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Dining & Lodging

Small, chain-style restaurants eat away at competition

At a time when many Boston-area restaurants are struggling to make sales and pay the bills, a few small, casual, chain-style restaurants with low-to-moderate check averages are bucking the trend.

John Grasso opened his sixth Halfway Cafe last week in Marshfield and is seeing an 8 percent hike in sales this year over the same period last year.

"We saw this," Grasso told me, speaking about the downturn in the economy. He's been in business for 18 years -- and like many veteran restaurateurs who have lived through a downturn -- operates on the assumption you got to keep on plugging. Last year Grasso updated the Web site. He hired two new operations people to update the menus and kitchen operations. And he spent about \$250,000 on capital upgrades and improvements. "We want to try to be as recession-proof as possible," he said. "We want to stay in there." One way he's in the game is the check average. Halfway Cafe's check average, per person, is \$13 to \$14.

Grasso said he is scouting locations in Downtown Crossing and the North End to open another store probably sometime next year. It would be his first in the city.

David Zebny, chairman and owner of Z Restaurant Group in Cambridge, which operates the Z Square restaurants in Kenmore and Harvard squares, and will open in Post Office Square later this year, is looking for two suburban locales that would open early next year. "Demand is strong," Zebny says of his fresh-food focus. He says his Harvard Square sales are up 32 percent this year over the same time last year. "People are fed up with the same old crap food out of frozen bags -- that's been our whole story since we opened: Quality at a price-point."

'Crab-like' in Newport

The Barking Crab is opening another store in Newport, R.I., this summer. Restaurant co-owner Scott Garvey said the new restaurant, located in the Brick Marketplace area (not on the water) of the oceanside resort town, will have 200 seats inside, 183 outside. Garvey wouldn't say how much the company is spending for the build-out. "We'll go down there and be crab-like," said Garvey. "From what I heard it's quite a bustling social scene."

Speaking of which, the Barking Crab's Boston locale in Fort Point Channel beefs up its staff to 120 in the summer from 40 year-round.

Developer John B. Hynes III recently proposed to relocate the longtime eatery to one of his new buildings as part of his \$3 billion Seaport Square project in order to make more room for the HarborWalk along the channel.

"I can't comment on what's going on right now," said Garvey, who added that he was disappointed when he learned Hynes wanted to relocate the restaurant. "We listened to his proposal and that's where we left it," he said.

Private upgrades

The University Club of Boston, located at 426 Stuart St., is getting a **face-lift**.

The private social club, which has a restaurant, bar, fitness facilities and pool, is spending \$3.5 million to expand its bar to include a lounge and upgrade its 25-meter pool.

The club, founded in 1891, is also creating a state-of-the-art conference room.

"We compete at the same time with other private clubs," said Boyd Holk, the club's manager. "We're doing what it takes to remain competitive."

The last time any work was done on the building was 1999. Membership has dropped slightly.

Like a country club in the city, the University Club offers social networking events, and amenities such as baby sitting and valet. Architects Meyer & Meyer in Boston are designing the upgrades, which will be completed by September.

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