

TOP 2011 Movers & Shakers 100

brought to you by:

HENNY PENNY

Engineered to Last™



What does world-class frying innovation look like?



You're looking at it.

When you've been making fryers for the world's most well-known names in fast food since 1957, the recipe for success is simple. Never take it for granted. Our latest example of not resting on our reputation is the Evolution Elite® fryer series. Engineered to use 40% less oil while ensuring the highest food quality, it delivers the kind of efficiency we're known for around the globe and savings you can drop straight to the bottom line.

The EE is available in gas or electric versions from one to four wells in full- or split-vat configurations for maximum flexibility and menu variety. Want a closer look? Go to hennypennyevolution.com.

HENNY PENNY
Engineered to Last™



Learn more at hennypennyevolution.com or call 1-800-417-8417.



Publisher

Tom Harper
502-241-7545 x 104
tomh@networldalliance.com

**Editorial vice president,
foodservice division**

Valerie Killifer
502-241-7545 x 143
valeriek@fastcasual.com

Executive editor

Joseph Grove
502-241-7545 x 123
josephg@networldalliance.com

Contributors

Elissa Elan
Jaime Guillet
David Henry
Alicia Kelso
Valerie Killifer

Top 100 Panel

Linda Duke
Valerie Killifer
Darren Tristano
Kathleen Wood

A Look Beyond



In 2010, I was given the opportunity to attend the Firehouse Subs annual franchise conference, also known as the Firehouse Subs Family Reunion. It was my first time attending such an event, and the experience yielded several opportunities for me. For two days I spoke to members of the company's franchise community and saw firsthand the Firehouse commitment to its business partners in the system. I was impressed not only by the company's ability to decrease food costs and increase average unit volumes, but also by its emphasis on bringing franchisees and their families together to better understand company operations.

For six years we have gone through the rigorous top 100 selection process and have paid homage to some of the best and brightest chains in the industry. That legacy continues this year.

Our top 10 fast casual brands used the economic recession as an opportunity rather than an obstacle and used creativity and innovation to move their brands and the segment forward.

While it wasn't easy narrowing down the field of some 600-plus restaurant brands, it was the goal of this year's panel to gather and

rank the chains that best reflected the fast casual segment's phenomenal growth. It's been said that this category of restaurants stands in a class by itself and holds a strong position in an industry that, like much of the country, has been hindered by unemployment and lagging sales.

This year's Top 100 was determined by a panel that ranked each brand according to a scale of one to 100. The rankings were averaged based on total overall scores. Our top brand, Firehouse Subs, was the only concept on the list that received a top recommendation from all of our panel members, a further testament of the chain's far-reaching success. We'd like to thank our panelists, Linda Duke, Darren Tristano and Kathleen Wood, for their time, energy and input.

We've gathered what we believe to be the strongest fast casual segment players and take pride in the fact that these chains represent the best of the best.

— Valerie Killifer

TOP 100 Table of Contents

- 9) **Tech Trend 2010: Geolocation**
- 12) **Marketing Trend of the Year: Local store marketing**
- 15) **Baker's Dozen: 13 brands that hit the after-meal mark**
- 18) **Seven Up: The brands reinventing fast casual fountains**
- 22) **Food Trend of the Year: Local**
- 24) **Q&A: Ron Shaich: The accidental philanthropist**



Firehouse Subs

Jacksonville, Fla. / No. of units: 402



Firehouse Subs smokes the competition

How the fire engine that could pushed past lagging same-store sales to create its best year ever.



2010 will go down in the Firehouse Subs record book as the company's best year ever.

At 402 locations, the Jacksonville, Fla.-based chain will post revenue of \$233 million for the year, an 11 percent increase over the \$209 million in revenue the company reported in 2009. The company also posted a 4.34 percent same-store sales increase for the year and year-end average unit volumes of \$604,240, handily beating the company's goal of \$590,000 in AUVs by year-end.

Don Fox, CEO, credits the company's 2010 success to "positive leadership, a strong operational culture and a new advertising campaign that was successfully executed at the start of last year."

Additionally, the company's director of operations, Meg Rose, and the Firehouse team have worked hard since mid-2009 to reduce food and labor costs, going from a food cost of 35.8 percent in 2008 and 34 percent in 2009 to an all-time low of 32.3 percent for the first four weeks of period six. Labor also has been reduced

to 22.8 percent, down from 24.9 percent in 2008 and 23.8 percent in 2009.

"Looking back on it, without a doubt the most critical thing was our franchisees embracing our marketing strategy and having two-thirds of our system make the incremental investment in advertising," Fox said. "Most companies, as I look back, bunker down, take less risks and conserve, while we continued on the road we embarked on at the start of the recession in 2008. We were going to stay the course."

Part of that course included an investment in advertising in select markets. The campaign was launched in 2009 and had displayed enough signs of success that it also was launched in 2010. "It would have been easy to take those short-term gains, but franchisees continued to say we had more to gain," Fox said.

In 2010, the company had its largest increase in average unit volumes than in any year other than 1998, when the company had only about 30 restaurant locations.

Another contributor to the chain's success was the emphasis of its Public Safety Foundation. This year, the foundation's goal was to raise \$1 million; instead, it received approximately \$1.1 million in funds.

"Our key focus in 2011, we expect our sales success to continue, that we'll set a record for AUVs for the year and that's going to come about in large part from franchisees in investment spending on marketing and advertising," Fox said. "We are investing \$1 million ourselves in incremental radio to help match the markets we are in. With the improvements in financing, we expect that we'll open a record number of restaurants this year – 80 to 100 – and we set a higher goal for Public Safety Foundation. We also think it will be a record year for bringing franchisees into the system. It will be a record year for us on all fronts."

—Valerie Killifer



2 **Wildflower Bread Company**
Scottsdale, Ariz. / No. of units: 11

The Wildflower Bread Company, founded in 1996, now includes 11 units throughout Arizona, its home state. It relies on three pillars of success — outstanding food, great service and cleanliness — revolving around its tagline: “Featuring food you knead.”

Founders Louis and Tracy Basile built their locally focused chain of bakery-café around an extensive gourmet menu, including a sandwich lineup featuring roasted sweet potato on focaccia and braised beef served on a grilled ciabatta roll. Fresh pasta offerings include butternut squash ravioli and spinach-and-artichoke lasagna, while at least five soups are served daily.

A bakery-café wouldn’t be complete without some sort of breakfast menu, and Wildflower has a homestyle line-up that includes savory — such as the feta and roasted vegetable frittata, the Salmon Herb Chèvre Frittata or the Taylor ham and egg sandwich — and sweet, including the lemon ricotta pancakes and the stuffed French toast.

There is also a kids’ menu, a bread and pie of the month feature, a specialty cakes menu — such as the ginger biscotti cheesecake and lemon coconut torte — and bakery staples from scones to bagels to café drinks such as espressos and cappuccinos.

Off the menu, another one of the Basiles’ focuses is the restaurants’ design. Each unit embraces warm, comfortable, contemporary elements with custom color schemes and original artwork differentiating one from another. Each also has wireless Internet availability.

Wildflower strongly touts its community involvement, volunteering, donating food and supporting local organizations. The company is affiliated with the Susan G. Komen Race for the Cure, Crisis Nursery, Share Our Strength, The Open Table, Communities In Schools of Arizona, YMCA, Big Brothers and Sisters, Home Fur Good and Second Chance Center for Animals.

—Alicia Kelso

3 **Genghis Grill**
Dallas / No. of units: 60



The executives at Genghis Grill spent most of 2010 growing the chain’s presence throughout the southern and mid-west markets. Ending the year with 60 locations, an increase of nearly 50 percent compared with 2009 unit counts, The Chalak Group has proven it found its recipe for success.

The company also spent 2010 building up its social

media presence. In November, the group unveiled its latest customer-engagement tool: Genghis Grill TV.

The channel was created by Paul Barron, the concept’s chief digital brand officer and founder of Digital Coco, a brand development firm specializing in interactive customer engagement.

Barron said the idea was developed after the Genghis Grill

executive team discovered through a customer-tracking tool that its audience was much more music- and fashion-focused than previously thought.

“This actually uncovered a new aspect of the business that we weren’t really focusing on,” Barron said.

Genghis Grill TV comprises three major components: Genghis Grill TV, the keeper of the chain’s blog, music video and event posts; Genghis Live, a forum for Genghis guests to nominate and vote on their favorite indie artist in the Texas markets of Dallas, Houston and Austin (coming soon), and Atlanta; and Genghis Mayors, a recognition program for the restaurants that receive the most Foursquare check-ins each month.

Through Genghis Live, one restaurant in each of the four selected markets will partner with a local charity and will then host an in-store concert with the most popular band in each — nominated and voted on by Genghis guests via Facebook, Foursquare and Twitter — with the proceeds benefiting the partner organizations.

The first stop for the music tour was Dec. 11 in Dallas. The location donated 15 percent of the event’s sales to the North Texas Food Bank. The final market to feature the concert series will be Austin in March 2011 during the film and interactive festival South by Southwest (SXSW).

—Valerie Killifer

4

MOOYAH

Frisco, Texas / No. of units: 18



With a renewed focus and invigorated growth plan, MOOYAH Burgers, Fries & Shakes is all beefed up and raring to go — on toward national prominence, that is.

Following a year of changes that included the appointment of Alan Hixon as the burger brand's new president, as well as a revamp of the brand, MOOYAH has emerged as a real competitor in the growing better-burger segment. With 18 units in operation, the Frisco, Texas-based chain

has unveiled big plans for strategic growth outside of Texas, signing area development deals with franchisees in Arkansas and Louisiana.

According to Rich Hicks, who co-founded MOOYAH with his partner, Todd Istre, the chain is aiming to open another 221 restaurants going forward.

"Considering that the company just began franchising in 2007, the growth of the brand has been phenomenal," Hicks said. "Arkansas and Louisiana are big steps toward becoming a national brand."

In addition to its Texas-based locations, MOOYAH already operates one restaurant in Tennessee.

"We aren't just growing to grow," Hicks added. "These new agreements represent strategic partnerships with passionate people who have strong track records and are enthusiastic about joining us."

Hixon agreed, saying, "Our new agreements are not just franchising for franchising's sake. We are a brand that is quickly moving into the national spotlight with a clear purpose and better menu. ... It's an exciting time to be in the burger business."

Hixon further indicated that while he was pleased with the chain's growth in 2009 and 2010, he expects the chain's performance in 2011 "to be even stronger."

—Elissa Elan

5

Five Guys Burgers & Fries

Arlington, Va. / No. of units: 725

Five Guys Burgers & Fries was on a roll long before President Obama's visit in 2009 incited a news media tidal wave. However, the attention certainly didn't hurt. Last year, the chain expanded faster than any other in the segment, increasing its number of units by 45 percent and its sales-per-unit by 14 percent.

The company, which first opened in Arlington, Va., in 1986, relies on a simple formula — serving hamburgers made from fresh, never frozen, ground beef. Not one freezer exists throughout the system. Five Guys also prides itself on its diversity, insisting there are more than 250,000 ways to order a burger at any given location.

These characteristics have translated into much success for the chain, success that has contributed to its steady increase in both sales numbers and unit growth. Five Guys even topped



this year's Zagat's list for best burger, beating out traditional favorites such as In-N-Out Burger and Wendy's.

In a recent survey conducted by Market Force, Five Guys scored the highest out of all of the chains included — from McDonald's to Chipotle and everything in between — based on a number of metrics. They included overall value, speed of service, friendly service and cleanliness.

More notably, Five Guys left other chains in its wake for quality of food and taste of food as its spot at No. 1 was earned by almost 50 percent more votes than the runner-up.

Interestingly, Five Guys doesn't advertise or embrace traditional promotions. The chain simply relies on its food — burgers and fries (it used the most Idaho potatoes in North America in 2010), hot dogs, a couple of sandwiches, and refillable Coca-Cola beverages — and its service.

According to the company, Five Guys doesn't have plans to add any items to its succinct menu, instead focusing on a few items and "serving them to the best of our ability." This straightforward philosophy has generated more than 410,000 followers on Facebook.

—Alicia Kelso

6

Go Roma

Chicago / No. of units: 6



When Go Roma launched its Bring Your Own Fork (BYOF) promotion in April, it turned an average Good Friday into one of the best sales events in company history. The promotion stemmed from the installation of a 14-foot neon fork at the company’s State Street location in Chicago. The installation was coupled with a BYOF promotion that gave guests \$3 off when they brought their own fork and was marketed through SocialGrub. In the end, it yielded a 48 percent increase in same-store sales for the day, compared to the holiday a year prior.

The tactic was a success because it involved a complete social media strategy. While Go Roma president Jeff Drake prepared the SocialGrub mailing, the company’s public relations firm, Blast Marketing, sent an invitation to 500 media contacts and the company’s social media followers.

The SocialGrub mailing delivered a 40 percent open rate among Go Roma’s 12,500 e-mail club members — and by the

end of the day the company had received 376 SocialGrub printouts and 115 forks.

Go Roma was founded by four partners, David Wolfgram, Russell Bry, Yorgo Koutsogiorgas and Jeff Drake, who went on to create Forklift Brands, which also includes Boudin Bakery. They opened the first Go Roma location in Warrenville, Ill., in 2004 and keep guests coming back with their Real. Easy. Italian. fare.

— Valerie Killifer

7

Chipotle Mexican Grill

Denver / No. of units: 1,023



Chipotle Mexican Grill has redefined the term “hot streak.”

The burrito chain, known for its “Food with Integrity,” has attracted throngs of consumers through innovative marketing, creative culinary offerings and a promise to protect the environment.

A new marketing program consisted of advertising, a

revamped website and packaging that emphasized Chipotle’s commitment to using the best sustainable ingredients.

“While we have never sourced these ingredients to be a marketing platform, it is what makes Chipotle so different from other restaurant companies, and we think people are more receptive to hearing it now more than ever before,” said Mark Crumpacker, chief marketing officer.

Building on that commitment to sustainability, Chipotle installed solar panels on 75 of its 1,023 restaurants to decrease the environmental impact caused by its operations. The chain also expanded its purchasing of locally sourced produce and began using naturally raised beef in its beef barbacoa product.

And that wasn’t all; Chipotle started testing a vegan version of its classic burrito in New York City and Washington, D.C., and a kids’ menu in Chicago, which was a continuation of the chain’s kids’ meal program introduced in 2009.

As the rest of the industry’s players struggled in 2010 to ramp up revenues, Chipotle reported a 39.1 percent jump in net income to \$132.5 billion a 19.7 percent uptick in revenues to \$1.35 billion, and same-store-sales increases of 8.3 percent for the nine months ended Sept. 30.

And the burrito behemoth didn’t stop there. It continued to grow, opening a total of 123-130 stores, including one in London.

— Elissa Elan



8

Tom & Eddie's
Chicago / No. of units: 3

Former McDonald's executives Ed Rensi and Tom Dentice met in 1966 when they both worked as McDonald's managers. Rensi ended his career there in 1998 when he retired as the company's CEO, a position he held since 1984. Meanwhile, Dentice retired in 1997 as executive vice president.

Rensi and Dentice remained friends and in August 2010 opened their first fast casual gourmet burger joint in Lombard, Ill. By the end of the year, two more units opened. Both have put their own money into developing the concept and have a third silent partner invested as well.

To research their core menu item, they visited more than 100 burger concepts, eating their way through menu and concept development. The two also spent eight weeks using the kitchen at the College of DuPage Culinary Arts Center, in Glen Ellyn, Ill., as their own private dining room, pulling people off the street to sample the fare and working, in total, 640 hours serving meals. Overall, the pair served 1,200 entrées and 3,300 menu items.

"We've put a lot of detail into every essence of the restaurant," Rensi said.

—Valerie Killifer



9

Wow Bao
Chicago / No. of units: 6

Having already established its reputation for serving flavorful steamed potstickers, also known as Chinese dumplings, or Bao, Wow Bao has turned its attention toward increasing its customer base by embracing new technologies.

The Chicago-based concept, a division of Lettuce Entertain You, decided that using social media as a marketing tool would reach more users than traditional methods would. The company teamed up with Exit41, a provider of web, mobile and call-center ordering applications for the restaurant industry. With its Exit41 partnership in place, Wow Bao launched online ordering on its Facebook page, allowing fans to order takeout right from the social media website. By clicking on the Online Ordering tab, customers can browse the chain's most popular menu items, select and add them to their "shopping carts" and purchase them. Facebook fans also can share favorite items with friends, "Like" them, find "Top-Liked" products and be rewarded for frequent ordering.

In addition to the Facebook ordering component, the company debuted an iPhone application offering customers the opportunity to customize, order and pay for their meals from their iPhones or iPod touch devices. Exit41 developed that software as well.

Wow Bao also partnered with Mocopay, a mobile-based software company specializing in the development of customized mobile marketing applications. According to Geoff Alexander, president of Wow Bao, the reason for the technological advances centered on mobile being "the next frontier for the restaurant industry and an amazing channel to directly connect with customers and build brand loyalty to increase store visits."

—Elissa Elan (*Photo by Monsieur Paradis)

10

Au Bon Pain
Boston / No. of units: 250+

Throughout the past several years, the bakery-café segment has been a leader in the fast casual category's growth, contributing an estimated \$4.3 billion in total 2008 sales to the segment. One brand that has benefited from the increased exposure is Au Bon Pain, which raked in \$307 million in sales last year, up 6.8 percent from the year before.

Au Bon Pain is anchored by a strong East Coast presence and has more than 250 units around the world, including international locations in South Korea, Taiwan, Kuwait, Japan and Thailand. The chain also has a large footprint in nontraditional areas such as transportation centers, hotels, shopping malls, office buildings, hospitals and universities.

Au Bon Pain's setup mirrors a marketplace atmosphere, where guests can personally select fresh menu choices from individual stations. Its menu items include coffees and teas, baked goods, salads, hot and café sandwiches, wraps, snacks and more. The company also touts an extensive soup line, from tomato basil bisque to Thai coconut curry.

It's the chain's artisanal breads, however, that provided the impetus behind its existence.

—Alicia Kelso



11. Rubio's Fresh Mexican Grill

Carlsbad, Calif. / No. of units: 203

Rubio's Fresh Mexican Grill, famous for its Baja-style fish tacos and other seafood specialties, proves that going green can be profitable. Known for its beach clean-up efforts, environmentally efficient store design and eco-friendly packaging, the company, having ended its first 2010 quarter with no debt and \$8.3 million in cash, was acquired last year by private-equity firm Mill Road Capital LP for \$91 million — or about 14 percent more per share than the company's stock price at the time of the agreement.



Rubio's Fresh Mexican Grill

12. Freebirds World Burrito

Fresno, Calif. / No. of units: 43

The free-spirited and socially conscious Freebirds World Burrito aims to remind its patrons and employees that each of us can “break through walls and truly change the world.” In keeping with that philosophy, the concept's charitable arm, Freebirds World Works, supported more than 64 nonprofit agencies in 2010 through employee and guest volunteer efforts, and participated in more than 45 World Works events. The chain's growth strategy is on track to have 84 company-owned locations open by the end of 2011, including 16 new restaurants in California, a deal that was signed in 2010.

13. Freshii

Toronto / No. of units: 60

Freshii CEO and founder Matthew Corrin is on a mission to promote green business practices and healthy, responsible eating. Evidence of this philosophy can be found in every aspect of the concept's operation, from small planet-friendly stores — some as small as 150 square feet — equipped with energy-saving appliances to the use of organically grown menu options sourced from local farmers. In 2010, the company opened locations in San Francisco and New York City, among others, and opened its first international locations in Dubai and Vienna.

14. Bruegger's

Burlington, Vt. / No. of units: 299

Bagel leader Bruegger's recently began a chain-wide remodeling initiative, rolling out its next-generation bakery prototype in 10 major markets in 2010. The company also announced plans to update its remaining locations over the next three years. If that wasn't enough, in 2010 the chain signed a 10-year agreement with Sodexo Inc., granting the integrated food and facilities management services provider license to open Bruegger's Bakery Cafés in its managed locations. Bruegger's continues to expand into new markets, signing franchisees in Austin, Texas, and Louisville, KY., and opening new locations in four other cities.

15. Zoes Kitchen

Birmingham, Ala. / No. of units: 38

Doctors have long touted the benefits of a Mediterranean diet. All the recipes at Zoes Kitchen are prepared from scratch each day beginning with that cuisine's basic building blocks of fresh vegetables, chicken, olive oil and feta cheese. The franchise recently took its philosophy of nutrition a step further, adding gluten-free, vegan and vegetarian listings to its heart-healthy menu.

16. Pei Wei Asian Diner

Scottsdale, Ariz. / No. of units: 169

Pei Wei Asian Diner offers a fresh-to-order pan-Asian menu featuring cuisine from China, Japan, Vietnam, Korea and Thailand, with all dishes priced at less than \$10. Employing a Mandarin-style wok-cooking process, each Pei Wei dish strives to

deliver a touch of exotic flavor served up in a vibrant, urban-inspired style. With a unique brand philosophy dubbed “East of Usual,” the franchise encourages guests to break out of their culinary routines and try something different.

17. Roti Mediterranean Grill

Chicago / No. of units: 6

Roti Mediterranean Grill serves up freshly cut, fire-roasted meats and traditional high-protein, low-fat side dishes to meet the grab-and-go demands of its mostly metro-urban clientele. Created by executive chef Barry Brooks, the menu also features a variety of salads, sandwiches and Mediterranean plates. Roti's website lets health-conscious diners calculate the nutritional value of their customized orders, and the franchise is certified Green by the Green Restaurant Association.

18. Pizza Fusion

Fort Lauderdale, Fla. / No. of units: 20

Pizza Fusion, with its motto “Saving the Earth, One Pizza at a Time,” has joined forces with EarthEra, an initiative designed to offset 100 percent of its service-related carbon footprint. The move brings the gourmet pizza franchise closer to its carbon-neutral goal. Because all EarthEra funds are used to construct new renewable energy facilities, customers know that every purchase helps create a sustainable, clean-energy future. Pizza Fusion also is working on a plan that will establish criteria for acceptable supply chain sustainability practices from its vendors.



Bruegger's

19. Einstein Bros. Bagels

Lakewood, Colo. / No. of units: 564

Einstein Bros. extended its presence into key U.S. markets with a well-managed growth plan. The company opened five licensed locations in first quarter of 2010 alone, and introduced several innovative menu items and creative marketing programs throughout the year. The latter includes the launch of a new website that allows customers to place pick-up or catering orders directly online and offers each of its Facebook fans a coupon for a free bagel in honor of National Bagel Day.



20. Smashburger

Denver, Colo. / No. of units: 93

Denver-based Smashburger operates and develops corporate, joint venture and franchise stores across the country. Touting “better burgers” made with 100 percent Certified Angus Beef, it aims to be every city’s favorite place for burgers. Toward that end, the company is on track to have more than 200 locations open by 2012, and has sold franchise and joint venture agreements that will bring the total to more than 400 over the next five years. Additionally, the company has announced plans to target South Korea in 2011 for international expansion.

21. California Tortilla

Rockville, Md. / No. of units: 37

The Fajita Burrito, Carnitas Verde and a vegan-friendly No-Meat Burrito are just a sampling of the more than 25 new items California Tortilla added to its menu this year. Others include a new nachos category, pork carnitas and a “Veg Me” option allowing diners to substitute vegetables for the meat in any burrito. Thanks to its May 5 promotion, the franchise also saw its biggest day ever on Cinco de Mayo, with sales up 32 percent over Cinco de Mayo 2009.

22. Nando's

Johannesburg, S. Africa /

No. of units: 400+

From its 1987 origins in South Africa, Nando's has established itself as a worldwide presence through its signature flame-grilled, extra-hot Peri-Peri chicken and spicy sauces. With restaurants in 34 countries on five continents, its largest distribution is in Australia, New Zealand, Southern Africa, Southeast Asia, the U.K. and the Middle East. In 2010, Advertising Age magazine named the Portuguese/Mozambican-themed concept one of the world's top 30 hottest marketing brands, sharing accolades with the likes of Facebook, IKEA and BMW.

23. Lime Fresh Mexican Grill

Miami Beach, Fla. / No. of units: 10

South Florida-based Lime Fresh Mexican Grill entered into a licensing agreement in 2010, granting Ruby Tuesday development rights to the fresh-Mex chain. Ruby Tuesday plans to open an initial 12 Lime Fresh locations beginning in 2011, while founder and CEO John Kunkel will retain ownership of the Lime Fresh brand. Like Ruby Tuesday, Lime Fresh maintains high standards for food and service by focusing on locally grown ingredients and ground beef certified humane by Humane Farm Animal Care.

Tech Trend 2010: Geolocation by Valerie Killifer



At the start of 2010, who knew that the concept of “checking in” would be responsible for the re-engineering of marketing strategies throughout the restaurant industry? Or, that what was once considered the name of a children’s recess game would become a mad social-web scramble for badges and mayorships. But, Foursquare and other geolocation tools like

it proved themselves to be quite the marketing tool for restaurant brands looking to further connect with guests.

“Geolocation is central to why mobile marketing is such a huge opportunity for a lot of different businesses,” said Peter Wolf, ParTech’s vice president of marketing and business development.

“Geolocation more specifically speaks to the ability to recognize where an individual is down to meters. With traditional online or web marketing we can track a user’s IP address, but it’s not down to that level that we get with location abilities.”

Applications that offer geolocation, such as Foursquare, Gowalla and BrightKite, have given marketers an expanded view from which they can reach out to a targeted audience. They also have elevated their ability to create mobile marketing platforms and strategies designed to engage first-time guests, repeat customers or both.

“Foursquare is unique in that it is blending geolocating with social media,” a technique that has proven successful for Kogi Korean BBQ and its food truck, said Greg McGuire, author of restaurant-focused The Back Burner blog.

While some chains were hesitant to break into the social media and geolocation market, McGuire said moving forward there’s little reason to be cautious.

“The nice thing is you can really gauge who you’re reaching and who you’re not based on running creative promotions that give you feedback from your customers,” McGuire said.

24. La Madeleine Country French Café

Dallas / No. of units: 60

The combination French bakery, European café and family-style bistro La Madeleine is introducing a new prototype that started with the March opening of a 5,800-square-foot North Dallas location. The facelift provides a brighter atmosphere and allows for artisan culinary activities, such as pastry work, to be showcased in a theater-style bakery for guests to observe. Additional changes include a less confusing central ordering point, retail offerings, an enhanced food delivery system, additional seating and updated staff uniforms.

25. Xoco

Chicago / No. of units: 1

Xoco (Mexican slang for “little sister”) conveys the rustic authenticity of Mexico’s most beloved street food and snacks: hot-from-the-fryer churros, flaky empanadas and frothy hot chocolate ground from Mexican cacao beans grown in the store’s front window. Just as street food stalls attract passersby with wood fires, Rick and Deann Bayless’s kitchen draws customers in with its wood-burning oven, where tortas are crisped and suckling pigs and lamb are braised overnight in banana leaves.

26. Qdoba Mexican Grill

Wheat Ridge, Colo. / No. of units: 500+

We may look back on 2010 as the year of brand differentiation, with countless concepts reinvesting in image overhauls. Qdoba Mexican Grill’s evolution strategy

included new design elements created by WD Partners, a pre-menu “combi” board at the beginning of the queue, new ceiling décor and an open display prep area. The concept also rolled out new health-minded menu innovations, such as its Mexican Lettuce Wraps LTO, positioned as a less-filling alternative to its generously portioned burritos, and a Craft 2 menu.

27. Corner Bakery Café

Dallas / No. of units: 70

What could be more conducive to neighborly conversation than sharing a cup of coffee at a corner café? This past spring, Corner Bakery Café tested a neighborhood initiative and Facebook application that encouraged friends and family to rekindle the art of face-to-face conversation over a free cup of coffee. The concept’s managers and team members also reached out to their communities by attending little league soccer games, parent-teacher nights and city festivals, handing out free travel mugs as a reminder to make time for neighbors. In addition to encouraging community connections, the company in 2010 launched its Get Fresh program and announced the expansion of its Community Garden Grant.

28. Noodles and Company

Broomfield, Colo. / No. of units: 251

For years, Noodles and Company culinary manager and dietician Tessa Stamper knew that team members had been making sandwiches for themselves using ingredients from the restaurant’s most popular dishes. Realizing that customers, like employees, aren’t always in the mood for pasta, the franchise expanded its menu offering with a line of sandwiches, including the Wisconsin Cheesesteak, Spicy Chicken Caesar, Med and Mmmeatball. The new menu items weren’t the only thing in store for the chain last year. In December, it was announced the company sold a controlling stake in the chain to private-equity firm Catterton Partners.

29. Panera Bread

St. Louis / No. of units: 1,421+

In a year of economic downturn, top player Panera Bread, acting through its nonprofit Panera Bread Foundation, opened its first two Panera Cares Cafés and announced



Corner Bakery Café

plans to open a third. The goal of this charitable program is to ensure that everyone who needs a meal gets one. The stores do not charge customers for meals and guests are encouraged to take what they need and pay whatever they’d care to donate. There are no prices or cash registers, only suggested donation levels and donation bins. For Panera Bread, an increased ad spend and loyalty program are expected to increase transactions and fuel Panera’s growth in 2011.

30. Portillo’s Hot Dogs

Oak Brook, Ill. / No. of units: 34

With an initial investment of \$1,100, Dick Portillo opened his first restaurant—The Dog House—in a 6-by-12-foot trailer that had no running water. The suburban Chicago eatery became a local favorite. Today, Portillo’s Hot Dogs boasts 34 locations and a menu expanded to include Italian sausage, burgers, chicken sandwiches, specialty salads and desserts. According to Chicago-based restaurant research firm Technomic, Portillo’s Hot Dogs had an estimated \$100 million in sales in 2006 and ranks 18th nationwide in the industry’s sandwich segment. Portillo remains the sole owner of Portillo Restaurant Group, with no franchisees, outside investors or partners.

31. Jason’s Deli

Beaumont, Texas / No. of units: 219

This 32-year-old purveyor of deli sandwiches, salads and soups continued its five-year push to go healthier. Adapting to its customers’ suggestions led to some menu changes in 2010, such as the elimination of all artificial colors and dyes. This decision follows previous, similar resolutions to remove high fructose corn syrup, trans fat and MSG from all dishes. The brand also launched a new marketing push in 2010 with its first-ever television ads.



Noodles and Company

32. Cowboy Chicken

Dallas / No. of units: 5

Over the past several years, Dallas residents have consistently rated Cowboy Chicken among one of the metro area's favorite neighborhood joints to enjoy wood-fired rotisserie chicken, savory chicken enchiladas and the brand's legendary side dishes, most notably the twice-baked potato. In 2010, Cowboy Chicken expanded its brand to include two more locations in Allen and Longview, Texas, growing the chain from three to five locations.

33. Sky's Gourmet Tacos

Los Angeles / No. of units: 1.5

For the past 19 years, Sky's founder and chef Barbara Burrell has sustained her eatery's quaint, delicious fare—articulated as “Mexican with a splash of soul”—in L.A.'s Pico-Fairfax area. However, June 2010 saw Burrell expand her brand to four wheels, specifically with a vibrant fuchsia food truck that hit the streets to serve a smaller slice of Sky's menu items: specialty tortas, burritos and, of course, tacos.

34. Naples Flatbread & Wine Bar

Naples, Fla. / No. of units: 2

Neopolitan pizzas and Tuscan flatbreads, beer and 30-plus varieties of wine by the glass craft a brand quite unique to the typical fast casual paradigm. The two-location chain further adapts to the market with daily and nightly specials. Date Night Sunday offers a full three-course meal for two for \$29.99. Wine Down Wednesdays provide half-price wine and beer all day, and buy one, get half off on the eateries' flatbreads pulls patrons in on Tuesdays.

35. Garbanzo Mediterranean Grill

Denver / No. of units: 13

This fresh, Mediterranean-fare concept added seven more units to its portfolio in 2010, including an expansion into the Boulder, Colo., area. Founder Alon Mor's mission to provide diners with healthy Mediterranean dishes, while also allowing



Fazoli's

patrons to personalize their food with a selection of meats, sauces and extras, has struck a chord with Colorado consumers. To-go catering options for a minimum of 10 people further expands Garbanzo's availability outside the normal, day-to-day dining realm.

36. Potbelly Sandwich Works

Chicago / No. of units: 200+

Potbelly's storied evolution from antique store to quintessential deli with more than 200 locations spread from the Midwest to the Northeast to Texas is one for the fast casual ages. Potbelly marries traditional deli sandwiches such as Black Angus roast beef, salami and/or turkey breast with modern, calorie-conscious modifications such as thin-cut bread, which eliminates one-third of the bread. Further unique concept touches include units that offer live music. Potbelly's expansion continues in 2011 with several new units already lined up for construction.

37. Sandella's Flatbread Café

West Redding, Conn. / No. of units: 150+

Open since 1994, this purveyor of wraps, sandwiches, quesadillas and flatbread pizzas expanded with 19 new U.S. locations in 2010. Additionally, Sandella's holds a significant presence in the Middle East with six locations in United Arab Emirates and one in Saudi Arabia. Common franchise forms include partnership accounts for units on college campuses, airports and downtown office buildings.

38. Paradise Bakery & Café

Scottsdale, Ariz. / No. of units: 73

Paradise Bakery, a full subsidiary of Panera Bread Co. since 2009, operates locations primarily across the West and Southwest, upholding its parent company's focus of coffee and fresh, artisan-baked goods as well as breakfast, garden salads, sandwiches, soups and specialty pastas. Paradise Bakery serves diners in a variety

of settings with locations in food courts, airports and free-standing street locations.

39. Le Pain Quotidien

Brussels, Belgium / No. of units: 150+

This Belgian brainchild offers its salivating patrons quality, organic boulangerie-style fare within an old-world communal dining atmosphere. Those lucky enough to live or work in the vicinity of this international import will experience tasty menu items such as tartines, specialty salads, soups and desserts. A noteworthy mission of this brand, which counts units in 19 countries, including its newest in Mumbai, India, is to maintain eco-friendly building standards and packaging, and to serve locally grown produce.

40. Fazoli's

Lexington, Ky. / No. of units: 315

Remodeling to create a more modern ambience and the addition of 400-calorie menu items are some of the modifications Fazoli's introduced in 2010. Over the past several years, Fazoli's has focused on its enhanced “Aaaahltalian Menu” of “comfort food that satisfies” for customers in the 33 states it holds units. Additional test changes in 2010 included switching from plastic dishes to traditional tableware for dining-in patrons and a complete overhaul of the chain's menu with great-tasting results.



Le Pain Quotidien

41. Specialty's Café & Bakery

San Francisco / No. of units: 29

Specialty's concept provides handmade sandwiches, homemade cookies and fresh soups and salads. Although Specialty's has bricks-and-mortar locations, it maintains a steady hold on the boxed lunch "desktop delivery" consumer segment. Specialty's provides a dedicated online model in which customers can place present or future orders to be picked up or delivered. Specialty's on-site baked goods and sandwiches also have found a niche with its market of patrons across the West Coast and in Chicago.



EVOS

42. Bean Sprouts

Middleton, Wis. / No. of units: 3

A dining concept that focuses on the dietary needs of children rather than adults? Founders Shannon Seip and Kelly Parthen designed an eatery that provides kids' dishes that are healthy, yet cleverly disguised, as well as a child-friendly atmosphere in which kids can mingle and/or eat with other kids. The results? Both tots and parents are loving it. In late 2010, Bean Sprouts expanded to a second location in the Madison, Wis., Children's Museum, and plans for a West Los Angeles location are in the works for 2011.

43. EVOS

Tampa, Fla. / No. of units: 9

This Florida-based eatery serves traditional all-American food such as hamburgers, fries and milkshakes prepared unconventionally, or "without the guilt." From naturally raised beef for a free-range steak burger, to quality poultry, organic milk and sugar for the milkshakes — cheap ingredients need not apply. Low-fat is a goal for this chain as well. Instead of deep frying the fries, for example, they are air baked. Find one of its locations in California, Atlanta, Chapel Hill, N.C., or Florida.

44. Tin Star

Plano, Texas / No. of units: 11

Quick-order fajitas, quesadillas, rice bowls—and less conventional fare such as cheeseburger tacos—are what drive patrons to Tin Star. Opened in Dallas in 1999, Tin Star has expanded over the years throughout Texas and into Tulsa, Okla. Three franchisees opened units in 2010 alone under the new leadership of Mike Rangel, president of M.D. Rangel Enterprises. Rangel purchased Tin Star from founder Rich Hicks in 2008 and has introduced digital menu boards and free Wi-Fi at San Antonio and Arlington locations.

45. Bread & Company

Nashville, Tenn. / No. of units: 4

A true passion for Nashville residents, Bread & Company's commitment to its namesake keeps the customers coming through the door. "Hand measured, hand shaped, hand crafted" baked goods with zero preservatives or additives, and atypical styles, is a business model that has served Tennessee residents well. Add a yummy selection of soups, salads, coffee and create-your-own sandwiches and you get what Bread & Company's found: a dedicated fan base.

Marketing Trend of the Year: Local store marketing *by Alicia Kelso*

In a year full of concept experiments, restaurant redesigns and mobile marketing, one trend stood out from the rest — local-store marketing, also known as grassroots marketing or guerrilla marketing.

Linda Duke, CEO of Duke Marketing LLC, said the idea, whatever you call it, should be considered from the minute a lease is signed on a new restaurant. Most of that restaurant's business, after all, will come from a 3- to 5-mile radius, and embracing the immediate community is imperative for multiple reasons.

"Consumers are not dumb; they can tell the difference between blatant price promotions on television, print or radio and when a restaurateur is sincere by hosting community fundraisers and giving back," Duke said. "The latter makes an emotional connection, and that is the real way to win customers and positive word-of-mouth."

Moe's Southwest Grill is one of many chains that have tested the concept, recently investing more than \$250,000 in a new grassroots effort to build up its community outreach program. The program's



objective is to eventually have each unit's general manager become the ambassador of their respective community and to yield a strong ROI.

"If (the program) is done right, it has a tremendous return on investment," said Jeff Slutsky, founder of Street Fighter Marketing, which is implementing Moe's LSM plan. "It allows the franchisee, for example, to totally control his or her territory, and they're less reliant on corporate staff or the franchisor to do the marketing for them."



Pret a Manger

46. Tossed

Fort Lauderdale, Fla. / No. of units: 6

For Tossed, a brand specializing in fresh gourmet salads, crepe wraps and sandwiches, one of its biggest innovations has been the introduction of a smaller kiosk model that allows the concept to fit into a whole new set of in-line locations, such as malls and food courts, as well as in open-air settings. In addition to the development of the kiosks, Tossed also named Jason Chodash, founder of Tossed Franchised Corp. and the company's current executive vice president, as its president. The title was previously held by Eric Schmitt, the chain's current chief executive. Chodash originally hired Schmitt to grow the business outside of its New York City origins, and today the brand has a presence in the Northeast, East Central and Southeastern United States. The company also plans to open its first international unit in British Columbia in 2011.

47. Pret A Manger

London / No. of units: 193

Known for its selection of upscale sandwiches, soups and salads prepared from all-natural, preservative-free ingredients, the London-based Pret A Manger is now looking to grow its number of units in the United States. The chain is eyeing domestic expansion in such markets as New York, Washington, D.C., and Chicago. In September, the chain introduced a new restaurant in Chicago, its second in that area.

48. Which Wich

Dallas / No. of units: 126

Which Wich Superior Sandwiches has attracted customers with eye-catching special promotions, including a patriotic "Flag Your Bag" campaign encouraging guests to create artful doodles on sandwich bags for U.S. troops, and a 99-cent value deal available at 60 participating stores. Which Wich, after opening its first store in Las Vegas last August, opened four stores in six days in December, marking the chain's busiest development week in its seven-year history. In 2011, the chain plans to open stores in such markets as Orlando, Fla.; Washington, D.C.; San Jose, Calif.; Salt Lake City; Cleveland, Ohio; and Alabama. "We're on target for more than 30 percent growth," said Jeff Vickers, vice president of business development.

49. The Habit Burger Grill

Irvine, Calif. / No. of units: 33

The 41-year-old chain, featuring such staples as its original "charburgers," fries, shakes and malts, has grown from one store in Santa Barbara, Calif., to a multiunit entity with locations across the state. In 2011, the chain, owned by Greenwich, Conn.-based private-equity firm KarpReilly LLC, plans to open its first restaurant locations outside of California, in the Phoenix area. Besides its core menu items, the chain, to appeal to the more sophisticated tastes of its growing customer base, also serves a number of grilled sandwiches, premium salads and a kids' menu.

50. Camille's Sidewalk Café

Tulsa, Okla. / No. of units: 84

Camille's is one of 12 concepts developed and marketed by Beautiful Brands International, which was founded by David and Camille Rutkauskas, Camille's most recently introduced a systemwide rollout of a 9-inch Artisan flatbread pizza in four varieties: Café Supreme, Super Veggie, Pepperoni and Meaty Deluxe. The flatbreads replaced Camille's lineup of gourmet pizzas, and according to David Rutkauskas sales have increased by 20 percent. In addition, the chain is venturing into nontraditional

locations with the opening last year of its first cafe at a Wal-mart Supercenter in Kissimmee, Fla.

51. MAD Greens

Denver / No. of units: 10

MAD Greens opened its first location in December 2004. Since then, the restaurant group has added locations throughout Denver, Boulder and Fort Collins and has donated thousands of dollars, food and manpower to area non-profit organizations. "Community events are the highlight of our work," said Marley Hodgson, MAD Greens' CEO. "And the word is spreading. With each new opening, we raise more and more funds for worthy causes." The group anticipates opening its 11th location in early 2011. In early April, MAD Greens also rolled out an online nutritional calculator, which tallies the total number of calories, fat, protein, carbohydrates and other standard nutritional information in any MAD Greens creation. The company anticipates posting nutritional information to their in-store menus by the end of 2010.



Lime Fresh Mexican Grill



Hot Head Burritos

52. Schlotzsky's

Austin, Texas / No. of units: 370

Since its acquisition in 2006 by Focus Brands, a division of Roark Capital, Schlotzsky's has been intent on growth. The 370-unit chain, which offers gourmet sandwiches on round, fresh-baked sourdough buns, said it expects to have between 600 and 700 stores in operation by 2015. In addition to undergoing an interior redesign and complete overhaul of its service model, the chain has initiated a co-branding deal with sister brand Cinnabon. The agreement allows Cinnabon's freshly made Classic Rolls to be sold on Schlotzsky's menu at approximately 50 stores.

53. Zoup!

Detroit / No. of units: 26

Since its humble beginnings back in 1997, Zoup! has not only souped up its unit expansion, but also grown its menu offerings to include numerous and better-for-you soups, salads and sandwiches. Today, the chain says it has something for everyone, including low-fat, vegetarian and dairy- and gluten-free options; plus, the soups come in 12 different varieties that change daily. Eric Ersher, Zoup! founder and managing partner, plans to open an additional 100 stores by 2014 despite the increased challenges from franchisees to secure financing. Nevertheless, Zoup! remains a bright spot for beleaguered Michigan, a state where many local businesses have suffered during the recession.

54. Hot Head Burritos

Kettering, Ohio / No. of units: 12

For Hot Head Burritos, 2011 is going to be the year of the franchisee. With 12 stores already in operation, the chain, known for its freshly prepared Mexican fare, began selling franchised units last January and has plans to open 30 units this year. Current expansion goals include openings in Pittsburgh, Cleveland and northeast Ohio, Cincinnati, Indiana and northern Kentucky. On the R&D side, Hot Head not only introduced two new sauces, sweet and extreme Habanero, but courted its female clientele with smaller-portioned items at a \$3.19 price point. According to Ray Wiley, Hot Head's co-founder and chief executive, "We have a lot of female customers who were coming in and ordering big portions, but splitting them. So we came up with the L'il Bowl, a smaller version of the Burrito Bowl, and the L'il Burrito, a smaller-sized version of our burrito. They also fit right into our kids' menu."

55. Ufood Grill

Newton, Mass. / No. of units: 8

For Ufood Grill, focusing on its core business, retooling the menu and redesigning its stores has returned worthwhile results. The chain, which specializes in better-for-you choices, is experiencing organic growth by inking deals with several contract foodservice operators in the travel and health-care segments around the country. The reason for the nontraditional growth, according to George Nadaff, Ufood's chairman and chief executive, is that those venues would "expose the ... brand to millions of consumers and support [the] growth plan for traditional stores in major U.S. markets." The chain also debuted at the U.S. State Department in Washington, D.C., following the General Services Administration's mandate that foodservice operators at government facilities provide wellness and sustainable options for federal employees.

56. Pandini's

Allentown, Pa. / No. of units: 23

Known for its gourmet pizzas, salads and sandwiches, Pandini's broadened its menu offerings and heightened its customer loyalty programs with special promotions that have attracted a variety of clientele. The chain, operated by the Allentown, Pa.-based Retail Brand Group, a division of Sodexo Inc., has introduced a number of limited-time offers, including East Meets West, which showcased a series of Asian-themed pizzas and pastas. Pandini's handcrafted dishes, created by executive chef Jason Casassa, are priced at around \$8 each. The chain also has jumped on the technology bandwagon, offering guests an opportunity to test out iPads for free at its Germantown, Pa., location.

57. Togo's

San Jose, Calif. / No. of units: 242

After 40 years in business that at one time included ownership by Dunkin' Brands, the San Jose, Calif.-based sandwich chain is now in turnaround mode and expanding its franchisee base by holding seminars in several Southern California cities. The chain, which franchises or operates 242 restaurants, recently opened stores in Nevada, Oregon and Washington State. "Togo's is the perfect opportunity for entrepreneurs who want to own a business and have a passion for great food and service," said Todd Peterson, the chain's vice president of development.



Ufood Grill

Bakers Dozen

13 brands that hit the after-meal mark

We've all heard the theory that a Hostess Twinkie can endure a nuclear attack. Now it seems that desserts in general have extraordinary survival characteristics.

For the past three years, consumers have reined in their spending for needs and wants, but desserts have remained consistent. They pick us up when we're feeling down, and they take us higher when we have cause to celebrate.

While desserts remained a small portion of restaurant menus in 2010, they presented a strong growth opportunity for operators looking to increase sales, particularly bite-sized options and frozen yogurt.

"One of the top five performing items in the past five years has been bite-sized desserts and frozen yogurts. Desserts and snacking within the U.S. is an important growth area," said Hudson Riehle, senior vice president of research and knowledge group National Restaurant Association. "If you think about how consumers use restaurants as meal solutions and life's daily pleasures, frozen yogurt is an area that has expanded and will continue to do so."

While the big brands such as La Madeleine and Grand Traverse Pie Company continue to deliver exceptional dessert offerings in addition to soups and sandwiches, concepts such as Crumbs and SusieCakes are working hard to make coconut cupcakes and whoopie pies household names.

Crumbs got its start in New York City and now has 34 open locations across six states. The company recently signed an acquisition agreement with 57th Street General Acquisition Corp. anticipated to help grow the business to 200 locations by 2014. It also was named No. 10 on "Inc. Magazine's" top 10 list of breakout brands in 2010.

Meanwhile, San Francisco-based SusieCakes is capitalizing on the East Coast popularity of whoopie pies, which are said to have originated in Pennsylvania. The owner, Susan Sarich, has three locations open and has been featured in publications that range from Sunset to the Los Angeles Times to Details.

The list wouldn't be complete without Sprinkles, the Beverly Hills cupcakery that has opened locations in Chicago, Houston and San Diego-La Jolla. The new units mean Sprinkles now serves guests in seven locations with two more — in New York City and Washington, D.C. — expected to open later this year. The concept also launched a cupcake food truck in 2010.

This baker's dozen, listed alphabetically rather than by rank, stands out because of the concepts' upscale offering, creative use of ingredients and ability to attract diners to the after-meal sweet spot. And as an addition to our Top 100, we think these brands are icing on the cake.

- Bittersweet:**
- The Chocolate Café**
- Crumbs**
- Finale Desserterie & Café**
- FreshBerry**
- Grand Traverse Pie Company**
- La Madeleine**
- Maggie Moo's**
- Nestle Toll House Café**
- Pinkberry**
- Red Mango**
- Sprinkles Cupcakes**
- Smallcakes**
- SusieCakes**



58. Spicy Pickle Franchising Inc.

Denver / No. of units: 34

After months of net losses amid the economic downturn, things are now looking up at Spicy Pickle Franchising Inc. The leadership of Mark Laramie, who took over as chief executive last April, has buoyed the Italian-themed sandwich chain, which is now in turnaround mode. According to Laramie, the franchisor of Spicy Pickle and 11-unit Canadian entity Bread Garden Urban Café, has secured funding through 2012, reduced costs by consolidating its supply chain operations, increased store-level profitability and launched a new advertising campaign for Spicy Pickle and is reimagining its Bread Garden Urban Café locations in Canada. The company also has embarked on new menu development at both chains and shored up new franchisee recruitment efforts and is preparing for accelerated expansion.

59. Penn Station East Coast Subs

Cincinnati, Ohio / No. of units: 220+

2010 was a big year for Penn Station, which celebrated 25 years in business and added about 10 new locations. The company's newest location opened in August in metro Chicago and features a newly designed front counter and grill that faces the customers. The company also earned several awards, including City Beat's "Best in Cincinnati" award in three food categories: Best Cheesesteak, Best French Fries and Best Sub Sandwiches. In

November, Jeff Osterfeld, who launched Penn Station in 1985, reported that same-store sales had increased month-over-month since January and that the company's projected revenue for 2010 was \$119 million, up from \$114 million in 2009.

60. OinkADoodleMoo

Dayton, Ohio / No. of units: 3

Imagine driving in your car, making animal noises to entertain your young son, and all of a sudden the words "OinkADoodleMoo" come out of your mouth. That's exactly what happened in 2006 to Mark Peebles, founder and president of the barbecue brand and former professional barbecue pit master. Peebles calls the concept "fabulicious," because it is "so fabulous and delicious." With one franchised unit already open for business, plans in 2011 call for the rollout of one franchised store per month and an ultimate goal of 1,000 restaurants in operation over the next few years. "We always say we're going to be the most sought-after barbecue brand in fast casual," Peebles said. "That's what we're going for."

61. Cheeseburger Bobby's

Kennesaw, Ga. / No. of units: 5

Cheeseburger Bobby's, the better-burger concept founded in 2007 by brothers Richard and Bob Stoll, is determined to offer its customers food items made with top-quality ingredients. The Kennesaw, Ga.-based chain, which was founded by the people behind the Stevi B pizza buffet concept, specializes in gourmet hamburgers, hot dogs, fries and frozen custard. It has five stores in operation and plans to open two new restaurants in Acworth and Dawsonville, Ga.

62. Obikà Mozzarella Bar

New York City / No. of units: 3 in U.S. (15 international)

With two locations launched in Los Angeles in 2010, Obikà Mozzarella Bar is building on its international reputation and the success of its debut U.S. eatery, unveiled in New York City in 2008. Along with Mozzarella di Bufala Campana DOP (Protected Designation of Origin), a distinctive cheese

made under strict European regulations in a limited area of Campania, Italy, the menu features cured meats, fresh fish and marinated vegetables, prepared with minimal cooking. Silvio Ursini, an executive at Bulgari, opened the first Obikà in Rome in 2004. The company's U.S. locations are being developed by Innovative Hospitality Concepts of New York City (eastern region) and B Ventures USA LLC of Santa Monica, Calif.



63. Boston Market

Golden, Colo. / No. of units: 490+

Boston Market was on a roll last year. With new CEO George Michel on board and a nationwide upgrade almost complete, Boston Market looked to herald in 2011 with a bang. In addition to its brand overhaul, the company invested in additional hospitality training for staff. Big changes also took place at locations in Hartford, Conn.; Washington, D.C.; Dallas; Phoenix; and Chicago, which replaced disposable plates and utensils with real plates and stainless flatware for dine-in orders; unveiled an expanded menu with new entrées and side dishes; and upgraded serving stations to include a Chef's Hot Case and carving stations. The company reports that the nationwide upgrades have contributed to positive guest feedback and a double-digit increase in guest counts and sales.



64. Wahoo's Fish Tacos

Santa Ana, Calif. / No. of units: 55+

With its fins firmly planted in California, Hawaii and Colorado, Wahoo's Fish Tacos began swimming into new territory last year with franchise opportunities available in Texas, Arizona, Florida, South Carolina, North Carolina, Virginia and Georgia. Founded in 1988 by three brothers, Wahoo's features an eclectic Latin American/Asian menu with a surfer vibe. Favorite items include the Kahuna Grande combo (a taco or enchilada with three taquitos, guacamole and sour cream) and Banzai Bowl (fish, chicken, carne asada or shrimp with banzai vegetables served over rice and beans). The company's promotions — such as its jingle-writing contest — seem to successfully lure in college crowds.



Vapiano

65. Cosi Sandwich Bar

Deerfield, Ill. / No. of units: 143

After selling 13 company-owned locations to a franchisee and regaining compliance with Nasdaq in early 2010, Cosi Inc. finished the year on a high note. According to the company's third-quarter earnings statement, Cosi reported a 2.9 percent increase in average guest check, 3.7 percent rise in traffic and 5.2 percent increase in same-store sales, with a total revenue of \$27.1 million. Cosi's made-to-order sandwiches with distinctive sauces and spreads are served in the company's signature flatbread.

66. Elevation Burger

Arlington, Va. / No. of units: 17

During the past year, Elevation Burger has more than doubled its number of locations in the U.S. and rolled out its first international franchises. Founders Hans and April Hess, whose Elevation Franchise Ventures LLC began offering franchises in 2008, report they have commitments to open more than 60 locations in existing markets as well as Dallas, New York and Washington, D.C, along with at least five in Kuwait. Their goal is to have almost 100 locations within the next few years to serve their 100 percent grass-fed, organic and house-ground beef, non-processed cheese, fresh-cut fries and hand-scooped shakes and malts.

67. Grand Traverse Pie Company

Traverse City, Mich. / No. of units: 18

Slow, steady growth and award-winning baked goods are fueling success for Grand Traverse Pie Company, which prides itself on supporting local farmers and producers. Owners Mike and Denise Busley, who launched their first restaurant in Michigan's cherry region in 1996, reaped the fruits of their labor in 2010 with a generous serving of national publicity. In November, Country Living magazine named Grand Traverse Pie Company's pumpkin pie as "The Best," based on a nationwide taste test. Grand Traverse's pumpkin and pecan pies also were featured on the set of ABC TV's "Good Morning America" during the holiday season.

68. Vapiano

McLean, Va. / No. of units: 70+ worldwide

With its sleek, urban décor and gourmet-style cuisine, Vapiano continues to impress its customers across the globe. More than 100 new locations are in development in the U.S., Europe and the Middle East. Quality food such as made-to-order hand-tossed pizzas, fresh, house-made pasta and hand-tossed gourmet salads have earned Vapiano an upscale reputation. Plus, the company has embraced technology by enabling customers to use a "chip card" to personally order their food or drinks from the bar or from the individual fresh pizza, pasta or salad stations. Talk about trendy!



The Counter Custom Built Burgers

69. The Counter Custom Built Burgers

Culver City, Calif. / No. of units: 25+

Opening its newest location in New York City's Times Square on Dec. 20 allowed The Counter to end last year with a bang. Along with its traditional menu featuring build-your-own burgers, ice cream shakes, malts and floats, the new restaurant features a lounge menu with spiked adult shakes and a diverse selection of handcrafted beer and wine. The Counter also expanded its standard menu in 2010 by launching a Market Selection program that offers local and seasonal protein, cheese, toppings, sauces and bread. Another change last year: The Counter completed the rollout of the MICROS Restaurant Enterprise Solution (RES) and mymicros.net reporting and business intelligence features for all locations to improve management of its complex ordering process.

70. Fresh City

Needham, Mass. / No. of units: 14

Founded by brothers Larry and David Reinstein in 1997, fast casual pioneer Fresh City continues its commitment to challenge guests to "Live Life to the Freshest" by adding new menu items that revolve around the "fresh fusion" of ingredients and flavors from around the world. For example, the company's Chef Selections include unique items such as a limited-time Salad Wrap featuring falafel, a high-protein, gluten-free Middle Eastern dish made with chickpeas, onions, parsley and Mediterranean herbs. Menu mainstays include made-to-order salads, sandwiches, burritos, wraps, Asian noodle and stir-fry dishes, created with naturally raised meat, poultry and seafood that is free from preservatives, antibiotics, growth hormones and animal by-products.

SEVEN UP

The brands reinventing fast casual fountains

The beverage landscape has changed quite a bit for fast casual operators throughout the past few years. While some operators have opted to remove traditional soda fountains from their restaurants, others have decided to enhance them.

In 2010, chains such as Pei Wei, Firehouse Subs, Schlotzsky's Deli, Wingstop, Tom & Eddie's and Elevation Burger tested Coca-Cola's "Fountain of the Century," the touchscreen beverage dispenser capable of pouring 106 varieties of carbonated and noncarbonated drinks.

The Freestyle has elevated Coca-Cola's stature to beverage brand leader, brought about by the technological capabilities of the dispenser that no one has come close to reproducing.

Why does the offering work for fast casual?

Fast casual customers — at least a few — want access to beverages that don't always pop or fizz, which makes the Freestyle's ability to pour everything from Coke-branded water, iced tea, low-cal drinks and soda a viable option.

However, not every fast casual restaurant chain is looking to reinvent its beverage wheel, which is why some opted to develop their own.

Wow Bao's homemade ginger ale is made with fresh ginger and has been called the perfect complement to its offering of bao and potstickers. By taking the homegrown approach, Wow Bao has found a way to offer its customers something they can't get anywhere else, another value add for the concept.

The beverage wars wouldn't be complete without a look at the coffee and smoothie categories.

Starbucks expanded the reach of its instant product VIA, while Seattle's Best brewed up a new market expansion strategy fueled

by high-profile retail relationships and expanded franchising efforts. Meanwhile, McDonald's continued its quest to compete with coffeehouse and smoothie leaders by expanding its lineup of both hot and cold beverages.

Jamba Juice also spent the year completing a majority of its refranchising effort and even launched a line for probiotic frozen yogurt to further support its brand position as a health and wellness concept. At the same time, Red Mango expanded its line of smoothies and continued to market its proprietary line of probiotic iced teas.

Here's a look at our top pics for those innovative brands in the beverage category, listed in alphabetical order:

- Coca-Cola**
- Jamba Juice**
- McDonald's**
- Red Mango**
- Seattle's Best**
- Starbucks**
- Wow Bao**



71. Fuddruckers

Houston, Texas / No. of locations: 225+

Financial challenges loomed large last year for longtime brand Fuddruckers. Magic Brands LLC, parent company of Fuddruckers, filed for bankruptcy protection in April and received court approval to sell, which prompted a bidding war. In June, cafeteria chain Luby's Inc. of Houston won the chain during a bankruptcy auction to purchase most of the assets of Fuddruckers Inc., Magic Brands LLC and their affiliates for \$63.45 million. Meanwhile, Fuddruckers launched its new Fudds Exotics menu platform, which features wild-caught salmon filet and burgers made from buffalo, elk, ostrich and wild boar.

72. Mama Fu's Asian Diner

Austin, Texas / No. of units: 13

In late 2010, Mama Fu's announced a three-unit area development agreement for its first locations in Pittsburgh, Pa., with the first slated to open during the first quarter in 2011 by Michigan-based Shaw Concepts LLC. The agreement is part of an aggressive national expansion plan calling for 150 restaurants in the next five years, according to Randy Murphy, president and CEO of Mama Fu's. The company's technology investments also seem to be paying off. Mama Fu's corporate locations now feature the HotSchedules Enterprise solution, which provides cost-effective, efficient employing scheduling and manager communication.

73. Newk's Express Café

Jackson, Miss. / No. of units: 25+

Investing in technology was at the top of the "to-do" list for Newk's Express last year, and it appears to have been a wise investment. After a successful pilot of the HotSchedules Enterprise solution at three locations, the company signed a deal to



Atlanta Bread

implement HotSchedules in all Newk's restaurants. Additionally in 2010, two franchise groups inked deals with Newk's to enter the markets of Atlanta and Athens, Ga. John's Creek, Ga.-based GBDL Holdings LLC and Atlanta's Many Glacier Holdings LLC are slated to open their first Newk's restaurants by spring 2011. Through the first 22 weeks of 2010, Newk reported same-store sales were up almost 10 percent over the same time period in 2009.

74. Salad Creations

Coconut Creek, Fla. / No. of units: 50+

Salad Creations experienced strong growth in 2010 with the signing of at least 10 franchise agreements in key locations such as at Universal Studios and the University of Southern California campus in Los Angeles, John Hopkins Hospital in Baltimore and on the campuses of Florida State University and Florida International University. The company's rapid growth from a single kiosk to more than 50 open locations in only five years can be attributed to its strategic area developer model and early move

into international franchising with current locations in Canada, Brazil and Kuwait. The company supports its franchisees with an extensive training program and comprehensive operating system.

75. Atlanta Bread

Atlanta / No. of units: 100+

Atlanta Bread proved there's nothing stale about its concept by landing at the top of the 2010 Zagat Fast Food Survey, which included 136 national restaurant chains. Atlanta Bread received Top 5 distinctions in two key categories: Healthy Options and Facilities. That marked the second consecutive year that Atlanta Bread placed among the Top 5 chains in both categories. Jerry Couvaras, the company's CEO and president, attributed the win to Atlanta Bread's dedication to updating its store design and décor, and continuously expanding its menu. During the holidays, for instance, the menu included a Turkey Berry Brie Sandwich and Roasted Organic Butternut Squash.

76. Bobby's Burger Palace

New York, N.Y. / No. of units: 5

Celebrity chef, cookbook author and television personality Bobby Flay came by his flair for showmanship honestly, beginning at age 17 when he first worked as a cook in Joe Allen's famed Broadway district eatery. Bobby's Burger Palace is a tribute to America's regional flavors and traditions, featuring 10 signature burgers inspired by the restaurateur's love of the grill and his extensive travels throughout the U.S.



Newk's Express Café



Boudin SF

77. Desert Moon Fresh Mex

Sicklerville, N.J. / No. of units: 10

A unique entry in the skyrocketing fresh Mexican/Southwestern segment, Desert Moon Fresh Mex first took root in New York. During a visit to Arizona, founder Kevin Rink fell in love with the area's Southwestern cuisine and decided to bring it back home by opening the first cafe in Yorktown Heights' Jefferson Valley Mall. The restaurants serve a 100 percent natural, preservative-free menu of traditional and nontraditional Mexican fare prepared without frying and in full-view open kitchens at locations throughout the East Coast.

78. Shane's Rib Shack

Atlanta / No. of units: 64

Having been purchased by Petrus Brands in January 2009, Atlanta-based Shane's Rib Shack promptly opened a location in Khobar, Saudi Arabia, and followed with new franchise agreements totaling more than 50 units, including 25 new stores in Alabama and 20 new stores in central Florida. Shane's began 2011 poised for rapid growth, looking to take its gluten-free barbecue deeper into Georgia, South Carolina, North Carolina and Tennessee. Growth plans also include expansion with multiunit operators in major designated market areas east of the Mississippi.

79. Zpizza

Newport Beach, Calif. / No. of units: 97

Zpizza is positioning its new personal-sized free-form crust pizzas rusticas as a "pure pizza flavor revolution." The organic wheat

crust artisan pizzas contain half the calories of the chain's regular pizzas and are created using ingredients authentic to the cuisines of India, Morocco, France and, of course, Italy. Flavor combinations include roasted eggplant and feta, curry chicken and yam, and pear and gorgonzola. The company, which opened its first location in 1986, has more than 400 locations in ongoing development worldwide.

80. Leeann Chin's Asian Cuisine

Bloomington, Minn. / No. of units: 41

This concept is a household name in Minneapolis, regularly receiving "Best Chinese Food" and "Best Takeout Food" ratings, as well as taking home numerous local and national awards for restaurant design. Although previous efforts to develop locations outside the confines of the Twin Cities area have been disappointing, the company is poised to embark on a third expansion attempt. In addition to an array of Chinese menu items, most locations boast the chain's proprietary Red Cherry frozen yogurt.

81. Boudin SF

San Francisco / No. of units: 7

Built on the success of San Francisco's 160-year-old Boudin Bakery sourdough cafe, Boudin SF serves high-quality, hot meals throughout the day. Each location features an on-site bakery where Boudin bakers mix, shape and bake sourdough French bread. Gayle DeBrosse, executive vice president of business development and franchising for owner Forklift Brands says, "Kids love to watch it. Everybody does."

82. Baker Bros American Deli

Dallas / No. of units: 15

Baker Bros American Deli co-founder Ken Reimer hit upon the idea for the concept after noticing a hole in the restaurant industry between quick serve and casual dining—the space we now know as fast casual. From day one, the upscale deli chain was set up to be a franchise vehicle for multi-unit expansion and designed to thrive in modest-sized

towns to major suburban markets, relying on flavor profiles that appeal to any region in the country. Although the company was relatively quiet in 2010, its consistency and appeal keep consumers coming back for more.

83. Denny's (Denny's Café)

Spartanburg, S.C. / No. of units: 2

The Denny's Corporation's fast casual restaurant, Denny's Café, offers a smaller version of the traditional Denny's experience, catering to guests with a more streamlined menu, a faster service model and a smaller real estate footprint that allows for easier entrance into urban markets. Guests can order from abbreviated menu boards at the counter, select their table and have the food delivered directly to them. The model varies from Denny's Express and is expected to complement the traditional Denny's experience.

84. Flying Star Café

Albuquerque, N.M. / No. of units: 9

New Mexico transplants Jean and Mark Bernstein grew up near New York City where cheesecake, deli meats served on fresh rye and authentic ethnic cuisine are the norm. Their love of this "everyday" food—unpretentious, delicious and plentiful—inspired them to open the first Flying Star Café. Twenty-two years and nine locations later, the concept's core menu remains the same: sandwiches, soups and salads, pastas, rice dishes and a variety of blue plates and regional specialties.



Shane's Rib Shack

85. Moe's Southwest Grill

Atlanta / No. of units: 400+

In a franchise expansion move expected to triple its number of locations over the next five years, Moe's Southwest Grill has entered into an agreement with Sodexo Inc. that targets education, government, health-care and corporate locations. Moe's president Paul Damico predicts a big leap in brand awareness from these nontraditional, high-traffic venues. The company celebrated its 10-year anniversary in 2010 by giving away free six-ounce servings of queso to guests on July 21.

86. Muscle Maker Grill

Woodbridge, N.J. / No. of units: 30

When Rod Silva took up bodybuilding, he found that 80 percent of the benefit gained through exercise depends on eating the right foods. The trouble was he couldn't find a restaurant that offered the correct nutrition he required. Having come from a family of great cooks, he began creating recipes of his own. Muscle Maker Grill offers nutritious, lean and protein-based alternatives to fast food and now operates in New Jersey, New York, Pennsylvania and Florida. Five new locations are under development in the East Bay Area of California.

87. Wolfgang Puck Express

Beverly Hills, Calif. / No. of units: 80+

This fast casual variation on celebrity chef Wolfgang Puck's signature French-inspired cuisine continues to thrive, bringing fresh, natural and organic products to people on the go in nontraditional, high-traffic locations. Expansion has included airports, convention centers, universities, supermarkets and shopping malls throughout the United States, Canada and Japan.

88. Roam Artisan Burgers

San Francisco / No. of units: 1

An impressive entry in the healthy, eco-conscious burger arena, San Francisco's Roam Artisan Burgers offers diners a



Wolfgang Puck Express

choice of grass-fed beef, free-range turkey, all-natural bison or house-made organic veggie burgers. All of Roam's meat comes from a select group of purveyors and is humanely

raised on open pastures. What's more, Roam's fries are cooked in rice bran oil, pickles are made in house, the sodas are sweetened with low-glycemic agave nectar, and nothing contains corn syrup or added trans fats. Meals are paired with organic milkshakes, house-made sodas, wine and kombucha on tap and local beers.

89. Boloco

Boston / No. of units: 16

Thirteen years after opening as "Under Wraps," (which was changed to "The Wrap" almost immediately and then to its current name following a 2005 branding study), this New England-based "inspired burrito" concept was recognized in 2010 by Inc. magazine as one of 5,000 fastest-growing privately held companies in America. Boloco opens its 17th regional store this spring, and last year raised \$5.5 million in equity capital for further expansion. The company also has grown its philanthropic efforts, contributing some \$50,000 to community-based nonprofits in 2010.

90. The Loop Pizza Grill

Jacksonville, Fla. / No. of units: 14

As major pizza chains battle out the unending \$10 pizza wars, smaller systems such as The Loop are quietly flexing their own competitive-price muscle. Last year, The Loop Pizza Grill rolled out a test promotion offering guests four 8-inch pizzas for the price of three. If successful, the Jacksonville, Fla.-based chain will launch the promotion system-wide. The Loop launched the deal specifically because a big part of its demographic includes families of four. Also,

four 8-inch pizzas fit in the company's 16-inch, take-home box.

91. Wingstop

Richardson, Texas / No. of units: 475+

With its 1930s and 1940s "pre-jet" aviation-themed décor and a menu focused solely on cooked-to-order chicken wings, Wingstop has made quite an impression on its guests. A recent study from Technomic Inc. found that consumers in markets where there is a Wingstop restaurant ranked the chain as the No. 1 concept for wings. Last year, the company launched a franchise incentive program, opened its first location in Queens, N.Y., and became an official sponsor of the L.A. Lakers.

92. The Mixx

Kansas City, Mo. / No. of units: 2

With stores in chic Kansas City shopping and entertaining districts, The Mixx has secured its reputation as a stylish, upmarket milieu. Founder Jo Marie Scaglia keeps the menu urbane, too, with gourmet salads and sandwiches made from locally procured ingredients when possible. In 2010, Bon Appétit magazine named Scaglia's Bosch Berry Salad one of "The Best Salads Ever." The restaurant also got kudos for an Earth Day initiative that distributed reusable take-out totes. In 2011, The Mixx will investigate expansion options in Kansas City as well as franchising opportunities in other regions.



Boloco

93. Hello Pasta

New York City / Locations: 3

A start-up this energetic could be fueled only by complex carbohydrates. In 2010, a trio of Frenchmen in New York borrowed the portable pasta trend, taking their home country by storm, and, voilà, Hello Pasta was born. Entrées comprise all-natural pastas and organic sauces that cost less than \$10. To serve a youthful demo, Hello Pasta offers online ordering from its Facebook page, an electronic loyalty program and Twitter updates. The chain's first three locations opened within a six-month window, with a fourth, mall-based unit following in February 2011. The system already has domestic and international deals in development and will introduce a formal franchising program in March.

94. The Cheese Course

Weston, Fla. / No. of units: 4

This Old World-inspired cheese shop-and-café concept continues to pursue a steady course of growth with two additional units slated to open in spring 2011. The cheese cases contain more than 150 small batch, handmade cheeses for sale, and each store also includes an intimate dining area where guests can enjoy the bistro's gourmet salads and sandwiches, all of which feature artisanal cheeses, of course. The concept continues to make education a top priority and offers on-site classes and

demonstrations on serving and cooking with artisanal cheeses.

95. Bistro Babusan

Dallas / No. of units: 1

With its opening in April 2010, this Asian eatery fused not only a wide range of flavors spanning South and East Asia, but also the experience and efforts of two proven Asian restaurant operators, Al Bhakta, president and CEO of Genghis Grill Franchise Concepts LP, and Mark Brezinski, founder of Bengal Coast Restaurants LP (and co-founder of Pei Wei). New and unusual flavor profiles range from Chinese to Japanese to Thai, Korean and Indian, with all made-to-order entrée prices falling below the \$10 mark. Also unusual is this fast casual concept's inclusion of a full bar.

96. Salsarita's Fresh Cantina

Charlotte, N.C. / No. of units: 81

This fresh-Mex concept did not quite meet its early goal of 200 units by 2008 (that's been pushed back to 2014) but still qualifies as one of the nation's fastest-growing fresh-Mex chains. In 2010, the company expanded into two new markets — suburban Kansas City and Tyler, Texas — and opened its first international location in Puerto Rico. Salsarita's also has worked to find a niche for itself in nontraditional venues, which now constitute 20 percent of the system. In 2010, the chain added three university campus locations and a unit at Lowe's Home Improvement corporate headquarters.

Food Trend of the Year: Local



By Elissa Elan

As consumers become savvier about their food choices and seek to cut costs and their carbon footprints, local sourcing is more popular than ever before.

As a result, operators are changing the way they purchase ingredients to satisfy the public's growing desire for foods that are good for them and better for the environment.

The sourcing of local produce, meats, seafood and even wines was big in 2010 and is expected only to grow.

By embracing local sourcing, a number of restaurant owners have started to buy items grown or raised within 150 miles of where their dining establishments are located. The practice cuts down on the distance the food travels, making the operation that much more energy- and cost-efficient.

Erik Oberholtzer, chef and co-owner of Los Angeles-based Tender Greens, which serves sustainably farmed produce and proteins, is one such operator whose concept depends on locally sourced ingredients.

"The whole concept is built on what our farms grow," he said. "We know when they are harvesting and when their products are at their best because we've developed relationships with them. Because of that relationship building, we get privileged quality and prices that other people don't have access to."



Salsarita's Fresh Cantina

Calif. The menu also grew in 2010 with a new line of panini sandwiches. Additionally, the company launched its "True Nutrition" initiative, reducing the calorie count of signature salads to under 300 and adding new ingredients.

"Unplugged, Under 40." "We're more than just a restaurant; we're a lifestyle brand. We like to call it the sweet life, and we like to have fun with it," said Ru. The average age of Sweetgreen's corporate staff is 27, and employees are encouraged to partake in yoga classes at the office or rock climbing excursions as a group. The company is aiming to have 12 open locations by 2012 and has built the concept by focusing on local and sustainable ingredients.



I Dream of Falafel

99. Sweetgreen

Washington, D.C. / No. of units: 8

In July 2007, three college graduates decided to open a restaurant in the Washington, D.C., neighborhood of Georgetown. Just four short years later, Nicolas Jammet, Jonathan Neman and Nathaniel Ru, founders of Greens Restaurant Group LLC, have expanded the concept to Virginia

100. I Dream of Falafel

Chicago / No. of units: 2

In 2009, brothers Imran and Munaf Kasbati and their partners Shoib Aziz and Henry Nuguid sold their other restaurant interests to serve up fresh-made fast casual Mediterranean food with a new concept, I Dream of Falafel. The first store took off quickly, prompting the partners to fire up a second Chicago Loop location last May, followed by a third due to open this March. Next, they hope to test their concept with suburban weekend and dinner markets (lunch traffic now comprises more than 90 percent of business) and, if that goes well, launch a full-scale franchise effort.

97. Charley's Grilled Subs

Columbus, Ohio / No. of units: 422

This Philly cheesesteak specialist calls itself one of the fastest-growing submarine chains in the world and it is expanding at a rapid pace. In 2010, the system added 38 new units, including its first in the Dominican Republic. Current planned growth calls for 46 new units in 2011, which would bring the company within striking distance of its goal of 500 locations by year end. International growth plays a big role in expansion: Charley's will break ground in Brazil this spring and is working to increase its presence in the Middle East and Latin America.

and, this past year, launched a mobile cuisine vehicle selling frozen yogurt and salads. Sweetgreen and its founders have been featured in publications such as Spin, Star and US Weekly, and in September were featured on the CBS series

98. Saladworks

Conshohocken, Pa. / No. of units: 100+

This Philly-area salad/soup/sandwich chain scored a major franchising coup in 2010, signing 26 agreements for a 136 percent increase in contracts over 2009. The deals authorize 48 new restaurants within three years and will expand the Saladworks brand beyond core service areas in Pennsylvania and New Jersey into nine new markets, including Dallas; Baton Rouge, Fla.; and Orange County,



Sweetgreen

Q&A Ron Shaich

The accidental philanthropist

How Ron Shaich used skill, knowledge and know-how to launch an industry movement.



By Valerie Killifer

Ron Shaich probably wouldn't describe himself as a corporate America philanthropist. In fact, at the start of his young career in the restaurant industry, Shaich had just ditched a long-held belief that he would go into politics, opting instead to start a student-funded convenience store at Clark University in Worcester, Mass., where he was attending school.

He discovered he had a passion for business and from that experience applied and got accepted into Harvard Business School.

After a few twists and turns, his career landed him in downtown Boston in 1981 as the owner of a small cookie shop. Shortly after its start, he added bread to the menu

and merged with the then three-unit Au Bon Pain, helping to grow the concept to 225 stores.

In 1993, Au Bon Pain purchased St. Louis Bread Co., which piqued Shaich's interest because of its growth potential. The chain had 19 units at the time, but Shaich believed in its ability to give consumers a high-quality meal at a reasonable cost.

In 1998, he sold Au Bon Pain's business units, except for St. Louis Bread Co., and created Panera Bread. Panera Bread now has 1,421 units and posted \$1.35 billion in sales in 2009, the same year he brought up his idea to open a pay-what-you-want restaurant. Although he's no longer Panera Bread's CEO, he is chairman of the company's board and still very actively involved in its operations.

At the age of 57, and with an annual income of approximately \$1.5 million (more than \$3.3 million if you include total compensation), Shaich is in a position to return to the reason he wanted to get into politics: to help make the world a better place.

FastCasual.com: When did the idea of Panera Cares and the Panera Bread Foundation originate?

Ron Shaich: It was not something that I had been thinking about for 20 years. Where it comes from is the idea that Panera Bread has had such success in the communities in which it operates, and part of what we've done is build relationships and communities.

Several years ago, we were watching a special about a café in Denver that had opened as a community café as a gift to the community, and I remember saying: "Heck, we open two restaurants a week, we have 60,000 employees; this is the kind of thing we should do."

We give away \$100 million in product each year and can put ourselves on the line rather than write a check.

(cont. on next page)

FastCasual.com: How did franchisees in the Panera Bread system respond to the concept?

Ron Shaich: We talked to franchisees and a lot of them were interested in the idea. With food banks, the one thing I realized was these aren't attractive places — there isn't a lot of dignity to it.

The second thing was, if we were going to do it, we couldn't operate it through a conventional cash register. We had to give people dignity.

FastCasual.com: How does the concept work?

Ron Shaich: When people walk up, we ask them what they want. There is an indication of a suggested retail price, and they go to a donation box and give what they want. Twenty percent give more, 20 percent give less and 60 percent give what is expected.

What makes this work is that we have put this in a 501(c3) foundation, and there's complete transparency. We call this café a shared responsibility. This is our gift to the community, and the community's responsibility is to take care of each other. It's not a handout and it's not a soup kitchen. It's a hand up.

Assuming the community is willing to support it, we use the revenue for direct programming to support groups like the Covenant House. But I think the key to this is transparency. People have to understand where the money is going and why and how it adds to their community.

FastCasual.com: How do you determine the markets in which Panera Cares opens?

Ron Shaich: It's not a scientific thing. We need to be in an area where people



can sustain it and also where people can benefit from it. Detroit has been a great market for Panera Bread and had its share of misfortune, and we're trying to bring it some good fortune.

In Portland we wanted to move out of the Midwest and into a downtown area where we thought there was real need.

Here's the view of it. We want to just make a difference. We're helping the lives of the 6 million people that come into Panera each week and the 60,000 people that work there. Like everything else, if it works, we'll keep doing it; if it doesn't we'll have to slow down and take care of it.

The foundation has been the recipient of all of our operational funding and then it's distributed from there. Ultimately, we'll endow it as a separate foundation.

FastCasual.com: How did your vision for Panera Cares line up with the finished product?

Ron Shaich: I think that we had an original vision, but we had to be flexible in execution. The vision hasn't changed and yet the execution continues to evolve. In the first store I spent two weeks there and realized we didn't have a greeter position. I've been here for four or five days (at the Detroit restaurant) and am trying to figure out how to execute the concept.

FastCasual.com: How has this experience differed from your time at Panera Bread?

Ron Shaich: I view life as a journey. I love Panera. I'm still involved in Panera and very involved in the customer experience. This is an extension of that and figuring out how Panera Bread makes a difference in the community. I've evolved, I haven't changed. My life for 30 years has been about how do we make a difference in the lives of our customers. It's easy for me to

keep doing what we've been doing. It's a continuation.

There were two big-picture things: One is there was a test of humanity. There are the cynics and then the optimists who say, "Hey, listen, everybody has had their share of troubles in life; people are ultimately responsible and they will step up." People are fundamentally good. Not everybody is good, but I can't organize my life around the people who don't get it.

And test two: We're trying to work with a bunch of other companies. We always talk about shareholder value, but we have a responsibility to our guest, to our team members. When I think about Panera, I think about the team, and I better make the right decisions as a steward of that place. The challenge for lots of companies is providing value in those communities. There are lots of opportunities for companies in America to add value. This is our country, it's our society and we get what we put into it.