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Forefront

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about 120 restaurants under the Benihana, Haru and RA Sushi Bar brands, named COO consultant Gene R. Baldwin interim chief financial officer. His replacement is Jose Ortega, who resigned

DOLLARS & SENSE Study suggests \$ sign on menus should be 86ed

INACA, N.J. — The way in which menu prices are presented can have a dramatic effect on sales, according to a recent study by researchers at Cornell University here.

The researchers found that guests given numerals-only prices, such as 00.00, on a menu "spent significantly more" than those who received a menu with prices showing a dollar sign, such as \$00.00, or those whose menus "had prices written out in words, such as zero dollars."

The researchers, Sybil S. Yang, Sheryl E. Kimes and Maurice M. Sussaniga, conducted their study by measuring check totals for lunch at St. Andrew's, the restaurant at the Culinary Institute of America, in Hyde Park, N.Y.

"Although these findings may apply only to lunch at this particular restaurant, they indicate that menu-price formats do influence customers' spending, both in terms of total check and spending per cover," the study summarizes.

Louis Kern, president of Intelligence LLC, a consultancy in Boston, warned, however, that prices themselves have "huge implications" on buying behavior.

"Prices make such a big difference in the restaurant industry," she said. "It gets back to why the price position that makes sense for a particular brand. Do your homework, monitor the market and understand what your customers are indicating by what they are buying."

as vice president of finance and chief financial officer.

In addition, Juan C. Garcia resigned as Benihana's president and chief administrative officer. Benihana chief executive Richard Stockinger assumes the president's title, and the position of chief administrative officer has been eliminated.

Benihana began working in November with Baldwin and COO Partners, which has worked on restructuring efforts for American Restaurant Group Inc., parent to the Black Angus Steakhouse chain, and Furr's Restaurant Group Inc., the cafeteria company that became Buffet Partners LP.

Smokey Bones rolls remodeling program

ORLANDO, FLA. — Smokey Bones plans to enter its remodeling program in the first of the 68-unit chain this year after seeing higher check averages at revamped stores.

Chain executives describe the remodeling as a "multimillion-dollar investment in the brand, though they declined to specify the amount chainwide or per store. So far, 10 locations in Florida, Illinois, Indiana, Maryland, Massachusetts, Michigan and New York have been remodeled.

In addition to a name change from Smokey Bones Barbecue to Smokey Bones Bar & Fire Grill, the remodeling initiative includes an enhanced bar area and extended hours aimed at building late-night sales, "a whole new daypart that we haven't had in the past," said Ian Baines, president and chief executive of the chain.

Per-person check averages in remodeled units have grown almost a dollar per person, said Baines, who attributed the increase to stronger alcohol and appetizer sales. The chain's per-person check average is \$15.70.

GOVERNMENT NYC Health Dept. aims to cut sodium

NEW YORK — The New York City Department of Health and Mental Hygiene launched a National Salt Reduction Initiative in an effort to reduce the amount of sodium used in restaurant and



INDEPENDENTS Water works: Bagel maker sells taste of Brooklyn

DIANE WASH., PA. — The secret to the perfect bagel, at least at the Original Brooklyn Water Bagel Co. here, is replicating the New York borough's water.

Steven M. Fassberg, the president and chief executive of the restaurant, obtained the rights to a patented technology "that can replicate Brooklyn water from any water source."

Using that water, The Original Brooklyn Water Bagel Co. has developed proprietary bagel recipes that "produce a true Brooklyn bagel, with a thin, crusty exterior that's golden brown and moist, but not doughy," a spokesman said. The concept is seeking to franchise.

The Original Brooklyn Water is used for all the restaurant's food and beverages, even in the ice cubes, and is bottled and sold for 99 cents at the restaurant for transplants or visitors wanting a taste up of home.

prepared foods.

The goal of the program, which is voluntary, is to cut the levels of sodium in restaurant and pre-packaged foods by 20 percent over the next five years. The initiative, which is expected to see participation from chain and independent restaurants alike, is a partnership among New York City's Board of Health, 17 national health organizations and 26 cities, including Los Angeles and Seattle.

Baltimore debuted a sodium awareness program in cooperation with the Restaurant Association of Maryland. Some chains, including Denny's, Burger King and concepts operated by Yam! Brands Inc., have reworked or plans to rework some menu items to include lower levels of sodium.

SOCIAL MEDIA Einstein Bros.' 'shmeat' campaign

LAKEWOOD, COLO. — Einstein Bros. Bagels in late January fanned its social-networking prowess and gained more than 320,000 "fans" on the Facebook website in less than three days by offering a free bagel-and-shmeat giveaway.

James O'Reilly, chief concept officer for Einstein Noah Restaurant Group Inc., based here, which owns the Einstein Bros. bakery-cafe chain of 351 company units, six franchised outlets and 178 licensed locations, said all fans of Einstein Bros.' Facebook page at www.facebook.com/einsteinbros received a coupon for a free bagel and shmeat, which usually sells for \$2.48.

Though it remains to be seen what kind of redemption rates would be associated with the Facebook-generated coupons, O'Reilly said Einstein Bros. sees the offer primarily as an inducement of trial visits from new customers, not a generator of traffic among existing patrons.

FAST CASUAL Chipotle debuts new prototype

DENVER — Chipotle Mexican Grill Inc. introduced a prototype it said costs less to build and operate and uses less energy to maintain, while also providing the opportunity for increased sales.

As part of a refresher to the Denver-based chain of more than 900 units, Chipotle said its new restaurant design has a kitchen that has been reduced in size by 25 percent and a price tag that has been cut by \$25,000.

With a smaller footprint, the new prototype also can help Chipotle fill in smaller markets because the size will have lower development costs, but the same return on investment, the company said.

"We can open with confidence on a 35-percent cash-on-cash return," said co-chief executive Monty Moran. "It broadens our opportunities and is a lower-risk strategy."

Chipotle plans to open between 120 and 130 new locations in 2010, and at least 32 of these will be this new prototype.

SPIN-OFFS Johnny Rockets ignites variants

LAKE MOUNT, CALIF. — Johnny Rockets, which is known for its 1950s-style diners, is introducing a sports bar, a fast-casual concept and a mobile kitchen variant in an effort to appeal to both upscale and down-market customers.

The Johnny Rockets Sports Lounge concept debuted in 2008 in a Six Flags amusement park in Queensbury, N.Y. A second unit officially opened in January in New York and will serve as the model for future locations, said John Fuller, president and chief executive of Johnny Rockets Group Inc. The sports lounge features televisions, a full bar, alcohol-spiked "fantasy shakes" and new appetizers.

The fast-casual Johnny Rockets Fast will offer a limited menu and counter service only and can work in spaces as small as 900 square feet, the company said. The new concept, which has not been sold yet, requires an initial investment of \$300,000, instead of \$750,000 for a traditional unit.

Johnny Rockets' first mobile kitchen recently opened at the Washington Redskins' FedExField in Landover, Md., and a second is being planned by a franchisee in Saudi Arabia, Fuller said.

The company operates or franchises 280 locations.

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