



Trufoods' revamped brands ready for growth

6/25/10 - Christa Hoyland



Instead of plowing forward, sometimes it's necessary to take a step back, halt growth and re-evaluate a restaurant brand's internal systems. Andy Unanue took just that approach when he purchased the four, small quick-service brands that now make up Trufoods.

Beginning in 2007, the franchising company acquired Pudgie's Famous Chicken and Wall Street Deli as well as the franchising rights to Arthur Treacher's Fish And Chips (Nathan's Famous retains the intellectual property rights). The following year, Unanue brought in Ritter's Frozen Custard. Following those purchases, he recruited the company's management team, including Gary Occhiogrosso, chief development officer for Trufoods.

Having grown up with several of the brands, Occhiogrosso was glad for the opportunity to help the QSRs reach their full potential.

"I saw it as an opportunity to take something that people know of and love — and good food — and really reimagine it and rebrand it and re-launch it to franchise community," he said. "It was an opportunity to get involved and put these brands back on the map."

Each of the brands had its own history, most having grown only to retrench. Still, each was recognizable and had awareness in its key markets — and Unanue saw that with the right operations system and a strong business plan, the brands could grow.

Improving the brands

Occhiogrosso and the Trufoods management team drilled down into the operations of each concept and made improvements to cut costs and make them more attractive to potential franchisees.

They began by returning each brand to its core values while also developing a product development and marketing strategy. On the menu side, each brand now has a cohesive program focusing on its core offerings plus regional specialties. Several of the brands also developed new offerings, including Ritter's recently launched probiotic frozen yogurt.

To improve the franchise model, Trufoods worked with its suppliers to get high-volume pricing and decrease its cost of goods sold. The company also improved its support and training for franchisees as well as developed a standard equipment package and a value-engineered buildout to reduce startup costs.

Trufoods also launched a co-branding program, pairing Pudgie's Famous Chicken with the seafood brand Arthur Treacher's, and Wall Street Deli with Ritter's Frozen custard. The company is sweetening the co-branding program by offering a reduced fee for the second brand.

To facilitate lending in today's tight credit market, the company has worked with various lenders and leasing companies to create a business plan and lay the foundation for franchisees.

The company's goal is to triple the size of each brand over the next three years, primarily through franchising.

"Now that we've got the operating systems in place, we feel that's a realistic number at this point," Occhiogrosso said.

Here's a look at the various brands:

Pudgie's Famous Chicken, founded 1981

Locations: Seven in the New York tri-state area

Service model: Carryout/delivery

Signature product: Skinless fried chicken plus various sides, such as spinach and sweet potatoes

Innovations: Re-launched the brand's chicken wings in original or boneless as a featured product, offering five different sauces, including various heat levels.

Social media: www.facebook.com/ILovePudgies

Ritter's Frozen Custard, founded 1948

Locations: 30 units, mostly in the Midwest

Target expansion areas: Indianapolis, Houston, Ohio, and existing Florida markets

Service model: Walk-up order window with outdoor patio seating or inline with carryout/dine-in

Signature product: Frozen custard made on site

Innovations: High quality probiotic frozen yogurt to meet consumer demand for healthy products

Social media: www.facebook.com/ILoveRitters

Arthur Treacher's Fish & Chips, founded 1969, with Wendy's founder Dave Thomas among the founders

Locations: 26 along the East Coast as well as in Ohio and Pennsylvania.

Target expansion areas: Ohio and Pennsylvania as it co-brands with Pudgie's

Service model: Carryout/dine-in

Signature product: Batter-dipped fish 'n' chips

Innovations: Fish taco, scheduled to launch in July, to target younger demographic

Social media: [Facebook group page](#)

Wall Street Deli, founded 1967 as Stand N Snack, renamed Wall Street Deli 1987

Locations: 22 units, concentrated in Washington, D.C., and Virginia as some in Utah and Denver, mostly non-traditional

Target expansion areas: Chicago, Washington, D.C., New York metro area, non-traditional

Service model: Non-traditional offers carryout, standalones offer carryout/dine-in

Signature product: High quality New York-deli style sub sandwiches

Innovations: New Newport, N.J. location leans toward fast casual in décor and seating package, focus on co-branding with Ritter's

Social media: [Facebook page](#)