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EpiCentre will have a lot of Raving Brands on the menu

Charlotte Business Journal - by Ashley M. London Staff writer

When Martin Sprock first got a look at the plans for the \$100 million EpiCentre project uptown, he knew his company needed to take a big bite out of the restaurant space.

That's why Atlanta-based Raving Brands has committed to bring seven of its eight fast-casual restaurants to Afshin Ghazi's mixed-use development at College and Trade streets.

"I would have signed eight deals if I could have," says Sprock, Raving Brands chief executive and founder.

The company will take a total of 15,000 square feet for Shane's Rib Shack, Moe's Southwest Grill, Doc Green's Gourmet Salads, Boneheads Grilled Fish and Piri Piri Chicken, PJ's Coffee and Wine Bar, Planet Smoothie and Mama Fu's Asian House.

"Tying up several real estate pieces close to each other virtually stops competitors from being too close," says Chris Weinberg, president of Charlotte-based restaurant consulting company The Barfly Group. "From a customer perspective, Raving Brands will create a people magnet of sorts by placing several concepts together."

The strategy of placing multiple brands close together has also worked well for Brinker International, developer of restaurants such as Chili's, Maggiano's Little Italy and Romano's Macaroni Grill, Weinberg says.

Sprock says Ghazi approached his company about 18 months ago and a deal was agreed upon with a handshake that the company would take some space at EpiCentre. The papers were signed last week.

"It was a pipe dream then," Sprock says. "But (Ghazi) has the confidence, the ability -- he's fair and he's tough. And now he's my landlord."

One of the most appetizing aspects of EpiCentre is that it will connect directly to the Overstreet Mall, the better to usher in a steady stream of customers during lunch hour, Sprock says.

"All of the best real estate takes years to develop," he says. "When you have eight to 10 brands, you can do two or three deals at a center with the best real estate in the country."

He hints that Raving Brands will also consider opening a cluster of restaurants in the Midtown Square project, but no deals have been signed. Sprock is concerned that his eateries aren't high-end enough and won't get as much take-out business as they need in that center.

"I'd love to have restaurants in both of those developments," he says.

Sprock says Johnson & Wales University's presence in Charlotte also should help his company succeed here.

"A graduate of JWU has franchisee potential; it's a breeding ground here," he says. "That's why we'll sign all the best deals here that we can."

Raving Brands operates one company-owned store for each of its chains. The rest are franchised, with the parent company taking 5% of each store's gross monthly sales in return for operational, marketing and real estate support.

The fast-casual restaurant industry is showing steady growth and is expected to exceed \$70 billion this year, with more than 400 brands fueling the fire, according to Fast Casual magazine.

Raving Brands led the magazine's recent Top 100 Movers and Shakers list for 2005.

Last year, the company grew to more than 500 restaurants that did \$250 million in sales. Two additional restaurant brands are in the works, including a thin-crust pizza venue.

Raving Brands' portfolio also includes Mama Fu's Asian House and Monkey Joe's.

Sprock's casual demeanor and modesty belie the fact that he and his executive team have built Raving Brands into a company worth more than \$500 million.

"2005 was our year of development, and this year is the year to push it out," Sprock says. "I think it would sound great to have a billion-dollar company."

No one at the company makes a salary greater than \$50,000 a year, and no employees have their own office -- even Sprock commutes from his new home in Charlotte to occupy a cubicle in Atlanta.

He and his wife and two children recently moved here after spending two decades in Atlanta. Twice a week, he drives three hours to the company office, conducting business by phone along the way.

"I'm on a quest to build something great, but at the end of the day I'm still in the restaurant business," Sprock says. "The proof is in the pudding, but we think we are on the right path."

Research director Amy Shapiro contributed to this report.

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