

The latest breakfast trends and insights



WEB EXCLUSIVE

April 30, 2010

Breaking Out

Jody Maroni's Sausage Kingdom is going mainstream with its first traditional location. *By Jamie Hartford*

Since opening its first restaurant in 1984, Jody Maroni's Sausage Kingdom has been confined to non-traditional locations, such as stadiums, airports, and outlet malls. Not anymore. In February, the Venice, California-based quick-serve opened its first traditional location.

Franchisee Anina Siddiqui opened the 1,200 square-foot site—her first—in mid-February in Arcadia, California, a suburb of Pasadena.

"I'm happy with the franchise, and I am happy seeing repeat customers," Siddiqui says.

Rich Leivenberg, executive vice president of Jody Maroni's, says though the company had previously shied away from locations on the street, they were happy with the site for Siddiqui's restaurant. It is located in a strip mall and is close to a library, local government buildings, a city golf course, and a 4,000-student high school.

"We liked the demographics, and we liked that the strip mall had been recently redone," he explains. "We think we have a great product, and we're pretty excited about bringing it to the masses in a new way."

The restaurant has been open only about a month and a half, but Leivenberg says it is already beating expectations. Sales are trending about 20- to 25-percent higher than the company had anticipated.

"She has opened very strongly—much more strongly than we thought," Leivenberg says.

Jody Maroni's started as a stand on the Venice boardwalk in 1979, and in a way, Leivenberg says the company held on to that type of destination location. The chain has opened shop in airports, outlet malls, and on Universal CityWalk in Los Angeles.

"We were so successful in the [non-traditional] avenue that we didn't even look at [traditional locations]," he says. "You have to choose a direction, and we really liked the non-traditional."

The leadership of Jody Maroni's was also afraid that the prices of its premium sausage products—\$6.99 for a sausage sandwich combo, including fries and a drink—might make it hard to compete on the street with lower priced quick-service sandwich shops. Many customers thought of Jody Maroni's fare as a special occasion indulgence, Leivenberg says.

"We're not a cheap hot dog stand, and we don't want to be," he explains. "We have gourmet sausage."

The chain currently has 20 locations, mainly in California, but also in Las Vegas, Phoenix, Houston, Cleveland, Indianapolis, and St. Louis. Jody Maroni's has also built its name through sponsorships with sports teams, such as the Los Angeles Dodgers baseball team and the Los Angeles Kings hockey team, and through a branded retail program that began in the 1990s. The company's sausage products were available in Costco, Trader Joe's, and other grocery stores. That program ended about two years ago because the company wanted to concentrate on being a quick-service restaurant brand.

John Gordon, principal at Pacific Management Consulting Group, a San Diego-based restaurant consulting group, says starting in non-traditional locations and moving to the street is not the typical trajectory of a restaurant.

"It's true that it's more typical to get started in a traditional environment, largely because foodservice operators get used to acquiring sites, and there's less of a barrier, in theory, to using a traditional site," Gordon says.

In a way though, Jody Maroni's and other chains that start in non-traditional sites such as stadiums or airports enjoy high visibility that can carry over when they do decide to open traditional locations on the street, he reasons.

Jody Maroni's is hoping that will be the case. Four or five other potential franchisees have already showed interest in opening traditional locations elsewhere, and the company will soon be launching a new web site to better communicate with interested parties.

We think we have a great product, and we're pretty excited about bringing it to the masses in a new way."

Even so, Leivenberg says Jody Maroni's is still not ready to abandon entirely its strategy of growing in non-traditional sites.

"We will continue to expand in that arena," he says. "Our biggest growth is currently in premium outlet malls. We're about to open our fourth location in Houston, and we hope to continue to grow that side of the business."

Besides the Houston location, the company also has two other stores coming on line in the next few months.

"We're prepared, we're ready for growth, and we hope it will be substantial," Leivenberg says.



World Famous Gourmet Sausage Sandwiches

No Nitrates • No Preservatives • No MSG

Grilled and Served on our Fresh-Baked Onion Roll with Onions and Peppers...\$4.49

Add Sausage, Grilled Onions, or Onions & Peppers at No Extra Charge

We Make 'em Ourselves!

- Hot Italian**
With Onions, Fennel, Vines & Cheese. Spicy
- Sweet Italian**
With Onions, Fennel, Vines & Cheese. Mild
- Louisiana Boudin Hot Links**
With Rice, Chiles & Green Onions. Our Hotlink!
- Bratwurst**
Traditional Pork Sausage. Welcome to Wisconsin!
- Polish***
With Pork, Beef, Fresh Onions and Dark Beer. Smoky
- Chicken Andouille***
Smoked Sausage with Cajun Spices. Smoky & Spicy
- Chicken Apple***
With a Hint of Sherry. Sweet & Savory!
- Chicken Pomegranate***
Smoked Sausage with Fresh Basil. Sweet!
- Tequila Chicken**
With Jalapenos, Corn & Fresh Lime. Pizzazz!
- Venetian Chicken***
With Sun-dried Tomatoes. Molto Buono!



Jody's Sausage Combo **\$6.99**

Any Sausage Sandwich, Reg. Fries & Reg. Soda
With Large Soda
*Add Cheese and Pickle with Chili & Cheese

*No Animal Products contain MSG.