exclusively advertised on billboards, because the majority of its restaurants are along the interstate.

Those billboards lured in the customers who craved a home-style meal away from home. But as gas prices and other factors have curtailed family road trips, Cracker Barrel designed a number of initiatives designed to make the chain top of mind for new segments of the population without alienating its core customer. These efforts include a program to sell exclusive country music CDs in the Old Coun-

try Store portion of its units and a six-month test of television ads in select markets. The 30- and 60-second spots are the chain's first TV ads since the end of the last decade.

Cracker Barrel, of course, isn't abandoning its road warrior, the interstate-driving customer who likes the consistency of pulling off at the nearest exit for a roast beef dinner or a plate of chicken and dumplings. Those drivers account for 40 percent to 50 percent of the chain's customers.

But Cracker Barrel, like all of its competitors in the family-dining segment, has been faced with high gas prices and a weak environment. December 2007 comparable-store sales dropped 1.1 percent from the same month in 2006. So the company has looked at ways to build its brand among a wider audience.

Robert Derrington, a senior restaurant analyst with Morgan Keegan and Co. in Nashville, Tenn., says recent months have been among the worst he's seen in the industry in two decades: "All the pressures are out there. These have been some of the worst traffic

## SNAPSHOT

**Concept** Cracker Barrel Old Country Store  
**Ownership** CBRL Group Inc., Lebanon, Tenn.  
**Units** 562  
**2007 Systemwide Sales** \$2.35 billion  
**2008 Systemwide Sales** \$2.43 billion (company estimate)  
**Average Check** \$8.31  
**Average Unit Volume** \$3.34 million for restaurant only  
**2007 Ad Budget** \$40.5 million  
**Expansion Plans** 17 in 2008



## BRAND TACTICS



Cracker Barrel tested its first TV ads in almost a decade in Nashville, Tenn.; Indianapolis; Jacksonville, Fla.; Spartanburg, S.C.; and Louisville and Lexington, Ky.

More than 36 percent of Cracker Barrel's customers are country-music fans, so it uses the genre to draw more in.

trends. But [Cracker Barrel] management is taking a far more proactive approach they have ever taken."

"It is a very strong brand, but the real task for me was to build awareness for that brand because we want to appeal to multigenerational families," says Simon Turner, Cracker Barrel's chief marketing officer.

### MUSIC TO THEIR EARS

Chief among Turner's plans is an expansion of the chain's sale of country music CDs in its retail stores, which account for approximately 20 percent to 25 percent of Cracker Barrel's total sales. More than 36 percent of the chain's guests are heavy listeners of country music, so it makes sense to use the genre to draw new customers in. After all, the word "country" is in the concept's name.

In addition, Cracker Barrel has been the lead sponsor of the Grand Ole Opry radio shows for the

past three years. The company has also helped raise funds for the Country Music Hall of Fame through CDs and concerts.

"People come to us because of the good country cooking," Turner explains. "But the country music is an important theme. It provides a good emotional connection.

"We've been playing country music [in the units] since the brand began and it has been a major part of the brand image, so it was a natural thing for us to build upon," he adds.

When diners wait for a table in a busy restaurant, they wait in the store, and about one-third of diners shop in the store. But the CD program may be helping to boost restaurant sales, rather than the restaurants feeding the stores.

Four years ago Cracker Barrel first worked with bluegrass singer-songwriter Alison Krauss to release one of her CDs. Since then the chain has contracted for nine different CDs that are exclusive to Cracker

## Ginger Teriyaki Chicken Strips





Barrel, including a Live at the Opry album with heartthrob Josh Turner and the farewell tour of megagroup Alabama, and also sells non-exclusive albums. In the last four years, Cracker Barrel has sold 3 million CDs, 1 million of which were exclusive.

Such deals can be profitable, says Ken Tucker, Nashville Correspondent for *Billboard* magazine. Working with a retailer like Cracker Barrel (or Hallmark or Starbucks, both of which have entered the music business as well) means artists forgo expenses for a music video for Country Music Television and other big-ticket promotional items. So they can start making money faster than if the album were produced by a major label.

"The landscape for music has changed. There is not a corner record store anymore. Country music is now sold more in Wal-Marts and Kmart's," Tucker adds. "Companies are looking for different ways to sell their music, and this is one of those ways."

#### MULTIFACETED APPROACH

Country music plays a role in Cracker Barrel's first TV commercials since 1998, too. The test TV spots play a cover of Tracy Lawrence's song "If The World Had a Front Porch." The song illustrates the chain's



down-home feel and also helps associate it with its local community.

The company began airing the spots in October 2007 on network TV in select markets and will run them for six months.

Derrington thinks Cracker Barrel may decide to add price-focused advertising in 2008 and 2009. With an average check of \$8.13, less than the \$12 to \$14 range of many of its competitors, price is an advantage it can promote.

In January, Derrington lowered his earnings estimates of CBRL Group, along with the stocks of 11 other full-service family and casual-dining chains. But he is "stunned at how good" the "If The World Had a Front Porch" TV commercials are and feels the chain is doing the right things to bring in more customers, Derrington says. "I applaud the move." ■

**on the web:** To watch Cracker Barrel's new commercial, visit [www.chainleader.com](http://www.chainleader.com).

In the last four years, Cracker Barrel has sold 3 million CDs, 1 million of which were exclusively distributed through the chain's units.

# Bring the Far East closer to home.



A little bit sweet. A little bit sassy.  
And a lot authentic. Our new

Asian-inspired Ginger Teriyaki chicken strips let you create wonderful on-trend dishes with absolutely minimal effort. These tender strips are bathed in a delicious teriyaki glaze, with just a bit of ginger for an extra little kick. To find out more about our Ginger Teriyaki chicken strips and all our Global Creations® offerings, call 1-800-933-2121 or visit [www.brakebush.com](http://www.brakebush.com).



**Brakebush**

Making the chicken that makes your menu.™





Operators are investing in green programs at various levels to **SAVE ENERGY**, money and the Earth.

# Sustainable RETURNS

**A**sking a restaurant chain about its sustainability strategy is like asking a new dieter about his fitness plan. There's some recognition that an integrated plan will get the best results. But until those pounds are shed, it's hard to say what mix of treadmill time, veggie plates and Pilates classes is the best one.

are still inventorying their operations to see what already fits the green scheme and what more needs to be done. Others such as McDonald's, Subway and Ted's Montana Grill are well on their way to a comprehensive strategy. But no matter where each chain falls on this continuum, energy reduction and management is the place to start.

"We view energy management as our No. 1 environmental or sustainability priority," says Bob Langert, vice president of corporate social responsibility for McDonald's USA. "We paint the picture based on where our impacts are and where we can do better with energy. It's a very holistic view."

Other chains echo that sentiment for many reasons. With profit margins so slim, operators want to do everything they can to save money by reducing wasteful practices. Energy costs have been increasing at a rate of 6 percent to 8 percent per year, according to Fletcher, N.C.-based Appalachian Energy, which means the 2.3 percent to 3.6 percent of sales the National Restaurant Association says operators typi-

Subway's energy-saving initiatives include switching to a corrugated cardboard that's smaller and stronger but uses less paper.

By reducing the amount of packaging it uses to ship product, Subway hopes to save 97,400 pounds of plastic a year.

In the same way, chains are trying all sorts of green programs to reduce their impact on the environment—composting, recycling, fueling delivery trucks with biodiesel, putting solar water-heating panels on roofs, even using worms to compost waste—as they follow the advice of sustainability experts who prescribe integrated plans.

Of the 25 chains contacted for this story, many





cally spend on energy is not going to stay static.

Then, too, with consumers more intently focused on green issues, the last thing the chain industry wants is negative press focused on its notoriously energy-intensive process loads. According to Richard Young, senior engineer and director of education for San Ramon, Calif.-based Food Service Technology Center, restaurants use five times more energy per square foot than other commercial buildings. And restaurants use five times more energy in the kitchen than in the rest of the building.

### LIGHTENING HEAVY LOADS

While chain restaurants haven't historically put much emphasis on reducing these heavy process loads, that's changing. "Reducing process load is important because it also reduces cooling loads and likewise electricity used for cooling," explains Vernon Smith, senior engineer at Boulder, Colo.-based sustainability and energy engineering consultancy Architectural Energy Corporation.

"You can make all the changes you want with water usage and lighting, but that's not the home run stuff," he adds. "Home runs come with reducing process loads connected to refrigeration and cooking, serving and holding food."

There's reason to believe that if chains don't voluntarily work toward greater efficiency in these areas, governments will make them. For example, California's Title 20 Appliance Efficiency Regulations require that restaurants specify high-efficiency

holding cabinets, reach-in solid-door refrigerators, and low-flow spray valves on dishwashers.

The spoonful of sugar making energy management and reduction plans easier to swallow is that simple measures such as changing over to compact fluorescent light bulbs, turning off appliances when not in use or fixing hot water leaks provide quick savings that can help operators move forward to the big-

ger energy impacts. Operators that take advantage of tax rebates from utilities and tools such as the FSTC's online life-cycle cost calculator to figure ROI find that bigger moves such as specifying more energy-efficient equipment or trying renewable-energy features can taste even sweeter.

### PAYBACK TIME

"Small steps lead to bigger things," says George McKerrow Jr., president of Atlanta-based Ted's Montana Grill, a 55-unit concept that leads the full-service-chain sector in sustainability. Switching out all its incandescent light bulbs for compact fluorescent bulbs systemwide cost Ted's \$60,000. But over their two-year lifespan, those bulbs will save \$90,000 to \$100,000 a year in energy costs, providing payback in only six months.

Two years ago, the company formed a six-person Green Team, with members from different departments. They meet each month to focus on a particular platform such as water management, energy management, recycling or technology.

Ted's now specifies kitchen equipment in all six Energy Star commercial categories, installed variable-speed hood ventilation systems that eliminate the need for make-up air units, and uses high-

**To reduce reliance on electric lights, Subway's Eco Stores use daylighting to reflect sunlight through tubes that shine through panels in the ceilings.**

**Subway's three Eco Stores have green features such as low-flow faucets to cut back on water use.**



Photos by Steven Widoff



Working at the  
Heart  
of Your  
Menu

There's nothing *You* wouldn't do.

Each day you *put* it all on the line,  
making sure *everything* runs smoothly,  
putting your heart *into* every last detail.

More than a job *this* is your dream.

And it's no *place* for second best.



Working at the *Heart* of Your Menu™



Sweet Sicily Pizza made with Bon*i*c*i*® Dough, Pepperoni, and Italian Sausage.  
Find this and other New Courses® recipes at [www.tysonfoodservice.com/cl](http://www.tysonfoodservice.com/cl).



# Every lesson comes to life.



## That's the NEW ServSafe® Fifth Edition. It's a new dimension in food safety training.

The foodservice industry's workforce is more diverse than ever. Schedules are more demanding. And food safety is more complex. These growing challenges demand a new dimension in food safety training. And that's ServSafe® Fifth Edition from National Restaurant Association Solutions. Today's ServSafe is more than a new edition. It's a better way to learn. Now the most **up to date and relevant information comes to life**, and **concepts are conveyed easier, better and faster**. **Students can stay engaged, retain information better** and are **ready to apply it**. That helps them prepare for ANSI-CFP accredited exams, and perform on the job. So bring food safety to life with ServSafe Fifth Edition. When your employees get it, they can't forget it.



**To see how ServSafe Fifth Edition has evolved,  
visit [www.ServSafe.com/edition5](http://www.ServSafe.com/edition5)**

**To order or learn more, call 1-800-ServSafe (800-737-8723).**  
You can also contact your State Restaurant Association or your distributor.







**BIG idea** Gathering a year's worth of energy use data at both its high-efficiency Eco Store and at a store outfitted with "standard" equipment, Subway will be able to better calculate ROI on energy-saving equipment.

efficiency rooftop HVAC systems. Comprehensive water-management measures save the company 150,000 gallons of water and \$2,500 dollars annually at each of the 10 new units that have the more-efficient fixtures. Parsing that out, high-temperature dishwashers cut water use by 40,000 to 60,000 gallons a year per unit. In bathrooms, automatic low-flow faucets, dual flush toilets and waterless urinals make up the rest of the water savings. While it's too expensive to retrofit all units with this equipment, it will be specified for new units moving forward.

"You're not only saving on the cost of water, but you're also saving the cost of waste-water treatment, which in most states is equal or more than the cost of the water," says Ed Bazor, director of construction and development for the chain. If hot water is involved, energy savings also enter in.

Ted's is now looking at renewable energy sources such as wind and solar power. In 2009, the company plans to mount wind turbines around the perimeter of parking lots in Wichita and Kansas City, Kan. The turbines will generate electricity, which will be run back into the switch gear within the restaurant, reducing direct cost to the utility by an estimated 10 percent to 15 percent per unit. It's also testing on-site power generation with solar photovoltaic cells at a Tallahassee, Fla., unit.

## BIG-CHAIN LEADERSHIP

Of the large QSR chains, McDonald's and Subway are doing many of the same things.

McDonald's won recognition as U.S. EPA Energy Star Partner of the Year in 2007 for energy-management plans that reduced energy usage at its 13,700 U.S. units by 3.75 percent, resulting in a \$28 million savings, says Steve DePalo, national energy manager for Oak Brook, Ill.-based McDonald's USA.

DePalo says McDonald's does diligence on designing more efficient equipment and cultivating operational efficiencies through training. "Forty percent of our energy is used in the kitchen and is controlled by behaviors from our employees," he says. "So training is really important. The cheapest and most environmentally friendly kilowatt hour is the one you don't use."

McDonald's energy training covers conservation, energy tools and best practices. About 15,000 managers receive energy education at the chain's Manag-

ers Peak conference each year. Those who excel at energy practices throughout the year are recognized as Energy All-Stars.

McDonald's is also working on its next generation of energy-efficient fryers, which will use less oil. And it's in the process of changing to new water heaters that are 10 percent to 12 percent more efficient than previous models.

"One of the real strengths about McDonald's is that we can use units as green laboratories in different parts of the world, sharing best practices and then trying to scale successful tests for application in other markets," says Langert.

Some of the tests, such as the use of worm farms to help compost food waste from eight Hong Kong units and capturing gas released from decomposing food waste to fuel a biogas delivery truck in Switzerland, have a sort of "gee whiz" quality about

**Compact fluorescent bulbs used in 10 Ted's Montana Grills will save \$90,000 to \$100,000 a year in energy costs.**



**CONTROL  
YOUR BRAND**

To find out how, visit [CL.adgiants.com](http://CL.adgiants.com).

© 2008 Ad Giants, LLC



THE HARVEST COLLECTION



# ***Biodegradable Compostable Service Ware\****

**Produced from Annually Renewable Resources**



 **Genpak®**

***\*Visit [www.harvestcollection.com](http://www.harvestcollection.com) to learn more.***



them. But other projects show potential for practical application in many regions.

McDonald's conversion of used cooking oil into biodiesel for fueling delivery trucks, for example, started in the United Kingdom in 2007, and this year was expanded to Hawaii and the West Coast of the United States.

And daylighting—using natural light to help reduce reliance on electric lights—has been tested in the U.S. and European units.

McDonald's is also testing geothermal heating at a unit in Pensacola, Fla. This method of tunneling deep into the ground to tap into the more-constant temperature of the earth greatly lessens reliance on gas or electric power to heat or cool a building. Energy savings can be in the neighborhood of 15 percent to 20 percent annually, says Tara Handy, senior manager, corporate media relations.

#### SUSTAINABLE SUBWAY

Milford, Conn.-based Subway began its sustainability odyssey with an energy summit three years ago. It sought to reduce energy consumption with kitchen equipment and other building systems. "The outgrowth of that was asking ourselves, what else can we do to reduce our carbon footprint and reduce water usage?" says Brad Davis, equipment manager for Miami-based IPC, the purchasing co-op for over 24,000 Subways in the United States and Canada.

Rather than using biodiesel to fuel trucks, Subway conserves fuel by relocating plants closer to redistribution centers.

It has also reduced the amount of packaging used to ship product. For example, it took some of the brine out of the pickle and pepper pouches and put more pickles in the pouch, reducing the amount of water used. The changes allow Subway to ship fewer pouches, less frequently. The company also switched to a corrugated carton that's smaller and stronger but uses less paper. The combined changes add up to 614,000 gallons of water and 97,400 pounds of plastic saved each year, says Tina Fitzgerald, director of produce and social responsibility for IPC.

McDonald's fuels delivery trucks on the West Coast, Hawaii and the United Kingdom with biodiesel made from used cooking oil.



## Greening Existing Building Stock

While LEED certification is a great greening vehicle for new buildings, figuring out how to "green" existing buildings is more of a challenge. Attendees of the Colorado Restaurant Association's Going Green workshop on Jan. 10 were the first in the country to receive training on a new Environmental Protection Agency Region 8 pilot program that seeks to help.

The workshop covered an array of energy-saving restaurant practices. Attendees also signed up for the new Action Plan pilot program. Asking participants for a one-year or two-year commitment, the plan lays out a detailed progression of measures that, if followed, will result in a comprehensive sustainability strategy. The EPA will track participants' progress and results.

"It's easier to do a green building when you're starting from scratch and building new," explains Ron Lillich, environmental scientist with the EPA's six-state region 8. "But that doesn't cover the thousands of existing restaurants. We wanted to give operators with existing buildings a realistic plan they, too, could follow to obtain significant energy savings."

Although initially conceived as a way to help Denver go green in preparation for the Democratic National Convention, the plan has potential for restaurants all over the country. Visit [www.epa.gov/region8/building/greenworkshops.html](http://www.epa.gov/region8/building/greenworkshops.html).

Also a help, the National Restaurant Association Green Taskforce launches its "Conserve" initiative at the end of this month with a Web site that features the sustainability best practices of approximately 60 chain restaurants: [www.restaurant.org/conserve](http://www.restaurant.org/conserve).



**EMPOWER  
YOUR FIELD**

To find out how, visit [CL.adgiants.com](http://CL.adgiants.com).

© 2008 Ad Giants, LLC



# At Farmland<sup>®</sup>, smoke is not a liquid.



If it says Farmland hickory-smoked, you can be sure it comes from real hickory smoke made from real hickory hardwood. While competitors speed up the curing process with liquid smoke, Farmland takes its time, letting the smoky aroma of natural hickory permeate each hand-trimmed belly. The result is evenly cooked pork with a deep mahogany color and a rich, authentic hickory flavor. Because at Farmland, there's no smoke screen for quality hickory flavor.

For more information, call 1-888-FARMLAND or visit [www.farmlandfoodservice.com](http://www.farmlandfoodservice.com)



© 2008 Farmland Foods, Inc.



**“We view energy management as our No. 1 environmental or sustainability priority.” —Bob Langert, vice president of corporate social responsibility for McDonald's USA**

Subway's Eco Store is another huge initiative. The Eco Store pulls all of the successful energy-efficient features Subway has tested under one roof: HVAC, water heating, lighting and kitchen equipment. Three pilot Eco Stores were built year-end '07 in Kissimmee, Fla., and St. Helens and Keizer Station, Ore. Energy use will be measured through 2008. A nearly identical new unit that has “standard” equipment was built near the Eco Store in Kissimmee and is being monitored for comparison. Subway hopes the Eco Store will be its prototype for future expansion.

“We want to ensure that all of the efficient equipment has a payback of less than five years, making it feasible for the franchise environment,” says Davis.

The units are being certified by the U.S. Green Building Council as having met its Leadership in Energy and Environmental Design guidelines. If the Eco Store measurements prove out, there is a good chance that Subway will apply for the LEED portfolio certification with the design, which is less expensive and time consuming than going for LEED certification for each unit, and groundbreaking for the chain-restaurant industry.

Still, “If individual franchisees see no perceived benefit to going with the LEED certification, they can follow the Eco Store template without doing the certification,” Davis says.

#### INDIVIDUAL EFFORTS

While not yet ready to talk about comprehensive strategies, Taco Bell is reducing process loads through new equipment design. The Irvine, Calif.-based chain has moved from a steam-heat system to an energy-saving Grill to Order dry-heat system. The system uses a flat-top grill for cooking tortillas to order and a dry heat-to-hold section on the assembly table. It replaces steam cabinets for heating tortillas and steam tables for keeping ingredients hot.

Taco Bell says the dry-heat system will save 300 million gallons of water a year and cut energy use 15 percent. It expects to reduce energy costs about \$3,500 to \$4,000 per unit. Including all 5,800 units, that tallies up to \$20 million or more in savings.

Helping offset the cost of the new equipment, several utilities awarded Taco Bell rebates of up to \$3,000 per unit for making the switch. Parent Yum Brands is evaluating the equipment for its other concepts.

Meanwhile, Arby's franchisee The Winning Team in Asheville, N.C., worked with Fletcher, N.C.-

based Appalachian Energy to install solar panels on 33 units. The panels heat 70 percent of the hot-water load for the units. The Winning Team expects them to reduce 100,000 pounds of greenhouse gas emissions, cut annual energy costs 30 percent to 45 percent relative to hot-water demand and heating, and save \$12,000 annually.

Because the solar power is part of a power purchase agreement, Appalachian Energy eliminates the upfront cost of the panels. “It allowed us to get into solar with no capital outlay,” says Gene Austin, The Winning Team's director of marketing.

#### IT'S NOT EASY GOING GREEN

Operators say there have been challenges to going green. The biggest, says McKerrow, are the time and human energy not directly tied to feeding customers. “You really have to look at the justification,” he



**McDonald's has dozens of restaurants around the world acting as green laboratories for various pilots. This unit in Savannah, Ga., is McDonald's first to be LEED certified.**



**ACCELERATE  
YOUR TIME TO MARKET**

To find out how, visit [CL.adgiants.com](http://CL.adgiants.com).

© 2008 Ad Giants, LLC





From front to back, **with QSR**  
**you're connected**

## Complete

- ⊙ kitchen automation
- ⊙ seating and wait list
- ⊙ reservations
- ⊙ activity monitors
- ⊙ guest messaging

Dedicated to connecting hospitality businesses with success, QSR is proud of our reputation as a pioneer and innovator, helping thousands of savvy operators enhance productivity and profit. QSR's software and hardware solutions fill the mission critical voids left by point-of-sale and backoffice systems, linking your operations all the way from production management to guest management.



**QSR is your partner in**  
**delighting guests,**  
**each and every visit.**



502.297.0221  
qsr@qsrautomations.com

www.qsrautomations.com



says. "Every business has to take a look at the raw cost and net return on each sustainability investment you make."

Code and permit issues can also cause snags. To get waterless urinals installed in Georgia, Missouri and Montana, for example, Ted's Montana Grill had to meet with local officials to explain how the system worked, says Bazor. "We're still lobbying to get the code changed in Illinois," he says.

Similarly, Chipotle says some municipality codes do not yet allow tankless water heaters. "That means that about 25 percent of the new units we build each year are not able to get the new system," explains Scott Shippey, Chipotle's design director. According to Shippey, success in 2002 with tankless water heaters and high-efficiency HVAC units made

them standard for new units since. Factory-programmed thermostat and photocell light controls came in 2004. And wind turbines and solar tests will be up and running this year.

The lack of a consistent definition for what constitutes energy-efficient equipment is also problematic, says Kate Lewis, sales and marketing manager for the Environmental Protection Agency's Energy Star program. "You've got governments saying you have to meet this mandatory standard, which may be at one level, and then you've got Energy Star, which is voluntary but may set the measure for energy efficiency at a different level."

Organizations such as the Consortium for Energy Efficiency and the Food Service Technology Center have been working to set energy efficiency standards for an array of commercial equipment.

Despite difficulties, many operators are committed to broadening their sustainability efforts. Quoting a Chinese proverb, Subway's Davis sums it up: "The difficulty is not coming up with new ideas, but in undoing the old ones." ■

Restaurants use five times more energy per square foot than other commercial buildings.

## Follow the LEEDer?

**A** growing number of chains are evaluating whether they should have their new green buildings certified by the U.S. Green Building Council's Leadership in Energy and Environmental Design system.

Third-party certification like LEED can legitimize a chain's greening efforts to the public and provide proof of efficiencies behind the scenes. "It's very important to have a credible process that's validated by science, because the last thing you want is to be accused of greenwashing for unsubstantiated efforts," says Bob Langert, vice president of corporate social responsibility for McDonald's USA.

LEED certification can also help with getting tax rebates for energy efficiencies. But LEED has not yet been fully embraced by the restaurant industry. Some have been critical of LEED as a vehicle to green chain buildings because the certification model was first developed for individual buildings. As well, the Green Building Council did not initially recognize that restaurant process loads vary widely from sector to sector, making it difficult to set realistic measures for energy reduction.

Hoping to solve this, LEED has been talking with chain executives, working with the Food Service Technology Center to better define measures for equipment efficiencies, and devising an easier—and less costly—way for chains to meet energy-reduction requirements. USGBC now has four restaurant companies including Chipotle participating in its new LEED for Retail certification pilot.

**on the web:** Check out how chains are going green at headquarters. Visit [www.chainleader.com](http://www.chainleader.com).



## FOCUS ON THE BIG PICTURE

Sign up for a demo of The Ad Giants ONE System™ for marketing brand management and you could **WIN A NEW FLAT-SCREEN TV.**

Find out how at [CL.adgiants.com](http://CL.adgiants.com).

© 2008 Ad Giants, LLC



SNAPSHOT

**Concept** 'wichcraft  
**Headquarters** New York  
**Units** 12  
**2007 Systemwide Sales**  
\$10 million  
**Average Unit Volume**  
\$1.3 million  
**Average Check** \$12  
**Expansion Plans**  
4 in 2008



Interns created the Grilled Marinated Eggplant sandwich through a Fresh Air Fund program. Ten percent of the profit from every sandwich sold this year benefits Fresh Air.

'wichcraft makes **LOCAL SOURCING** and seasonality a priority, saving on food cost and focusing on quality.

# Staying Close to HOME

**O**mnivores eat everything. Herbivores like veggies. But locavores? They prefer fresh foods grown close to home. Chosen as 2007's Word of the Year by the *New Oxford American Dictionary*, locavore defines a growing group of Americans interested in farm-to-table freshness and broader environmental health and sustainability issues.



Forty percent of the ingredients that make up 'wichcraft's 21 sandwiches are sourced locally.

For national chains trying to get in step with this trend, the challenge comes in trying to merge the yin of sourcing ingredients locally with the yang of ensuring product consistency. Most have not made much progress. Smaller regional chains, however, such as chef Tom Colicchio's New York-based 'wichcraft sandwich concept, are taking their local buying practices with them as they go national.

With 10 units in New York, one in Las Vegas and a new restaurant that opened last year in San Francisco, 'wichcraft has strong ties with New York area purveyors and is developing relationships with new vendors on the West Coast.

Forty percent of the ingredients that make up 'wichcraft's 21 sandwiches are sourced locally. "It takes work and commitment, but we've always done it this way in New York. It just makes sense to do it in San Francisco and wherever else we go," says partner Sisha Ortuzar.

Costwise, Ortuzar estimates purchasing local ingredients saves 'wichcraft about 20 percent. With some products, it can be as high as 50 percent. "But the costs we're comparing here are for highest quality ingredients that can take more legwork to find," he qualifies.

#### TRAVEL EXPENSES

"Why pay extra for a product's travel?" Ortuzar asks. Especially imports. "I'm always on the search to see what we can stop importing and source closer to home," he says.

For example, 'wichcraft used to import tuna from Italy for the Sicilian Tuna Sandwich, which features tuna marinated in olive oil with oregano, red onion, capers and red wine vinegar and served on a baguette with marinated fennel, preserved lemon slices and chopped niçoise olives. The tuna came packed in oil in 4-pound tins. "I wanted to eliminate all of those cans and the charges associated with the exchange rate and import taxes," says Ortuzar.

The company found a six-family co-op of Southern California fishermen that specializes in

**Making farmers-market produce into jams and jellies is 'wichcraft's method for adding summer sparkle to peanut butter sandwiches year round.**

**Osmosis-cured, and then smoked over hickory wood and fully cooked, 'wichcraft's pastrami is made in San Francisco by David Kane, host of the "A Matter of Taste" radio show.**





# NEW PRODUCT PIPELINE

## MENU SAMPLER

**Chunky Peanut Butter and Jelly**, on triple-decked Pullman white bread, \$5

**Slow-Roasted Pork, Red Cabbage, Jalapeño and Mustard**, on a ciabatta roll, \$8.50

**Salami, Marinated Cauliflower and Baby Beet Greens**, on ciabatta bread, \$8

**Pastrami, Sauerkraut, Swiss Cheese and Whole-Grain Mustard**, on grilled rye bread, \$9.50

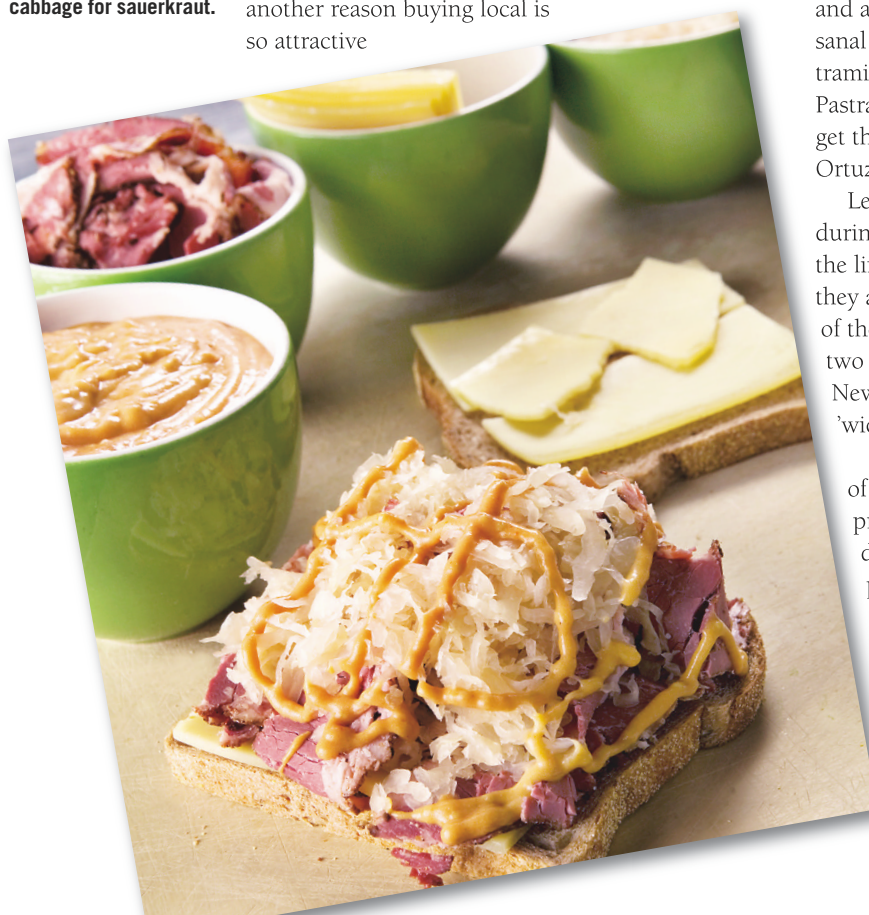
**Marinated White Anchovies, Soft Cooked Egg, Roasted Onion and Frisee**, on country bread, \$8.50

Instead of getting its tuna from Italy, 'wichcraft has started sourcing it from a San Diego family fishing co-op.

'Wichcraft plans to expand the amount of farmers' market ingredients it pickles and preserves, such as cabbage for sauerkraut.

line-caught tuna with extremely low mercury levels, enabling it to switch to a local product this past fall without sacrificing taste or quality. "Now we're paying for the tuna, rather than the tuna's travels," Ortuzar says.

The California tuna costs about the same as the tuna import if you include the exchange rate and import taxes. "But the quality of the new tuna is much higher and eliminates the middlemen," he explains. That farmer-to-table exchange is another reason buying local is so attractive



to 'wichcraft. "If I buy straight from the producer, I always know what I'm getting," Ortuzar says. "When you buy through a distribution chain, the longer the chain is, the less likely you know where that food came from."

## SEASONAL FLAVORS

He admits that 'wichcraft does pay to have some ingredients shipped. "Otherwise, our winter sandwiches would be limited to potatoes, onions, squash and apples," he laughs. The bacon, ham and artisanal pastrami supplier in San Francisco ships pastrami to the New York restaurants, "because since Pastrami King moved out of Queens, you just can't get this kind of pastrami in New York anymore," Ortuzar says.

Lettuce and herbs are flown in from California during cold weather months. But Ortuzar draws the line at tomatoes: "We only serve tomatoes when they are fresh, local and in season." That means half of the year in San Francisco and only a month or two in New York. During those four to six weeks in New York, thick slices of heirloom tomatoes make 'wichcraft's BLT the best-selling summer sandwich.

Ortuzar says he's also expanding the amount of farmers' market ingredients he pickles and preserves. Lemons are preserved following a five-day process. There's also a tomato relish, pickled pepper relish and cabbage for sauerkraut.

## SUMMER SCHOOL

Although 'wichcraft does not add many new menu items, its summer internship program ensures that at least one new sandwich will get menued each year. It works with the Fresh Air Fund, a longtime New York phil-



anthropic group that gives low-income, inner-city youth summertime opportunities, to bring several kids into 'wichcraft's kitchens. 'Wichcraft trains the interns in basic kitchen skills and takes them on visits to farmers' markets. Training culminates with the creation of a new sandwich. It must be menued all year, but the sandwich may have some local ingredients.

Launched in October, the Grilled Marinated Eggplant sandwich is the second creation from the program to wind up on the 'wichcraft menu. It contains marinated eggplant, chickpea spread, balsamic-tossed watercress and grilled red peppers on specially designed bread. The ingredients are sourced locally during the summer; a local baker supplies the bread year-round.

"We charged the kids with creating a vegetarian sandwich that had enough heft to appeal to meat eaters, too," says Ortuzar. Working on various ideas, the team spent an entire week on eggplant, moving on to research ingredient combos that worked with the vegetable. Then came marinades, breads and spreads. Initially, the team planned to spread the bread with garlic mayonnaise, but later decided to eliminate the mayo to make it a vegan sandwich. They chose chickpea spread instead.

Interns at first built the eggplant sandwich on long, skinny pull-apart bread. But it was too soft and didn't hold up. "So we went to the baker and worked with them to develop a ciabatta-roll-like version that still had the texture and taste they wanted," says Ortuzar.

Focusing on fresh and local, both with breads and young sandwich makers, fits neatly into 'wichcraft's philosophy. "With local, there's a tendency in our industry to focus on the marketing value," Ortuzar says. "But we think it should be a more thoughtful thing, focused on improving the flavor of your ingredients and what you can do to reinvest in the economy and health of your community." ■

**BIG idea** 'Witchcraft found a six-family co-op of Southern California fishermen that specializes in line-caught tuna with extremely low mercury levels, enabling it to switch to a local product this past fall without sacrificing taste or quality.

## Roll Call: LOCAL TIES

**F**or restaurant chains, the "buy local" buzz has become a persistent background hum to sustainability programs they are already tackling. Focused on energy-reducing measures that save money as well as shrink carbon footprints, operators have been rethinking distribution routes and sourcing methods. A few examples:

**EAT'N PARK** purchases \$2 million of its annual food supply locally thanks to its three-year-old Farm Source local-sourcing program, says Jamie Moore, director of sourcing and sustainability for Eat'n Park Hospitality Group. Biggest challenge so far? "Getting the farmers to consistently grow smaller tomatoes to fit our specs," says Moore. "Most customers want huge tomatoes. They were shocked that we wanted them smaller, and more consistently sized so we could fit them on the sandwiches and get the right yield for the franchisees."

Emphasizing local ingredients at its Omaha, Neb., restaurant, 55-unit **TED'S MONTANA GRILL** decided it should call it like it is: Ted's Nebraska Grill. Menus at the renamed and reimaged unit, which opened in February, now focus more heavily on Omaha-produced steaks, rather than the Montana bison that's more of the mainstay in Montana units. But will there be Ted's Georgia Grills or Ted's Illinois Grills? "We would like to expand the local product focus throughout the system, but right now we're just using Omaha as a test," says Randy McAdoo, purchasing director for the Atlanta-based full-service chain.

Boston-based **UFOOD GRILL**, a growing healthful-food chain with eight units in California, Florida and Boston, is trying to promote the advantages of buying local to franchisees. Combined with reduced shipping and freight charges, it makes local produce less expensive, according to Efrem Cutler, vice president of food development and executive chef. "Typically, local mom and pop [suppliers] aren't so much about driving after big margins as are mainline distributors," he says.

Honing a sharper local focus, Ted's Montana Grill renamed its Omaha, Neb., unit Ted's Nebraska Grill and loaded the menu with Omaha-produced steaks.





# Working SMART

No bells and whistles needed:  
**EFFICIENT USE OF STANDARD  
EQUIPMENT** can result in  
energy savings.

Schlotzsky's will save almost  
\$9,000 per store in equipment and  
energy costs by installing a makeup  
table that handles both sandwich and  
pizza preparation, and a double-stack  
convection oven to bake both.

**R**ick Ivey opened his first Virginia Barbecue in 2000, in what had been a full-service coffee shop. The 4,000-square-foot restaurant cost \$9,000 a month to run, with the electricity bill eating up about \$1,600 per month.

By the time Ivey was ready to open his third store, he had vowed to become more energy efficient.

Current Virginia Barbecue stores take up 1,500 square feet, at the most. While the menu is about 60 percent scratch, cooking equipment is kept to a minimum. And what's there is hardly high tech. Instead, Ivey is on the vanguard of a new way of thinking about restaurant equipment and its energy implications. High-tech equipment is great for chains that can find it and afford it; for others, smart use of widely available pieces is an energy-smart alternative.

Virginia Barbecue's kitchens, for instance, sport a closed-system, vent-free fryer for french fries, and an induction cooktop to heat canned collard greens and green beans and boil water for macaroni and cheese.

"Between safety and savings, we just don't need a big six-burner stove," says Ivey, president and founder of the Beaverdam, Va.-based chain.

Barbecue meat is smoked at a commissary in Siler City, N.C., and delivered to the chain's distributor, which in turn delivers it to the 11 restaurants in the system. The meat is rethermalized in an electric convection oven. That, Ivey says, might be the biggest energy savings, as an in-house smoker in each store would require substantial, and costly, ventilation.

All told, energy costs are half what they were at the first location, Ivey says.

He's looking for ways to further cut energy bills. One alternative might be a combination microwave/convection oven for reheating barbecue. "If you can retherm with the touch of a button—that's the future," Ivey says.

## COMBINING EFFORTS

Schlotzsky's chose to work smarter in a new prototype rolled out in 2006. The chain reorganized its kitchen to eliminate a makeup table and a conveyor oven.

The Austin, Texas-based chain formerly ran separate prep lines for sandwiches and pizza. Employees prepared the items on separate tables, then put them through separate conveyor items to heat them, before finally adding cold toppings.

The new prototype uses a single makeup table for both sandwich-





# Elevating Women Leaders

## 2008 WFF Annual Leadership Development Conference

### April 13-16, 2008

Gaylord National™ Resort  
Washington, DC

#### Featured Speaker

As one of the most influential figures of the 21st century, **Colin Powell** knows what great leadership takes. The former U.S. Secretary of State draws from global experience to provide empowering take charge strategies.

#### Featured Speaker

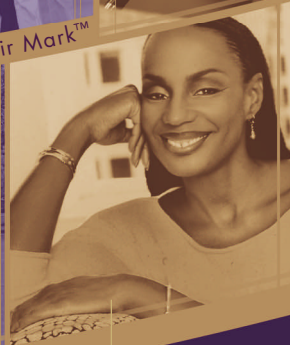
Author, sociologist, and former TV talk show host **Bertice Berry** just penned a best-selling book on female leaders. Berry's impassioned speeches move listeners to join her in song, laughter, and tears.



Women Making Their Mark™



Motivational Workshops



Network with the Leaders

Editorial Director of ESSENCE Magazine, **Susan L. Taylor** is an author, entrepreneur, and the visionary leader of ESSENCE CARES — a nationwide mentoring program. Don't miss her at this year's Multicultural Event on Sunday morning.

#### Featured Speaker

#### > Conference Features:

- Acclaimed Keynote Speakers
- Core Competency Skill Development Workshops
- Expanded Executive Level Programming
- Enhanced Networking Opportunities — Organized by Region and Function
- Inspirational Multicultural Event
- Industry Leaders Recognized through WFF Awards
- Golf Tournament and Clinic
- Women Making Their Mark™ Local Restaurant Tour
- Much, much more!

> All experience levels — including senior executives — can benefit from our innovative multi-tiered programming.

> Space is limited! Register today at [www.womensfoodserviceforum.com](http://www.womensfoodserviceforum.com).

©2008 Women's Foodservice Forum





Foster's Grille made an energy-saving trade-off; there's no dish machine, but the restaurants use disposable tableware.



## Get rid of the old bag.

A happy customer is a return customer. Keep them happier with teas that are revolutionizing the industry. From our incredible Infuser to a stunning variety of rich flavors, your guests will ask for more.

Upgrade to the Revolution Infuser today 888 321 4738.



©2007 Revolution Tea, LLC. All Rights Reserved. [revolutiontea.com](http://revolutiontea.com)

es and pizza, and cooks both in a double-stack conveyor oven, with each level of the oven set at different speeds and temperatures to accommodate the different products. The new arrangement saves each store \$941.57 in yearly energy costs, plus \$7,857 in equipment costs.

The single table/double oven arrangement will be put into new Schlotzsky's restaurants; franchisees are also converting to the new system when conveyor ovens need replacing, says Brian Kendrick, senior director of store development for Celebration, Fla.-based Focus Brands, which owns 365-unit Schlotzsky's as well as Cinnabon, Carvel, Seattle's Best Coffee Intl. and Moe's Southwest Grill.

Kendrick is reviewing the equipment in use at all the concepts to decide what can be replaced with more energy-efficient models. "For corporate responsibility, it's a really nice thing, and it helps franchisees from a financial standpoint," he says.

However, Kendrick does not dismiss technologically advanced equipment. Both Carvel and Cinnabon use Energy Star-rated refrigerators and freezers. "It's easier to find...you can go to the Energy Star Web site and pull up spreadsheets," he says.

### THE PAPER TRAIL

Buying more efficient equipment or doubling up on uses is one energy-saving tactic. Shawn Foster, founder of Foster's Grille, a Haymarket, Va.-based chain of 21 burger restaurants, found another. He decided not to install dish machines at the restaurants, opting for disposable tableware and flatware instead.





The decision results in a kitchen that takes up only 750 square feet of the average restaurant's 2,400 to 2,600 total square footage. Smaller kitchens generally mean smaller energy bills, because there's less space to vent, heat and cool, and more revenue.

Foster estimates that the absence of dish machines results in savings of 2 percent to 3 percent of each store's average gross, which runs from \$759,000 to \$1 million a year.

Ecological friendliness isn't a big part of Foster's business model. He admits that his dish-machine-free kitchen isn't exactly green because the disposables contribute to the solid waste stream. Still, Foster says a "fair amount" of the chain's paper goods are recyclable. He's currently looking for biodegradable cups and lids, straws, to-go containers and flatware.

#### CAREFUL PLANNING

By eliminating the dish machine, Foster is on the right track; not buying superfluous equipment is one step toward an energy-efficient kitchen, says Mark Godward, president of SRE, a Miami-based foodservice design firm that is a unit of Columbus, Ohio-based WD Partners.

Eliminating unnecessary equipment provides the most savings, because with each unneeded piece also goes ancillary equipment such as hoods and venting. "It's a double whammy," Godward says.

Another step is redoing the menu to eliminate equipment that's used sparingly. For instance, if french fries, prepared in a deep fryer, are served with only one dish, he suggests modifying the recipe so the fries can be made in another piece of



**Foster's Grille saves energy cost by using disposables and forgoing a dishwasher. The chain is currently searching for disposable tableware to make the business model a little "greener."**

**(Top) Virginia Barbecue meats are smoked at a commissary. That, founder Rick Ivey says, might be the biggest energy savings, as an in-house smoker would require substantial, and costly, ventilation.**

## Wrap Your Arms Around 8 Activities At Once!

# 8-in-1

Programmable Digital Timer

**NEW**



**Now, a comprehensive, 8-function timer that is programmable AND portable!**

- Custom Label Each Activity
- Eight 20-Hour Countdown Timers with Memory Recall
- Color-Coded Time Cycle Lights and Buttons
- Volume Control
- Count Up Feature
- Large LCD Display
- Can Be Wall Mounted
- Battery or AC Powered



**Franklin Machine Products**

Parts and Accessories for the Foodservice Industry  
800-257-7737 • 24-Hour Fax: 800-255-9866

**FMPONLINE.COM**



**LOCATION.  
VISIBILITY.  
ACCESSIBILITY.**



**Eric L. Holman**

Vice President - Concept Development  
Café Enterprises

"When you open a new business, there are plenty of things to worry about. Location isn't one of my worries - I worked with a Wal-Mart Real Estate Manager to purchase a Wal-Mart outparcel. With high visibility, great accessibility and proven customer traffic, this is a perfect spot for Fatz Café to call home."



[www.wal-martrealty.com](http://www.wal-martrealty.com)

# Chef'sChoice®

## Commercial Diamond Hone® Sharpener 2100



### World's Most Advanced Commercial Knife Sharpener!

- EdgeSelect® 3-Stage sharpener lets you choose the edge to match the task.
- Lightning Fast! 100% Diamond Abrasives and stropping stage for razor sharp edges in seconds.
- Detachable sharpening module for easy dishwasher sanitary cleaning.
- Precision angle guides guarantee perfect results every time.
- Rugged **cast metal** housing, powerful high speed motor.

For the dealer nearest you call: **(800) 342-3255** [www.chefschoice.com](http://www.chefschoice.com)  
© 2008 EdgeCraft Corp. 825 Southwood Road, Avondale, PA 19311

## TECHNOLOGY

equipment or substituting a similar dish such as oven-roasted wedges.

Naturally efficient equipment, which contributes little or no ambient heat to the kitchen and which cooks product quickly, also should be considered—if not for the lower energy bill, then for a more smoothly running operation.

"Energy cannot be the only thing you think about," Godward says. "If you can attach other things, like a cut in labor costs or a smaller building footprint, then suddenly you have a compelling situation." ■

**on the web:** The average restaurant uses 300,000 gallons of water a year, but there are ways to conserve. Visit [www.chainleader.com](http://www.chainleader.com).

### An Energy-Saving Package

**P**yrogrill, a fledgling, two-unit chain based in North Palm Beach, Fla., is a work in progress. Founder and CEO Mike Curcio wants the 2,100-square-foot building to be as energy efficient as possible before expanding.

The biggest energy saver so far is a small machine that connects to the breaker panel. Broadly speaking, the machine reduces the amount of power the restaurants pull from the utility company. The machine, called a KVAR PFC, costs about \$1,000 and is saving each store about \$2,600 in energy costs annually, Curcio says. He adds that it also protects the stores from power surges.

Other energy-saving ideas in place include motion sensors on the lights in the bathroom, long-life incandescent lights in the dining room and on the front line, and programmed thermostats that regulate heating and air conditioning.

The energy-saving touches aren't cheap, but will pay off in the long run, Curcio says. "And it's better for the environment," he adds.







**No need to duplicate yourself**

**BuyerZone saves you time and money  
on **COPIERS AND MORE.****

Get free advice, pricing articles, ratings and quotes on Business Purchases from digital copiers, to phone systems, to payroll services and more. Visit [BuyerZoneBusiness.com](http://BuyerZoneBusiness.com) today to make fast and efficient business purchase decisions. At BuyerZone, you're in control. We're just here to make your work easier.

Join the millions who've already saved time and money on many of their Office Equipment purchases by taking advantage of BuyerZone's FREE, no obligation services like:

- Quotes from multiple suppliers
- Pricing articles
- Buyer's guides
- Supplier ratings
- Supplier comparisons

**REQUEST FREE QUOTES NOW!**

**Call (866) 623-5564 or visit  
[BuyerZoneBusiness.com](http://BuyerZoneBusiness.com)**

**BuyerZone**  
Where Smart Businesses Buy and Sell

A division of  
 Reed Business Information.



SNAPSHOT

**Concept** Eat'n Park

**Headquarters**  
Homestead, Pa.

**Units** 79

**2008 Systemwide Sales**  
\$188 million\*  
(company estimate)

**Average Unit Volume**  
\$2.38 million

**Average Check** \$6.50

**Expansion Plans**  
1 in 2008

\*Includes sales from three  
Park Classic Diners



Eat'n Park  
establishes  
**CLEAR GOALS FOR  
NEW MANAGERS**  
and checks in often  
to improve retention.

# EXCHANGING



**F**or many restaurant-chain operators there's no scarcer commodity than hard-working unit managers who stick around. Finding and training such people have never been easy. That's because new hires are usually young employees who must quickly learn the art of managing crews while adapting to a grueling pace that almost always includes Friday and Saturday nights. They must also learn to like what they do.

"Some things we can't change. We are 24-hour restaurants, and we have to staff them somehow," acknowledges Karen Bolden, chief people officer for Eat'n Park, a 79-unit family-dining chain.

Eat'n Park has developed several programs to find and keep the unit managers it needs. The company re-dubbed a 10-week management internship "the management residency program," began focus groups to evaluate training programs, mapped out career paths and created a new-manager monitoring program to keep responsibilities from overwhelming neophytes. There's also a nascent effort to extend the Eat'n Park brand message to cover recruiting efforts.

This year, the Homestead, Pa.-based company needs to fill 108 assistant manager and manager slots, about the same number hired in 2007 and 2006. Those figures do not include general managers, to whom the assistant managers and managers report. To put that figure in perspective, the company currently employs 233 such managers. Turnover, including general managers, is running about 30 percent, according to the company.

#### COMPLAINT DEPARTMENT

About four years ago, Bolden and Jana Sharlow, the company's director of management recruiting and development, were hearing complaints about "work-life balance" from young and primarily college-educated assistant managers who had recently been hired and trained. Company satisfaction surveys showed the novices, especially the college-educated



**General Manager Mark Heilman** counsels an employee.

ones, didn't appreciate having to cook and do other hands-on chores when hourly workers called in sick. About 25 percent of Eat'n Park's new managers have university degrees and many have majored in restaurant management.

The neophytes also griped about the length of time spent at work, which some said also included the hours they spent driving to the job. Bolden, who joined Eat'n Park in 1991, and Sharlow, who has been with the company full or part time since 1980, knew times had changed. Only a decade ago, assistant managers used to suck up stuff like that. "We never thought *driving* to work was part of the job," Bolden chuckles.

The duo introduced aforementioned recruiting and retention measures to make the assistant manager's job less frustrating in the hope they last. If they do, they will probably stick around for a long time. "Every one of our regional directors started as an assistant manager," Bolden says proudly. "And

**(Opposite)** After roughly six months of running shifts, regional managers, responsible for multiple units, meet with assistant managers to discuss career-path goals and procedures.

# INFORMATION



## 3M™ Water Filtration Products



3M™ Water Filtration Products from CUNO deliver lower up-front and operating costs, and reduce cysts\*, water borne bacteria\*\*, chlorine taste and odor, chloramines, sediment and scale.

### The Key is Recipe Quality Water™

- Superb beverage taste
- Helps protect equipment from the potentially harmful effects of scale and sediment for longer equipment life

### 3M Water Filtration Products:

Cleaner, clearer water for great taste and longer equipment life.

Go to [www.cunofoodservice](http://www.cunofoodservice) or call 1-888-218-2866

\*As tested in accordance with NSF/ANSI Standard 53  
\*\*As tested with E. Coli ATCC (11229)



CUNO Incorporated  
a 3M Company  
400 Research Parkway  
Meriden, CT 06450-1018  
USA

©2008 3M Company. All rights reserved.  
CUNO and Recipe Quality Water are  
trademarks of 3M Company used  
under license.

## HUMAN ASSETS

“You get discouraged in every new job. We need to catch you at that point and carry you through.”

—Karen Bolden, chief people officer

all but one general manager was first hired as assistant managers.”

### COLLEGE BOUND

To find assistant managers and instill loyalty, Sharlow visits nearby universities offering restaurant-management curriculums. At Pennsylvania State University, her alma mater, she meets with sophomores and juniors in the hopes they'll become managers in residence—the new name for interns.

“It's more like you are a doctor-in-training, a resident,” says Sharlow. Students manage shifts and are accountable for sales-building programs. “It might be figuring out how to sell more beverages,” she adds.

The residency ends with a presentation of their efforts to increase business, student to top management, including CEO James Broadhurst or his son, Jeff, the company president. “We work very hard on accessibility to senior management. It's always been there, but it hasn't been as important as it is today,” Sharlow says.

Longtime Eat'n Park admirer Harry Bond, CEO of Monical's Pizza in Bradley, Ill., thinks meeting chain leaders is critical. “If you are talking about commitment, [interns] must get the chance to see their culture of family. It is amazing what that does for credibility,” says Bond.

It's not just college kids who get to hang with muckety-mucks. New managers recruited from within or on job Web sites also meet with regional vice presidents shortly after joining. The effort is part of the company's “critical touch points,” a program Sharlow launched this year to provide assistant GMs with a sense of inclusiveness while making



Eat'n Park's “critical touch points” program is used to celebrate significant events in a young manager's career as well as to coach them when serious problems arise.

sure they're developing skills to become general managers. She keeps a log of who “touches” whom and when.

“Even before the manager starts working, they get a call from their regional vice president, saying, ‘So glad to hear you're on board.’ The [VPs] take notes during the conversation and use them at the next critical touch point,” Sharlow explains, adding the new manager shortly thereafter receives a book on leadership skills from the vice president. “You feel like you belong. You're family. You can ask for help,” she stresses.

Although there are no proscribed number of “touches” or schedules for making contact with new managers, Sharlow adds, higher-ups have more contact with them in the first year than in the following three years—and they are as likely to celebrate a promotion as to coach the novices on a problem.

### RIISING THROUGH THE RANKS

One question that new hires have been asking in the focus groups Sharlow and



# Chainleader.com!

**Chain Leader debuts a new look and enhanced functionality for chainleader.com. This dynamic, high-traffic site is the go-to source for all things chain related:**

- Daily content updates including breaking news
- Topic-specific pages on menu development, marketing operational excellence and more
- Powerful hospitality industry search
- Talkback forums to discuss articles online
- New video section
- Blogs written by chain-industry leaders and Chain Leader editors
- Webcasts and Audio/Podcasts
- Microsites
- Operator polls
- Web-exclusive stories
- Free eNewsletters
- Research store
- RSS feeds
- Franchise opportunities
- Industry calendar

**Improved navigation makes it easy to find information you need.**

**VISIT TODAY!**



**chain leader**

**chainleader.com**



Eat'n Park gives young managers access to company executives, hoping they will boast to classmates about talking shop with the CEO.

Bolden have been holding six times a year for the past three years concerns career paths, i.e., how do I get to be general manager? Bolden is old enough to recall that in an earlier era one simply worked hard to earn one's stripes. "In '91, no one asked what they had to do to get promoted," she remembers.

Today, however, given the many restaurants ambitious young managers can work for, Bolden believes it is imperative to communicate this information regularly. So far she and Sharlow have outlined steps from assistant manager to GM. "After about six months, the regional manager who hired them gives the assistant the map, saying they're ready to take the next step and to begin more training," explains Sharlow, who's currently mapping the steps to get from GM to regional director, a path Sharlow herself took before landing in her current post.

"The more we bear witness to the loyalty in our company, the faster [assistant GMs] will fall in love with our company," says GM Jeff Dengler, who has worked for Eat'n Park for 31 years. But the question is, he adds, "How do we get them to feel that way as soon as possible?"

Bolden and Sharlow's efforts appear to be paying off. In recent years the 49-year-old chain has collected numerous

accolades, including James Broadhurst's Workplace Legacy Award from People Report, a Dallas-based human-resources benchmarking organization. People Report founder and CEO Joni Doolin praised Broadhurst for an ability to "keep a family feeling embedded deep in the roots of [Eat'n Park's] culture."

It's not the first time the company has been singled out by People Report. Bolden's department received the Heart of the Workplace Award in 2005 for efforts on behalf of employees and managers. The same year *Chain Leader* featured Eat'n Park in its "Best Places to Work" issue for its community-relations efforts. Efforts have also been recognized by the National Restaurant Association, the *Pittsburgh-Post Gazette* and the Pittsburgh Human Resources Association.

### BRAND MESSAGE: JOIN US

The women have another scheme up their sleeves that could hasten even more love. Bolden and Sharlow say it's in the planning stages and are therefore reluctant to discuss specifics. But they allow that a branding effort related to recruitment is in the works.

"This is something new this year, and we haven't worked it out," Bolden explains, adding that Marketing Vice President Kevin O'Connell and Creative Services Vice President Cliff Miller are helping.

"I want lots of soirees," Sharlow exclaims. By that, she adds, she wants to hold informational open houses to attract potential manager candidates. "Once you see certain things, you think Eat'n Park and you have this feeling."

It's a feeling she hopes will cause people to apply for an entry-level manager's job. Says Sharlow: "Everyone is talking about recruitment and retention, because operations cannot achieve their goals without people to do it." ■



**DEXTER**  
THE EDGE SINCE 1818

**Discover the Dexter edge.**  
Professional cutlery and product solutions designed to be people-friendly and kitchen-tough. Edges are sharp right out of the box and can be easily re-sharpened. Cutlery, tools, and accessories provide time-tested performance in the kitchen. The Dexter edge — the right knife and solution, since 1818.

[dexter1818.com/chef](http://dexter1818.com/chef)



# Franchise Developer

## Profiles in Growth

**F**or franchisors and area developers alike, growth is often the hallmark of success. We talked about growth plans with Tony Gambino, co-owner of Southside Fish & Clam in Lindenhurst, N.Y. A mecca since 1934 for affordable, quality seafood, Southside goes through about 14,000 pounds of fish, lobster and shellfish per week, with counter service and a 150-item menu. After taking over the business 25 years ago, Tony and his brother and co-owner, Sal, have decided to take the franchising plunge.

**Q: How will you expand?**

**A:** We've got a second location opening up in the Commack/Smithtown area within a month, and we're looking to open another location down in Florida.

**Q: Why did you decide to expand after all these years?**

**A:** I'd been bugging my brother to expand. We've been watching everyone from Outback to Applebee's expand. I told him, "We only have a shot at this once in our lifetime, let's do something that will really stand out." We made the decision two years ago. My dad just recently passed, but he was there at the groundbreaking ceremony, and he was very excited to see the second restaurant being built. He wanted to see us grow.



**Q: How do you plan to improve?**

**A:** We're dropping a lot of fried items and adding "on the lighter side" to the menu, because people today are more health conscious. We have weekly meetings about what products are selling, and we make adjustments.

**Q: What are your hopes for the future?**

**A:** We want to expand to at least 10 to 12 units from Florida up to New York in the next three years. We'd like to give Red Lobster and Legal Seafood a run for their money. We're going to give really good products and a quality price, so everyone can enjoy the value of the seafood industry.

**Q: How do you see the landscape for multiunit and area development?**

**A:** I see a big increase, with the way the economy is going. People are going to steer away from fine-dining restaurants because of the price.

**Q: Where do you think things are going in the future?**

**A:** More toward a fresh, healthier alternative. I believe that fast-food service will do well as long as you offer healthy items. People are getting more educated about what they're putting in their stomachs.



**Organic Burgers & Fries!**

**Get in on the ground floor of the next burger craze.**

**We serve grass-fed, 100% organic beef burgers.**

**French-fries cooked in olive oil**  
**Veggie burgers**  
**Hand-scooped milk-shakes**

**1,500 - 2,000 sq. ft.**  
**25-60 seats**

**Conversion Opportunities**

**FRANCHISE INFORMATION**  
**Tel: 1.800.230.7202**  
**elevationburger.com**

HEALTH CONSCIOUS ~ GREAT TASTE!









# The ORIGINAL Fast Casual

WE ARE SEEKING PROVEN MULTI-UNIT OPERATORS THROUGHOUT THE WESTERN AND SOUTHWESTERN U.S. TO JOIN OUR GROWING FAMILY OF FRANCHISEES.

- An American restaurant icon – for 50 years!
- The **ONLY** steak, seafood & salad concept in the “fast casual” segment
- Contemporary new restaurant designs
- Flexible service and build-out options
- Strong sales-to-investment ratio

**FOR FRANCHISE INQUIRIES:**  
(310) 846-8780 • [www.sizzler.com](http://www.sizzler.com)



Offering by prospectus only

## Do You Want Improved Return On Your Franchise Advertising? *Chain Leader's Sales ADvantage™ Delivers!*

### *Sales ADvantage™ Delivers On Five Key Points*

- **Quantity** Chain Leader will contact a representative sample of subscribers by phone to determine purchasing intentions. (Approx. 1,000)
- **Quality** Each lead is qualified by name, title, location and purchasing authority. If subscribers will not provide this information, the phone call is terminated and the lead is not generated.
- **Opening the Door** The reader is told that an advertiser may be contacting them. If they have an objection the lead is not generated.
- **Purchasing Intention** We then ask subscribers if they will be evaluating new Franchise Opportunities in the next 6 months. If the response is “Yes” the leads are forwarded to advertisers.
- **Timing** You will receive these completely qualified leads via e-mail within 10 days of issue date.



*For more information, contact:*

**James McMurray**  
630-288-8467

Email:  
[jmcmurray@reedbusiness.com](mailto:jmcmurray@reedbusiness.com)

## ARE YOU HITTING A



CHAIN LEADER

THEN

# ADVERTISE!

CONTACT:

**JIM McMURRAY**

Ph: 630-288-8467 Fax: 630-288-8215  
[jmcmurray@reedbusiness.com](mailto:jmcmurray@reedbusiness.com)









## WHAT RECESSION?

Austin Grill, a small chain in the Washington, D.C., area, takes the economic downturn in stride.

**H**ow does a laid-back, Tex-Mex chain of eight restaurants weather a downturn in the economy? By practically welcoming it while controlling costs. So says Austin Grill CEO Chris Patterson, adding it doesn't hurt to have a strong financial partner like Thompson Hospitality. The Herndon, Va.-based contract-foodservice company acquired Austin Grill for an undisclosed sum in late 2006. Today, Patterson, who joined Austin Grill in 2000, is discovering landlords eager to discount leases and suppliers willing to ship direct.

**Let's talk about the challenges of the economy. What impact has a looming recession had on a small chain like yours?**

The biggest issues we are dealing with—and we have been very proactive in feeling this is headed our way—is continuing to position ourselves as the restaurant of choice for our guests. Obviously, we have had to take some price increases,

but they have been small. But what we have done is try to be more cost-effective in the way we operate our business.

**CEO Chris Patterson has found that landlords are willing to discount rents to attract well-known regional brands like Austin Grill.**

**What have you done to attenuate rising commodities costs?**

Even being a small company, we have gone directly to manufacturers and tried to get those purchases right at the source. That's really the challenge. From an operations standpoint, obviously controlling the cost at the unit through proper ordering procedures and proper portioning is important. We haven't decreased any portion sizes. We're just making sure we give the proper portion size.

**What do you see in terms of your commodities situation regarding menu pricing?**

In December we took about a 3 percent increase. But it's been well over a year since we had a price increase. Our units posted 5 percent sales growth in 2007. We are very proud of that. I think it will continue to be a challenge.

One of the things we are working on is taking a hard look at our menu. We are taking a look at lunch items and seeing where we can drive some more sort of female-targeted lunch guests to soup and salads and some lighter fare.

**How has a slowing economy affected expansion?**

Believe it or not, we are looking at this sort of economic turn as a positive for our model. The reason being, we have finances in place to allow us to grow. Currently I am looking at three locations of existing restaurants that are not making it. These are other concepts that haven't prepared themselves for what's going on. And so we're taking a look at the entry at some new units at a discounted price.

**Where are these locations, and why are they attractive to you?**

They're in the Washington, D.C., metro area. What makes them attractive is they are in centers that have historically done large sales. There are competitors nearby that are doing very well. The opportunity of cost to get in the units is much less.

**Are you finding that landlords are eager to deal to get a new tenant in?**

One of the centers we are looking at is a very front-and-center type of place, and they don't want to have a vacant building in their center. It is allowing us to structure a deal that is more positive to us. Our name recognition and brand awareness in this area is a very positive negotiation point when we go into these deals. ■



# Classic lines are always in style.



The Tantalizers® line of appetizer favorites is destined to be a classic. Delicious, golden-brown Onion Rings, rich and creamy Cheese Sticks, premium Stuffed Jalapenos, breaded and battered Vegetables and more. Classic tastes your customers have always loved, now with the quality and profitable performance you get only from the LambWeston brand. Plus, the Tantalizers line features options with Zero Grams Trans Fat Per Serving.

So add classic style to your menu. Ask your distributor today or call us at 1-800-766-7783.

© ConAgra Foods, Inc. All rights reserved.

## ConAgra Foods®

### LambWeston®

ConAgra Foods Lamb Weston  
599 S. Rivershore Lane • Eagle, ID 83616  
208-938-1047 • [www.tantalizers.com](http://www.tantalizers.com)



# Restaurant Finance Prepared to Order

The Next Stage®

Whether you are a first-time franchisee, a seasoned veteran, or own a national brand, the restaurant specialists at Wells Fargo are ready to assist you with everything...

...from




**Wells Fargo Restaurant Finance**  
has acted as Sole Lead Arranger for  
**\$106,000,000**  
in 1st and 2nd Lien Credit Facilities for  
  
the acquisition of Yard House USA, LLC  
by a fund managed by  
TSG Consumer Partners

**Wells Fargo Restaurant Finance**  
has provided  
**\$25,000,000**  
to an affiliate of Fortress Investment  
Group for the purchase of 18 properties  
leased to  
  
Encanto Restaurants

**Wells Fargo Foothill Restaurant Finance**  
has provided  
**\$18,500,000**  
Senior Credit Facility for  
  
Southwestern Grill  
Z Tejas, Inc.  
In support of its acquisition by  
KarpReilly, LLC and the Z Tejas Managment Team

**Wells Fargo Foothill Restaurant Finance**  
has provided  
**\$147,500,000**  
1st Lien Revolver and Term Loan Facility for  
  
F&H Acquisition Corp.  
In support of its acquisition of  
Champps Entertainment, Inc.

**Wells Fargo SBA Lending**  
has provided  
**\$1,838,500**  
  
Dairy Queen  
Real Estate, Remodel

**Wells Fargo Restaurant Finance**  
has provided a  
**\$35,000,000**  
senior secured credit facility for  
  
Potbelly Sandwich Works, LLC

**Wells Fargo Foothill Restaurant Finance**  
has provided  
**\$110,000,000**  
Senior Credit Facility for  
  
EINSTEIN NOAH  
RESTAURANT GROUP, INC.

to



Find out how we can help you reach **The Next Stage** at

**[wellsfargo.com/restaurants](http://wellsfargo.com/restaurants)**