

Space Invaders

Space—or lack thereof—often prevents smaller retailers from entering the foodservice business. But improvements in technology and equipment have helped vendors reduce the amount of square footage required to get into the game.

“Space is a key issue,” says Bryan Meng, general manager of Hunt Brothers Pizza, with headquarters in Nashville and Paris, Ky., which has more than 5,700 pizza locations, 5,000 of which are located in convenience stores. “We have concepts that can fit in as little as 36 feet.”

The Broaster Co., Beloit, Wis., offers several different programs, but the most applicable to c-stores is the Broaster Recipe Express Program, a countertop unit with its own venting and fire-suppression system. Broaster recently added a new 2 foot by 2 foot unit with a 2-pound capacity—the VF-2 (pictured)—to supplement a 3-pound-capacity unit.

Even branded QSRs can succeed in c-stores short on space. The average Subway restaurant, for example, measures 1,300 square feet, according to Subway spokesperson Les Winograd, but the chain has some franchisees with units as small as 300 square feet. Most c-store Subway units skew significantly larger.

“Some c-stores are pretty spacious,” Winograd says. “All they need is space for the assembly area where the customer orders the sandwich and space for storage. ... A lot of locations don’t even have seating.”



dedicate between eight and 12 hours as a cook, but that cook has other responsibilities,” says Hennings. “We’re dedicating an additional two to six hours a day to food now, but it’s paying off in increased sales.”

Of Hennings’ five stores, four have Hot Stuff Pizza franchises, two have Mean Gene’s Burgers and two have Hot Stuff Food On the Go featuring “best of breed” items from Hot Stuff Foods. He’s been very pleased with the results

of his updated foodservice lineup but admits to hitting one or two bumps in the road. Three years ago, for example, Hennings found himself in search of a less demanding alternative for a labor-intensive sandwich program.

“If something’s really labor intensive, it’s probably going to be trouble,” says Hennings. “That’s why we got out of our old sub program; you had to cut the fresh veggies, bake the bread and have a direct face-to-face between customers

and people who may not want to deal with the public. You had to teach employees all the aspects of building the sandwich. When the opportunity came along to move things toward more self-service, we did it,” thereby paving the way for Mean Gene’s.

Branded food programs offer curb appeal and name recognition that many smaller operators would have trouble matching by themselves, according to Des Hague, president and CEO of Hot Stuff Foods, Sioux Falls, S.D. And because most brand owners have formal systems in place, retailers that partner with them can get a better handle on factors such as labor, waste and menu development.

“Retailers need to develop a brand that has reach, and that’s hard to do on a mom-and-pop level,” he says. “With gas above \$2.50 a gallon, it has a seismic impact on other expenditures. Quality foods at affordable prices are something people want. Retailers need basic programs in place—nothing too indulgent—to satisfy the consumer and make him want to come into the store.”

Consider Mike Hennings a convert. The drawing power of his branded programs—not to mention other benefits of the affiliation—has sparked strong growth in Tres Amigos’ foodservice business.

“Foodservice has become 15% to 20% of our inside sales and generates 20% to 30% of our inside gross profit,” Hennings says. “If you’re selling pop for \$1.29 and someone else is selling it for \$1.39, a customer is not going to move because of that 10 cents. But if you have the employees and the food with the support of a national franchise, that’s going to help you one-up someone else.” ■

“You can train someone on a register for a day or two, but for foodservice you need five to seven days to get them up to speed.”

CLAUDE DUVALL *The Local Yokel*