

RESTAURANT BUSINESS.

REINTERPRETING A CLASSIC

From Johnny's Italian Steakhouse.

At a time when the 500 largest U.S. restaurant chains saw a 1.4 percent decline in annual sales growth in 2013 compared to 2012, full-service steak houses showed a healthy growth of 6.2 percent, according to a 2014 report from Chicago research firm Technomic.

That growth is encouraging for brands such as Johnny's Italian Steakhouse, a mid-range steakhouse concept conceived by Heart of America Group, an operationally-oriented restaurant company with over thirty years of industry experience. Creatively blending traditions of the past with the class and edge of modern-day restaurants, Johnny's is uniquely positioned to attract a wide variety of guests, from business travelers and tourists to local residents in search of an affordable fine-dining experience.

In fact, Johnny's plays host to a wide demographic—its locations are packed at prom, but they're also ideal for baby boomers seeking an atmosphere that's conducive for conversation. Additionally, the brand isn't only designed for men. "Our designers spent years creating spaces that weren't remnants of traditional, male-dominated country clubs," says Ajay Singh, vice president of brand development for Johnny's. "Johnny's carries enough of a feminine undertone to encourage groups of female diners to enjoy dinner."

But Johnny's isn't just a refreshing experience for guests—it also provides operators with a proven concept that's poised for success in any market. "We designed Johnny's from the ground up to be operationally successful," says Singh. "We didn't want the trappings associated with chef-driven concepts, so we built a platform that would allow strong executors to succeed."

PROVEN SUCCESS

"We outperformed expected revenues in the first year for both lodging and food and beverage and results continue to improve," says Tom Larson, president of Larson Management, Inc. and owner of the first Johnny's franchise in Eau Claire, Wis., which opened in August 2013.

As his company planned for a high-end Holiday Inn in the business district of Eau Claire, Larson searched for a brand that would complement the property with a distinctly upscale restaurant and bar space to meet the specific needs of savvy business travelers and, at the same time, become a destination restaurant for locals.

Having operated more than 20 different hospitality concepts over the years, Larson knew when he met the Heart of America team that he'd found what he sought.

"I've worked with a variety of other companies," says Larson, "and one thing that stands out is that they have a track record of being successful operators themselves. Franchisors who have success as operators tend to be the best partners," he adds, citing Heart of America's success with its own Johnny's locations.

INCOMPARABLE TRAINING

Mike Adams, managing director of the Eau Claire Johnny's, can barely contain his enthusiasm for the brand, either. "Everyone claims to be the best," says Adams, "but Johnny's really is."

Heart of America's training team, says Adams, who's worked for seven brands prior, helped him teach and prepare his staff in a way he's never witnessed. "They handled everything flawlessly, from the kitchen to the house. My team was perfectly set up to handle the guests—in ten days!" he adds.

Also, because Johnny's was a new name in Eau Claire, Adams knew his staff needed to create an ambience and dining experience that transcend the ordinary. "One woman told us she felt like she wasn't in Eau Claire, but in New York or Chicago," he says. "It's a drop-dead gorgeous place, but if the staff doesn't match the environment, it won't work," says Adams.

A PRODUCT THAT SELLS ITSELF

In fact, several visits to the Eau Claire Johnny's convinced Rob Uehran, a partner with Spirit Hospitality in Fort Collins, Colo., that the brand would be a perfect fit for the Hilton Garden Inn his company plans to open in Cheyenne, Wyoming. "I like to show up unannounced as a guest. I did that every time when I was researching them and was always blown away by the experience," says Uehran.

For the Cheyenne project, Uehran and his team were looking for a brand that would make a positive impact on the downtown location. "We wanted to impress a little more; we wanted to pull the community in and help energize their downtown and Johnny's will definitely do that," he says.

His experience with the Heart of America team convinced Uehran that this would be a productive partnership. "Their training and ongoing support really blows you away," he says. "It feels like we're on the ground floor of a unique trend," adds Uehran.

HIGH-END STEAKHOUSE WITH MID-RANGE PRICES

Bob Ritter, vice president of operations for Middletown Hotel Management, agrees. His company is developing the Centre Park conference and event center in North Cincinnati, due to open in fall 2015. This multi-purpose project will include a Holiday Inn, 26,000 square feet of meeting space, a ballroom for 600 people, a chapel—and Johnny's Italian Steakhouse. "Johnny's will absolutely blow away our guests," says Ritter. "This is no roadside steakhouse," he adds.

When visiting the Des Moines Johnny's, Ritter learned that another branded hotel sent guests by van to eat at Johnny's, rather than at the property where they were staying. "This does NOT feel like it's a chain," says Ritter. "It's as close to fine dining as you can get without paying the price," he adds.

Larson, who is already looking for another opportunity similar to the Eau Claire property, agrees. "We will do another Johnny's," he says. "I think this concept is just going to grow."