

RESTAURANT INSIDER

"NEWS YOU CAN USE"

NEWSLETTER... FALL 2017



THE TRUMP



Love him...hate him... think he's great... think he sucks... it doesn't matter. We don't debate politics here; we talk about the restaurant industry. And while we may not have seen a more polarizing political figure in our lifetimes than Donald Trump, it would be hard to argue that things aren't absolutely rolling right now from an overall economic perspective. The stock market is at an all-time high, unemployment is at a 10-year low and we just came off of two consecutive quarters of 3% GDP growth. That's pretty darn healthy!

From the big picture overview, that's all wonderful, but if you are like the vast majority of restaurant operators, things at your level could still be significantly better. A booming economy can provide restaurant operators with unintended consequences. For example, low unemployment means that it's difficult to recruit, hire, and most importantly, *retain*, good employees. The strong stock market provides for greater availability of investment capital which can lead to increased competition. As we know, the Phoenix metro marketplace has seen an absolute explosion of new restaurants opening virtually everywhere throughout the Valley and this increased competition has driven up rent rates significantly for restaurant operators.

Continued inside



Topnotch Money Maker \$\$\$!!!

This is a **RARE find**... a solid, stable, well-maintained business with a history of profitability available in the Queen Creek/Gilbert area. Occupying this great location for eleven years and owned by the current operator for the last five, this business is the definition of a **neighborhood Sports Bar & Restaurant**. Good food, an excellent selection of craft beers, tons of TVs and an awesome staff that provides a great environment for the locals to hang out and HAVE FUN! This facility is topnotch with an excellent fully-equipped kitchen and a fabulous island bar just made for people watching and making new friends (a.k.a. regular customers). Grab this moneymaker – it won't last long! \$495,000. #2077



Very special **Gilbert** restaurant location now available. This facility is absolutely amazing! Located in a freestanding building, this restaurant truly does have it all – great curb appeal, outstanding visibility, easy access and plenty of its own parking. The build-out is truly special with unique, upscale and extremely contemporary decor, a fantastic patio and a well-designed and very efficient high-volume kitchen. Located in one of the major dining destinations in the entire Phoenix metro marketplace, **any restaurateur would be proud to own this one!** \$240,000. #2066

An extremely cool **Bistro & Bar** located in one of **Scottsdale's** most high-profile shopping centers, this beautiful facility features a full bar with a casual cocktail area and an amazing dining room with fantastic elevated booth seating along with a top-of-the-line kitchen that would make any Chef envious. Being well-positioned in a **PREMIER** center with over 42,000 cars driving by on a daily basis and a population of 175,000 in the local trade radius makes this an excellent target acquisition for those with the operational expertise to maximize this prime location. \$230,000. #2058



Located on the **Camelback Corridor** in one of the most well-known and high-profile shopping centers in the entire Phoenix metro marketplace, this restaurant is known for their outstanding pizza. They offer amazing products using only the highest quality ingredients prepared in a top-of-the-line imported wood-fired oven. This facility is setup for optimal socializing and showcases an indoor/outdoor bar connected to an amazing outdoor patio that includes a fire pit and nearly doubles the size of the restaurant. An outstanding all-in rent rate that includes utilities and restroom space that is maintained by the landlord, but not included in the rent, make this a stellar opportunity for a knowledgeable restaurateur to position their brand with this major upscale demographic. \$139,000. #2067



Hard to find **drive-thru** in a freestanding restaurant building with a patio in a very busy Basha's/Walgreens anchored neighborhood center in **Scottsdale**. Currently operating with a series #12 liquor license serving baked goods, coffees, sandwiches, soups and smoothies. Continue as current concept or bring your own and take advantage of these prime facilities with excellent street exposure and access. \$139,000. #2071



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TRUMP EFFECT... *Continued*

As with many other things in the business world, while a strong economy is a good thing, the resulting impact still needs to be managed. The fact is that this increased level of competition is not something that we see as going away anytime soon. Combine the booming economy and the massive shift in retail shopping from brick and mortar locations to online sales, with the need for malls and shopping centers to replace traditional retail with other tenants to keep their real estate occupied and we have an environment where continued restaurant expansion seems like a very realistic outcome, at least until the saturation point is reached.

For many of us this is not welcome news – no business owner wants more competition to deal with. What can we do to compete effectively? Well there is something that you can do... in fact, it's not something that you can do, it's what you **MUST** do, and many of you aren't going to like the answer. Sorry to do this, but we're going back to Donald Trump again. All of the political nonsense that has been happening over the course of the election and since he became President has highlighted something that is *extremely important* – Social Media, and its *massive influence on the American public*. Again, putting aside where you stand politically, we see that Facebook, Twitter and Google are under immense scrutiny right now because of their global reach and the ability to connect with the public directly in such a huge way.

The reason this is important to you is that these Social Media platforms have the ability to do something that has never been done before, specifically *target individuals* based on their likes and dislikes, affiliations and location. What this means to you as a restaurant operator is that you have the ability to get your message to people that are *very likely to become your customer* based on where they live and what they like. Most importantly, this can be done in a very efficient and economical manner, especially in comparison to other forms of advertising, if you know how to do it. If you don't know, you had better learn! This is not optional if you want your business to thrive in the coming months and years.

What do you need to know? Here are a few terms of interest just to get you started: PPC is pay-per-click; you only pay for the advertising when someone clicks on it and goes to your website. SEO is Search Engine Optimization; methods and technologies applied to design your business website so that it comes out near the top of searches on Google (and other search engines) - *extremely important* for mobile /cell phone searches. How about "Audience Insights Tools" on Facebook and "Google Trends" that allow you to *target your advertising* based on very specific criteria? Using Facebook, Instagram, Twitter and Google as tools to reach your customers is not optional; if you are not using these methods, you are at a severe competitive disadvantage to those restaurateurs that do. If the following numbers don't convince you that this is something that deserves your attention, we're not sure what will: 3.5 billion searches per day on Google; more than one billion people are currently active on Facebook and Instagram has more than 800 million monthly active users. Enough said! ~ *The Restaurant Brokers*



40% Consumers who say diet-specific food options would make them choose one restaurant over another.

56% Consumers who say their primary reason for preferring locally sourced food is that it supports farms and producers in their communities.

30% Consumers who say technology makes them dine out or order takeout or delivery more often.

49% Consumers who would buy meal kits to prepare at home if their favorite restaurant offered them.

54% Consumers who say they would order breakfast items more often if restaurants offered them all day.

60% Consumers who say availability of environmentally friendly food would make them choose one restaurant over another.

42% Consumers who say the ability to order online would make them choose one restaurant over another.

20% Consumers who say they would rather use technology than interact with restaurant staff.

63% Millennials who eat a wider variety of ethnic cuisines now than they did two years ago.

80% Millennials who have used free Wi-Fi in a restaurant in the last year.

45% Consumers who say technology makes restaurant visits and ordering more complicated.

34% Smartphone users who have used their phone to pay for a restaurant meal.

Courtesy of Nation's Restaurant News

SOLD

Serra Gaucha Brazilian Steakhouse is now open in the Former Elephant Bar, Peoria. It was leased to Juliano Santos Lopes of Serra, LLC

Poke2U is now open in the former Bacus Bros Hot Dogs in Tempe. It was sold to Kyu & Heather Kim of Poke2U LLC.

Sushi Sen is now open at 7001 N. Scottsdale Rd. It was leased to Yukio Iida of Y & S Investments LLC.

Lookout Tavern is opening soon in the former Rotana Mediterranean Grill in Phoenix. It was sold to Kevin Stout of Lookout Tavern LLC.

Sacred Pi is now open in the former Began Classic Italian Pizza in Tempe. It was sold to Daniel Pawenski & Michael Barro of Makn Dough Makn Dough LLC.

Glai Baan is now open in the former Mejico Mexican Grill in Phoenix. It was sold to Pornsupak Bunnag & Dan Robinson of Watwarin LLC.

Blue Clover Distillery is now open in the former Eddies House in Scottsdale. It was sold to Weston Holm of Blue Clover Investments LLC.

Los Sombreros in Scottsdale was sold to Kurt Riske of Rooted Restaurant LLC and has kept the concept.

Crazy Mike's Wings is now open in the former Wing Counter in Glendale. It was sold to Bell Wings LLC.

Pho For Days is now open in the former Humble Pie in Peoria. It was sold to Pho For Days LLC.

Delicious Factory in Tempe was sold to Lula Investments Corp., and is continuing as the same concept.

Royyim Thai Cuisine is now open in the former Cousin Subs in East Mesa. It was sold to Royyim Thai LLC.

Las Fuentes Mexican Grill & Bar in Surprise was sold to Esteban & Elizabeth Garcia of Yaya's Tacos LLC. They are continuing as Las Fuentes until the beginning of 2018 when they will be converting to YaYa's Tacos.

The Main Ingredient Ale House & Café in Phoenix was sold to Ron Amneus of Mondy LLC and he is keeping it the same.

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More Hot Properties

This is a prototype **neighborhood Sports Bar** located in a freestanding building with fantastic street frontage, great visibility, easy access and plenty of their own parking. This facility has everything the experienced operator would want – a grand entrance, nice patio visible to passing vehicles, big island bar, beautiful fully-equipped kitchen with tons of prep and storage space. The high-traffic intersection has over 45,000 cars per day traveling the cross streets and there is a population of over 250,000 in a five-mile radius. \$240,000. #2087



Perfect owner/operator opportunity for conversion. Currently operating as a **full service restaurant with a Series #12 liquor license** featuring pizza, this inviting, character-filled space would welcome almost any restaurant concept. Located in a high visibility building on 7th street with parking, a patio and well-equipped kitchen. Being **close to downtown** guarantees weekday lunch business and a high density neighborhood makes it the perfect evening and weekend hangout. Affordable rent and an easy to manage size make this spot an excellent venture. \$125,000. #2052

Top-notch restaurant operation in the **Cave Creek/Carefree** area is now available. This is a first-class, beautifully designed facility with a history of great food and excellent service that has been supported by the local residents and tourists alike for years. Perfectly positioned on the end-cap of prominent shopping center, the patio at this beautiful restaurant is a known landmark. With over **\$950K of annual revenue and \$112K of profit**, this moneymaker is an outstanding value and won't last long! \$335,000. #2082



Unique restaurant located in one of the most **active downtown neighborhoods**, this beautiful facility has LOTS going for it – amazing design and decor, a fabulous patio, an exhibition kitchen and ample parking for some of the best clientele the downtown has to offer. With 150,000 in the 3-mile trade radius and over 50,000 cars traveling the cross streets per day, this is an absolutely outstanding spot for a chef-driven concept looking to make a name for itself! **Submit all offers** #2069

A truly **authentic Italian restaurant** owned and operated by a family from Italy and the outstanding Italian food is prepared and served the same way as it would be while enjoying it at a sidewalk café in Rome. The restaurant is located in an excellent neighborhood with an upscale population exceeding 90,000 in the three-mile trade radius. This is a perfect opportunity for a husband and wife team or Chef owner-operator. \$225,000. #2076



Nicely done **Asian style restaurant** in a densely populated **North Phoenix** neighborhood is now available. Occupying the high-visibility end-cap of a very active shopping center, this location has all of the components for success – beautiful dining room with booth seating along the windows, an intimate little bar and an extremely efficient and well-designed kitchen that includes two triple wok-burner stations that can really put the food out! The local demographics are off the charts with over 65,000 cars a day through the intersection and population exceeding 130,000 in a 3-mile radius. Looking for a spot to do your Asian restaurant concept? Look no further! \$135,000. #2084



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QUOTE: “Whenever you find yourself on the side of the majority, it is time to pause and reflect.” ~ Mark Twain

By the numbers



2,700

The cost in dollars per pound of Alba white truffles found in the Piedmont region of Northern Italy, placing them among the most expensive foods in the world.

~ Love Food

18

The number of national monuments located in Arizona, more than any other state in the United States.

~ facts.co

1925

The year Rudolph Hass planted the seeds of an avocado that was unlike the typical Fuerte avocados popular at the time. It was bigger with a richer flavor, and seemed to produce year-round.

~ Thrillist

46

The number in MILLIONS of turkeys that Americans eat every year for Thanksgiving.

~ Thanksgiving Facts

350K

The average number of tweets (messages) sent per minute every day on Twitter.

WOW!
~ Digital Data

21

The number of types of liquor licenses currently available in AZ, including a Series 19, Tasting Room and Series 18, Craft Distillery

~ ADLLC

1,000

The cost in dollars for one bottle of Belgian's "Vielle Bon Secours," the world's most expensive beer.

~ list25.com



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Even More Hot Properties

GREAT Sports Bar and Restaurant in an over-the-top **Northwest Valley** location. This awesome facility occupies the high-visibility endcap of an excellent neighborhood center just off a MAJOR highway. It offers **OTB** to its customers and features a fantastic patio, TONS of TVs, a well-designed and spacious bar area and a fully-equipped kitchen with plenty of storage and refrigeration. The local demographics make this a quality location – 65,000 cars per day traveling the cross streets and a population of over 105,000 in the 3-mile trade radius. The traffic, population and facility are here, the rest is up to you! \$170,000. #2088



Beautiful contemporary **American restaurant** in a high-profile location now available. Situated in a signature development along the **Camelback Corridor**, this chef-driven operation offers inspired food and beverages to one of the best demographics in the entire Phoenix metro marketplace. Fabulous décor, high ceilings, dazzling hardwood floors and an efficient kitchen designed by a chef for a chef make this a topnotch opportunity for a skilled restaurateur. \$140,000. #2080

JOKE: What's the difference between men and pigs?
Pigs don't turn into men when they drink.