

NRA SHOW 2009

Panel: Wake up to the profit potential of the a.m. daypart

BY DINA BERTA

CHICAGO — Breakfast may be the most important meal of the day for operators looking to spark sales and improve margins, according to panelists gathered to discuss the topic during the National Restaurant Association Restaurant, Hotel-Motel Show.

"[Breakfast] is about 35 [percent] to 38 percent of our revenue, and it has a lower food cost and higher profits than other dayparts," said Courtney Parks, executive chef and an owner in Open City, Tryst and The Diner, all in Washington, D.C.

Parks joined Stan Frankenthaler, executive chef and director of culinary for Canton, Mass.-based Dunkin' Brands, and market researcher Michelle Schmall in discussing the advantage of the morning daypart. Steve Solomon, menu development and consultant for the American Egg Board, moderated the panel.

The morning daypart is the only meal period that is growing during this recession, said Schmall, vice president of CREST Product Management for the NPD Group, a Port Washington, N.Y.-based market research firm.

"In the first quarter of 2009, we see the morning daypart is up 1 percent, and it's the only daypart that is positive," she said.

The breakfast daypart attracts

consumers with lower price points, convenience, taste and portability of menu items, the panelists said.

Consumers are spending an average of about \$4.50 for breakfast, which is less than what they spend for lunch and dinner, Schmall said.

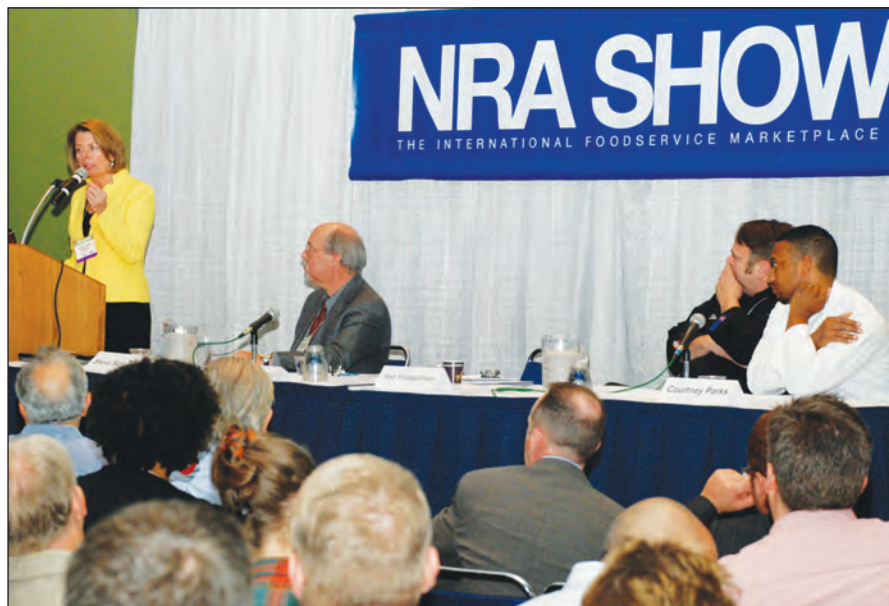
"Perhaps part of the strength of the morning meal is in these tough economic times people are trading down to a less expensive daypart," she said.

The morning is also a highly ritualized time of day for consumers, so operators have an advantage if they can insert themselves into customers' daily routines, said Frankenthaler from Dunkin' Brands, the owner and franchisor of Dunkin' Donuts and Baskin-Robbins, which together number more than 14,000 restaurants in 31 countries.

"Dunkin' coffee is a huge driver for us of that morning ritual as well as the breakfast foods, from sweet to savory," he said.

New high-speed ovens have helped Dunkin' Donuts achieve incremental sales in the morning with such menu items as flatbread breakfast sandwiches, he said.

"The oven-toasted platform not only gives us great flavor because it's really an oven, but it's a high-speed oven so it gives great caramelizing and great flavors on all things cooked in the oven,"



At a panel discussing the benefits of the morning meal, Michelle Schmall of The NPD Group addressed the audience. Participants Steve Solomon of the American Egg Board, Stan Frankenthaler of Dunkin' Brands and Courtney Parks of Open City, Tryst and The Diner, are seated from left to right.

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Frankenthaler said. "It's just really great food coming out of the oven and it's resonated well with our customers."

Taste, new menu items and portable items customers can eat with their hands are important at breakfast, the panelists said.

Breakfast sandwiches, wraps and burritos are the most popular foods for consumers, Schmall said.

"The morning meal is more dependent on carryout and drive-thru than the rest of the day," she said. "Carryout is almost half the market, and 24 percent go through the drive-thru."

Still, about 30 percent of morning meals are consumed on-

premise, so operators have an opportunity with dine-in meals, Schmall added.

Consumers want a local place to go, that gives them a sense of community, said Parks, who helped start Open City and The Diner five years ago. The restaurants now boast waits of 45 minutes to an hour.

"All our kitchens are scratch kitchens, and when you come to our restaurants in the morning, they smell like bacon," Parks said. "It's part of the overall movement toward wholesome ingredients."

Parks advised operators thinking of offering breakfast to start out slow and stagger their labor hours.

"Have a few people to set up at 5 o'clock, and then have more come in at 7 o'clock and 9 o'clock, so you do not have a big group coming in at 6 a.m. and waiting for the rush at 7:30 a.m.," Parks said.

Operators looking for employees to handle a morning shift may be pleasantly surprised if they start asking who would be interested in an early shift, Parks said.

"There are morning people everywhere," Parks said. "The opportunity to get out at 2 or 3 in the afternoon is appealing to a lot of people." ■

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NRA chairman Kaufman receives Cecil B. Day award

BY RON RUGGLESS

CHICAGO — Michael Kaufman, chairman of the National Restaurant Association, was honored during the group's spring board meeting with the 2009 Cecil B. Day Ethics Award, which recognizes the high ethics of hospitality industry leaders.

Florida State University and the Cecil B. Day family present the annual award to honor Day, who was the founder of the Days Inn motel chain.

Robert A. Brymer, who serves as the Cecil B. Day professor of lodging management at FSU in Tallahassee, Fla., and presented

the award May 17 during the NRA Restaurant Hotel-Motel Show, said, "Michael was selected for his stellar record and commitment to an ethical approach in how he conducts all areas of his life—business, community, family and faith."

In accepting the honor, Kaufman, co-president of Enovo Restaurant Ventures LLC, said: "While I did not have the privilege



Robert A. Brymer of Florida State University, right, presented the 2009 Cecil B. Day Ethics Award to NRA chairman Michael Kaufman.

in our industry; I am truly honored to have been nominated and selected."

A \$10,000 award accompanies the Cecil B. Day honor, and it will benefit the ProStart program, a two-year high school foodservice curriculum supported

by the NRA and state restaurant associations.

"It is thrilling that the award will benefit our ProStart career-building program and invest in our future workforce and industry leaders of tomorrow," Kaufman said.

This is the third year the award has been given. Past recipients were S. Truett Cathy, founder of Chick-fil-A, and Richard Rivera, president, chief executive and chairman of Real Mex Restaurants Inc. and a former president and chief operating officer of Darden Restaurants Inc. ■

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