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Help your local businesses... ‘go out’ for lunch and dinner more often - By Dennis Serpone

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The stock market is soaring to record levels, oil prices are down, housing sales are off the charts, the newer lifestyle centers and the older malls are short on parking spaces...at least when I go, and the higher end restaurants seem to have substantial waits if you're going out around supper time almost every night of the week.

Doesn't it feel good? It feels like, at least for those with a job or retired with a pension, those with 401(k), those that have been stashing money into retirement funds, and those just playing the stock market that the good old days are back. There's nothing but profits ahead driving our economy.

Look at all the new retail projects, and the multitude of residential projects...hundreds of thousands of feet slated for retail. All you have to do is count the cranes dotting the landscape. These projects typically don't get funded unless the developer has a fist full of Letter of Intent (or signed leases)...the Seaport District in Boston, the ever-growing Assembly Row in Somerville (who would have thought 10 years ago), Market St. in Lynnfield is still expanding (good luck finding a parking space)...and a hundred smaller centers being built throughout the region or in advanced planning and approval mode. Welcome the Wynn Casino.

For us, 'restaurant specialist', the business has never been busier. The strong restaurant operators are benefitting from maintaining their loyal customer base and, in some cases, are taking the opportunity to expand into new markets; the restaurant owners who have been considering selling have recognized the huge tax saving on capital gain taxes and are bailing out at an alarming rate, and the weaker operators who, up till now, have been able to survive with all the staffing and competition problems have run out of resources and are selling out or just walking away.

The Nation's Restaurant News recently reported on what we in the restaurant brokerage community have been seeing for the last couple of year, "Pushed by Wall Street and private investors, restaurant chains have been growing for years, outpacing demand and putting pressure on industry traffic. Traffic (on individual restaurants) has fallen in 23 of the past 24 months. This suggests that the supply of all kinds of restaurants has outpaced supply." It seems that everywhere you look

there's a new restaurant chain site popping up...Panera, Buffalo Wild Wings, Red Robin, Domino's, Capital Grille, and of course Starbucks and Dunkin', to just name a few, are everywhere.

But it's the independents, the mom and pop operators, who are the backbone of our economy. They're the entrepreneurs who invest their life savings to build a business, they're the people who are putting people to work, they're the people who risk everything for that dream of 'SUCCESS'. However, that dream is clouded by two distinct gray clouds...maintaining, or finding, good help and dealing with competition. In the land of the free, anyone can open a restaurant...meet the local codes and you can be in business. The problem is that you may survive, but you may not be successful in an average town that has 14 pizza shops, 12 Dunkins, two Panera's, 12 full service restaurants...Italian, Chinese, Mexican, Brazilian, Middle Eastern, etc. Today, more and more people are staying home, ordering 'take-out' or simply buying prepared dinners at the local supermarket.

As much as I'm against gov't regulations, maybe, just maybe, in the same way towns limit liquor licenses, 'maybe' towns should evaluate and control the growth of particular types of restaurants. The Times They Are a Changin'.

However there are things that won't change in 2018. The first, not even considered a few years ago, sexual harassment. Shame on any operator who doesn't address this problem with his staff. The problem is that even after training, a disgruntled employee can file a complaint...and you're 'guilty' until proven innocent! It's all over the news...guilty by accusation. Where are the lie detectors?

Second, home delivery is going to grow dramatically. Whether you have a full service restaurant, fast food, or now liquor stores, if you don't offer delivery, your competition will. This will exacerbate the staffing problems...more systems, more training, more distractions from your core business of serving in-house.

Thirdly, competition. Competition for help, competition for customers, and competition to protect your bottom line. Today customers want it all...convenience, reasonable and affordable pricing, good service, and a positive experience. For the consumer, the choices of where to spend your food dollar are immense. People tend to seek 'an experience'. Locally, three that come to mind are; Kings Dining & Entertainment, Hooters and Dave & Busters. As a simple example of 'experience', people don't necessarily go there to eat, they go for the bowling, the bars, and music at Kings, they go to D & B for the numerous games and big TVs, and they go to Hooters for the obvious.

Fortunately, against all odds, the small business owner, the restaurateur, the entrepreneur, will survive and prosper because people have to eat, people need to socialize, people need to spend time with family and friends. Help your local businesses... 'go out' for lunch and dinner more often.

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