

Chef Allen Interview

Question: What types of businesses have you been involved in as an owner, partner, proprietor or entrepreneur.

Answer: Primarily, the business that I've been involved with the longest was Chef Allen's. It was a S corporation, and was a restaurant. It was an S corporation for tax purposes, which is what my accountant recommended. For any business, you have to analyze where the product and funds are going, and have a conversation with your lawyer and accountant about which type of business to set up. We set up Chef Allen's as a company as a S corporation from day one, which made the taxes for the business my responsibility as the owner of the company.

I've also been a part of some LLCs which have different implications for all parties involved, but these were primarily consultancies and not restaurants I ran. All of the types of businesses are viable, it really depends on corporate laws, who lends money and legal and accounting advice. I've had loans where the lender was demanding what type of business I opened with their money.

Question: How were the locations chosen for the sites that you have run?

Answer: Let's talk about Chef Allen's again. Generally with restaurants, the first thing people talk about is location, location, location. It has many implications. What does the location give you access to? Does the location give you access to employees? Does the location have proper access for deliveries? Does the location have notoriety, especially if it is part of the concept? If you are putting a restaurant at the top of the Empire State Building, it has notoriety. Everyone knows it. It's an address and you are going to pay for it. If you open a restaurant on the corner of Biscayne Boulevard, people are generally going to know where it is and be able to find it.

When I opened Chef Allen's, I was looking at location proximity. By this, I mean that Miami was a different environment 25 years ago when I opened. Most people here were very transient. I was looking for an established restaurant area. Ft. Lauderdale and Coral Gables were established, but I wanted to choose a middle-ground. In 1986, I was the chef at Turnberry Resort so I knew the area. I knew the customers. I knew their likes and dislikes. During this time, I also saw similar concepts to Turnberry open up. Because of this, I knew what the neighborhood would support in food. I chose a location in between these concepts.

When I opened Chef Allen's, I used this information and calculated that if the customers from those two concepts would eat at my establishment once a week, I'd have enough to make the restaurant work. Looking at where the customers would come from was very much a part of my "location" decision.

When I came up with the concept for Chef Allen's, I wanted to do two things: a) come up with a cuisine that was identifiable and (b) not have anything else that anyone around me had. I wanted to have a unique environment with unique cuisine, especially because it was a chef-run restaurant.

The restaurant was in a strip mall, and took over a spot that was vacant. We had to look at gas and sewer and zoning issues before moving in. I had to take parking spots into consideration when developing the concept. I would have rather had a cute old Florida home to convert into a restaurant, but too many zoning issues and no parking would have made it impossible when I opened Chef Allen's.

Question: As a consultant, have you been involved in opening a business in a location that has previously failed?

Answer: Yes, this has been my main mission as a consultant. It's been an interesting approach as opposed to my Chef Allen's work. I've been involved in both remaking a concept, and taking over a location as a consultant.

First, you have to look at who the business is serving. Restaurants need cash flow, and you don't want to scare off customers. I've been involved in businesses that have closed and rebuilt and changed the concept.

Let's talk about Burger Bar by Chef Allen's. It's in a strip mall across from two Spring Training ballparks for the Miami Marlins and St. Louis Cardinals. It's a family-style strip mall with family style restaurants, and no signature tenant like Macy's or Publix. I did a customer count in the restaurants in the mall, and a customer count in the area pre-opening. I looked at parking and demographics. I looked at schools in the area. When I couldn't get answers, I hired people to get the answers.

After that, then you analyze the answers and come up with the food style to offer. The cuisine doesn't really matter, but to come up with the concept, you have to come up with what exactly the demographic wants and will support. These Spring Training camps bring traffic to the restaurant with other restaurants are dead. They are also a few research centers nearby which bring year-round traffic.

Question: How have your businesses analyzed competition? How have these analyses changed your operating principles?

Answer: You have to look at competition in a number of ways. You have to look at competition as who feeds people. People go out to eat because they are hungry, or because they want to enjoy their food. Many restaurants satisfy the people who want to quench their hunger, and do it fast. Others create an atmosphere and encourage customers to dine. You have to look at restaurants that have similar price points, types of service and food to you. Just because a restaurant is next door to yours, doesn't mean that it is your direct competition.

To analyze competition, I go into the restaurant and see what they are doing right, and what they are doing wrong. You have to eat in the restaurants. Are people eating there happy?

At one point, I started a promotion at Chef Allen's called "Chow Now." I would pay the bill for anyone on my staff to go eat at a competitor, and then present their experience to my staff both verbally, and written. This helped us to see what competitors were doing different than us, better than us, worse than us. It helped us see some things that we were doing that were wrong, and some things we needed to be

better at. I wanted my staff to see where I customers were. It was a big success, a reward, and a teambuilding experience.

Beyond this, sending my staff out to our competition helped them to see how we were different. I never served salmon at Chef Allen's because everyone else did. I made breadsticks and not bread because everyone did bread. I wanted people to see that we were different and unique, and wanted my staff to know this.

Question: Chef Allen's had a huge concept change in its 25 year tenure. What brought that about?

Answer: Chef Allen's existed for 25 years. It always evolved and changed. It started off with daily menu changes. Then it became seasonal. We always tried to set the trends, not obey them. Little by little we made small concept changes and did our best to keep our customers coming back for new and exciting things on the plate, in the dining room, on the walls and more.

I came up with the trend to use big spices, local flavors and ingredients, Latin influence and the customers loved it and I got some other local chefs to join me in this trend. This helped Miami become an overall destination for this type of cuisine and food. Miami is still in the top 10 for food cities in the world.

One of the last concept changes that Chef Allen's underwent was the most drastic. I had always moved into high-end and high-quality ingredients. I realized I was serving the second generation of customers. Because of this, I chose to change the concept to serving sustainable seafood, which is really important to me. This helped me to bring down the price point, and appeal to more customers. The trends in the last few years with both seafood and media pushed me to this change. I wanted to give customers what they wanted, and it fit into my location of South Florida with its rich seafood bounty. I had been very successful, as a destination restaurant, in taking advantage of the local products and turning them into a brand. Look at mangos. I knew how many people in South Florida had mango trees in their back yards, and knew that if I appealed to them as their mango chef, I'd have another signature item. Being a mango destination was unique. It was brilliant marketing.

Question: How have business plans played a role in the business ventures you've been involved in?

Answer: The first thing about a business plan is that it's paramount to have a vision. So a mission statement is first. It's the strongest thing you can do. The rest of the plan proves where your mission is going to go. The mission – even if it's hotdogs on the corner – is more than two words. The business plan analyzes what the business will need to be successful. Being able to put the vision down into words and verbalize it to investors and staff paves the road to success. It has done so for me.