



# nerb

## **The road from rags to riches can be followed by connecting the dots... bar to bar, pub to pub**

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The restaurant industry is going through some tough times...government intervention is the culprit, whether it's the creeping up of minimum wage, energy-production restrictions, entitlement programs, or local operational guidelines and restrictions, the business with the greatest profit margins or, put another way, those with the lowest cost of goods sold are the most in demand.

The two in that field are bars and breakfast and lunch places. For the purpose of this article, bars are worth discussing. Years ago I built a small chain of pubs on Cape Cod...simple, limited menu (no gourmet chefs need apply) and a small bar. Back then the drinking age was only 18, the drinks were large and the waitresses young and beautiful. High volume, low cost, high profits.

In the bar business you made more money per revenue dollar than you do in a regular restaurant. The bar business is one that is quickly responsive to marketing promotions yielding immediate profitability.

As in most businesses, you must be constantly generating new faces along with coddling your regular customers. A bar has to wear several hats...it has to be a place where friends meet, it has to have decent food, it must have a air of security, and it has to be a comfortable alternative to an office for an informal business meeting. It's not a home, it's not an office, and it's a neutral place that should be inviting and comfortable. In lieu of meeting over dinner or coffee, a bar or pub is a perfect place to discuss business or real estate deals or watch a game. Bars have started and ended more love affairs and caused more divorces than society cares to acknowledge.

Local bar, sports bar, gay bar, martini bar, dive bar, big bar, small bar, landmark bar, new bar, pizza pub-the types are as creative as you want to be.

Successful bars have only a couple of critical ingredients that succeed from the day they opened (or new management took over from a failed operation) that is managemen. The seasoned operator recognizes the value of attractive personable bartenders and servers.

In our trade area, a classic, but extreme example is Hooters, Cask & Flagon, the Oak Bar, the Fours, the Half Way Cafes chain, Way O'Connors, the Black Rose, the bar at Wahlburgers, the Black Cat in Hyannis in the summer.

Operators need to create a reason to bring people back to the point going to ones favorite bar becomes a habit. Whether it's because of good-looking bartender, the sweet young waitress, the friendly host that greets you at the door and remembers your name, success is almost guaranteed. Yes, even us old folks prefer to be constantly reminded of those yesteryears 'hi ho Silver'.

Over the last 34 years, NERB has sold so many bars it's impossible to keep track except every few have ever come back on the market. We've built the largest restaurant brokerage and consulting company in the country by bringing on seasoned food and beverage professionals who are schooled and experienced in the nuances of this exciting industry.

The road from rags to riches can be followed by connecting the dots...bar to bar, pub to pub. Dennis Serpone is president of New England Restaurant Brokers and The National Restaurant Exchange, Wakefield, Mass.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540