

# crust

Gourmet Pizza Bar

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## TRENDS

# NUTRITION GETS ON THE MENU

*Making fast food healthy has been a recipe for success, writes Ed Charles*

**F**OOD franchises are the fastest-growing franchises. On the league table of fastest growers, six are taking some sort of health angle on food: Sumo Salad, Big Dad's Pies, Healthy Habits, Noodle Box, Pizza Capers and Crust Gourmet Pizza Bar.

Tim Dixon, CEO of consultant Franchise Works, says the high street is so dense with food outlets that new ones need new angles. With long work hours and healthy eating becoming hot topics, they are obvious platforms for marketing. "All the new franchises that are coming up are saying they are going to be different because of this health-conscious trend," he says.

Dixon, who has worked with Urban Burger and Spud Bar, says people also want to be able to customise their food as well as eat healthy food.

For Costa Anastasiadis, founder of Crust Gourmet Pizza Bar, the overwhelming trend is that Australians are becoming fat and need to slim down. "We've got 190 million takeaways being eaten on a yearly basis," he says. "But we haven't got too many healthier



Think thin: Costa Anastasiadis says it's time to slim down

Picture: James Croucher

**'We wouldn't have been able to achieve the growth we have in the past year had it not been for franchising'**

Costa Anastasiadis, Crust Gourmet Pizza Bar founder

options out there for people." Like McDonald's, Crust spent 12 months working on introducing the Heart Foundation Tick for its food.

"When we approached the Heart Foundation they were thrilled because they hadn't had anyone from the pizza industry who had approached them," Anastasiadis says. "It was a very costly process but we think it has given us an edge. The response we've had from our customers has been tremendous."

During the same period, Crust went through enormous change. It took itself from being a group with four licensed stores to 13 stores, 11 franchised. Currently, the group has 17 stores and another eight under construction. Five are company-owned. And Crust achieved \$11 million in turnover for the 2006-07 financial year, double the previous year.

Pizza Capers in Queensland is ahead in the growth stakes. It is currently split, with 12 corporate and 13 franchised restaurants. It has 16 stores in construction

or being fitted out, which should all be open within six months, and is aiming for 24 new restaurants this calendar year. Only two new stores will be corporate.

For both companies, the franchise system has allowed rapid growth.

At Pizza Capers, one attraction of the franchise system was that, in the current tight labour market, it had trouble attracting staff for its corporate stores. "We were very much against being a franchisee," says Pizza Capers founder Anthony Russo. "We wanted all corporate stores, but the low unemployment rate and the quality of the staff got a bit hard to maintain growth the way we wanted it."

Russo says that financing and managing the opening of 16 corporate-owned stores in four months also would have been a stretch for the company. "When we decided to do it two years ago, we weren't thinking that large. We didn't know where we were going to be."

It's about reaching a critical mass to achieve the economies of scale. "It's been a domino effect with all that marketing," Russo says.

In January last year, Pizza Crust comprised two company-owned stores, the remainder being licensed. For the next six months, it compiled its franchise operations and product manuals. It was a critical step, as it offered the company protection for its intellectual property, which had been passed to competitors by licensees. Anastasiadis says: "We would not have been able to achieve the growth we have in the past 12 months had it not been for franchising and setting up a good system. It would have been impossible."

Although Pizza Capers is staying away from the Heart Foundation Tick, it is using health as a strong angle in its marketing. "There is definitely a healthier edge on the faster-growing franchises," Russo says.

"We just created our own niche I guess. We are not into that mass-produced made-for-price product. And we've gone down the healthier line which normally goes hand in hand with being a quality product."

Like Crust Pizzas, it offers a gluten-free product, although Russo says that offering low-fat and gluten-free products is treading a fine line. "Unfortunately, people can think if you go the too healthy line it makes it seem like it will be tasteless as well."