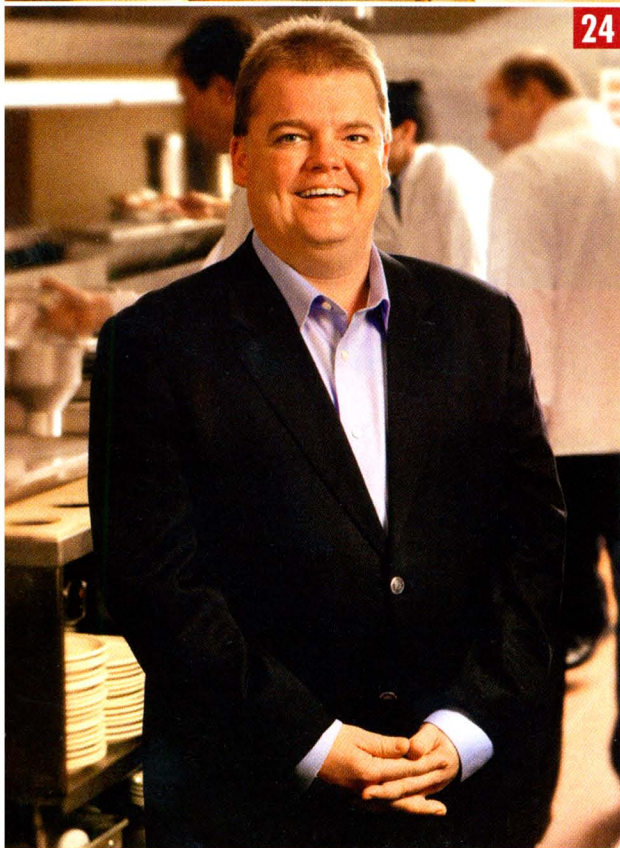
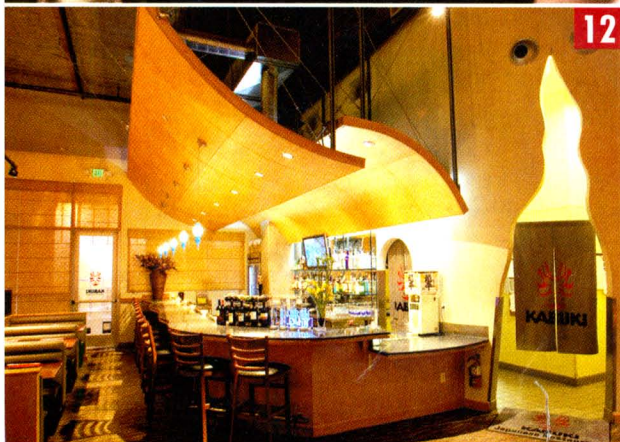


18



24



12

Chain Leader

INSIGHT FOR RESTAURANT EXECUTIVES

Vol. 11, No. 14
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STORYBOARD

14 Family Values

CiCi's Pizza's first national ad campaign emphasizes the chain's positioning as a low-priced, value-oriented brand for families.

The TV spots convey an environment that is not too loud or chaotic, a wealth of menu options and affordability. The company expects the campaign to help solidify its position as it expands from its southeastern roots into a national chain.

By Margaret Littman



RESTAURATOUR

18 Maximum Effect

Montana Mike's new prototype in Owensboro, Ky., emphasizes the lodge theme, a hallmark of the concept since it opened in 1998. To create a comfortable atmosphere, the design features a multitude of hunting, camping and fishing items; liberal doses of wood; and rustic iron chandeliers. The prototype store is on track to gross \$3 million, while the bulk of locations average \$1.5 million.

By Lisa Bertagnoli

TOQUE OF THE TOWN

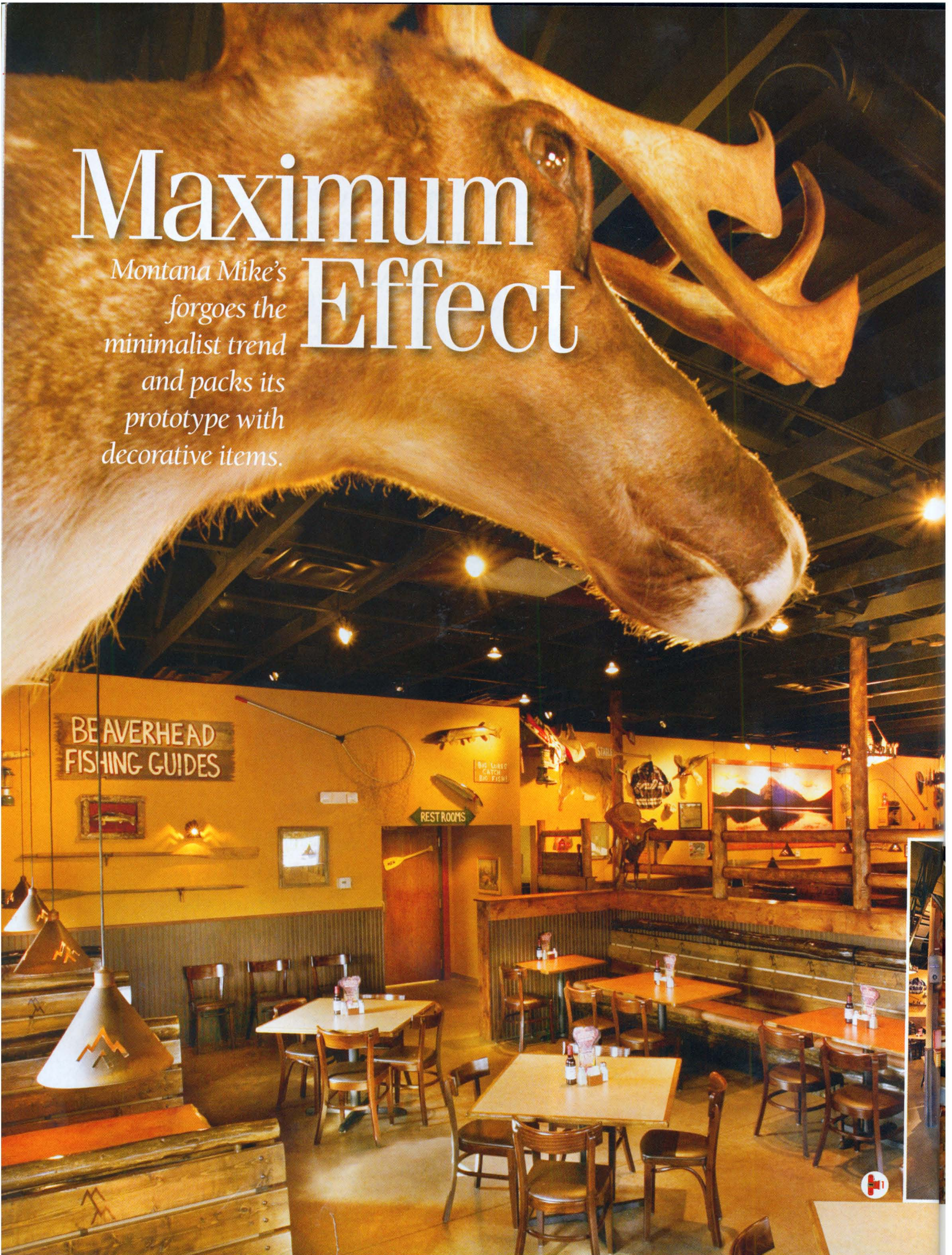
24 Guest Work

Vice President of Product, Quality and Procurement Dustin Dixon is using customer research to determine what to keep and what to change at IHOP. He has upgraded ingredients, updated the core menu with bolder flavors and portable items, and launched limited-time offers to drive traffic and increase sales.

By Monica Rogers

Maximum Effect

Montana Mike's forgoes the minimalist trend and packs its prototype with decorative items.



BY LISA BERTAGNOLI

The stuff that hangs on the walls at Montana Mike's in Owensboro, Ky., includes, but is hardly limited to, the following: animal heads and skins, fishing nets, fishing poles, lumberjack shirts, snowshoes, old saws, skis, ski poles, backpacks, hats, and a cot with the covers thrown back as if someone had just gotten out of bed.

Clearly, Montana Mike's isn't going for a trendy, minimal look.

Executives haven't asked customers specifically whether they enjoy the visually stimulating decor, says Madison Jobe, vice president of franchise development for Montana Mike's, a 21-unit steakhouse concept owned by Hutchinson, Kan.-based Stockade Companies. Jobe says that customers do list warmth and comfort as reasons they visit the chain.

That was one of the design directives in conceptualizing Montana Mike's, says Lynn Schwartzkopf, president and CEO of Mann & Company PC Architects and Engineers, the Hutchinson, Kan.-based firm that helped Stockade Companies create the prototype.

Lodge, Not Western

"Friendly, relaxing and inviting is what we tried to do," Schwartzkopf says. The

concept is not, however, Western. "It's not LongHorn; it's not peanuts on the floor or things like that," he says.

The initial Montana Mike's locations all were remodels, giving each a different look and feel even though they sported the same decor, Jobe says. He says that the current prototype, at about 6,700 square feet and 210 seats, standardizes the chain. The prototype also helps court new franchisees, who are interested in ground-up buildings for new retail developments.

The prototype's interior design emphasizes the lodge theme, a hallmark of Montana Mike's since its inception in 1998. In addition to the hunting, camping and fishing items, liberal doses of wood give the interior a lodge look. Tabletops, chairs and wainscoting are wood, as are the large log-shaped dividers that separate the restaurant into three distinct dining areas.

Rustic iron chandeliers with cutouts also promote the motif, as does the expansive hostess stand, designed to look like the front desk at a lodge.

Belly Sideways to the Bar

Several design changes have occurred since the first ground-up Montana Mike's locations opened; the first opened in Edinburg, Ind., in January, and the second in Corpus Christi, Texas, in June.

Older Montana Mike's locations offer

SNAPSHOT

CONCEPT

Montana Mike's

OWNERSHIP

Stockade Companies, Hutchinson, Kan.

LOCATION

Owensboro, Ky.

OPENING DAY

Aug. 21, 2006

AREA

6,688 square feet

SEATS

206

AVERAGE CHECK

\$14.50

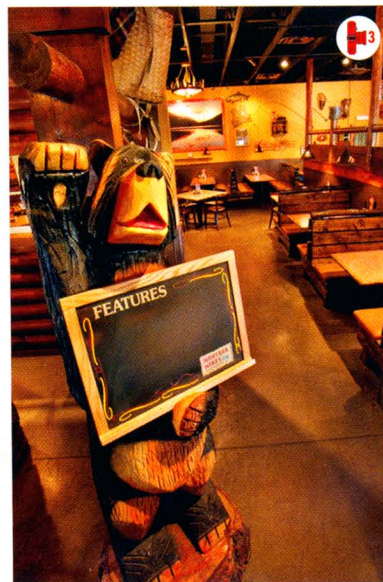
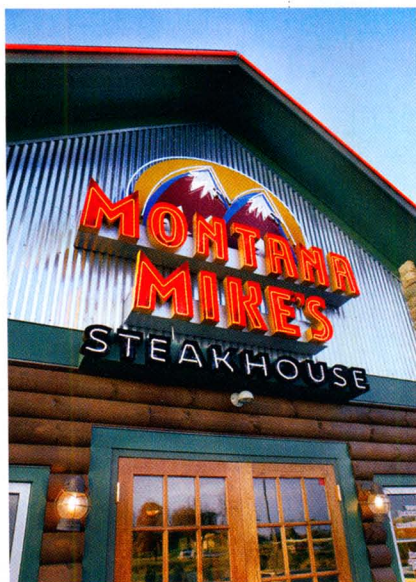
UNIT VOLUME

\$3 million

EXPANSION PLANS

6 or 7 in 2007, 8 to 10 in 2008

Photography by Kingmond Young



(Opposite) Montana Mike's asked local hunters to contribute trophies to the decor; the donors' names are on plaques.

(From l.) The hostess stand resembles the front desk at a mountain lodge.

The current prototype is about 6,700 square feet with seating for 210.

A wooden bear welcomes guests to the restaurant.

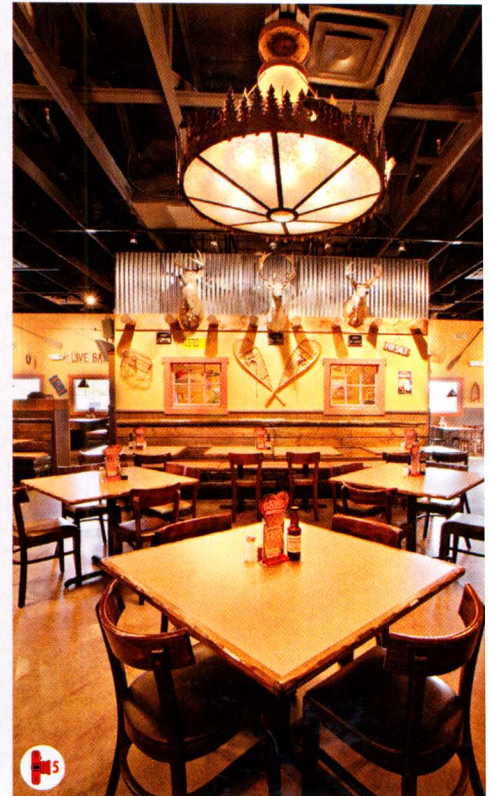
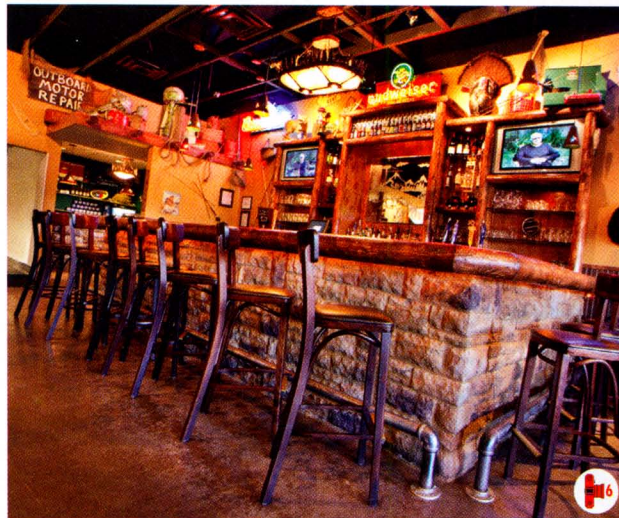


A lighting expert gave Montana Mike's a warm, family-friendly ambience.

(Clockwise from top) A lighting consultant made sure the mural, the dining room's focal point, was properly highlighted.

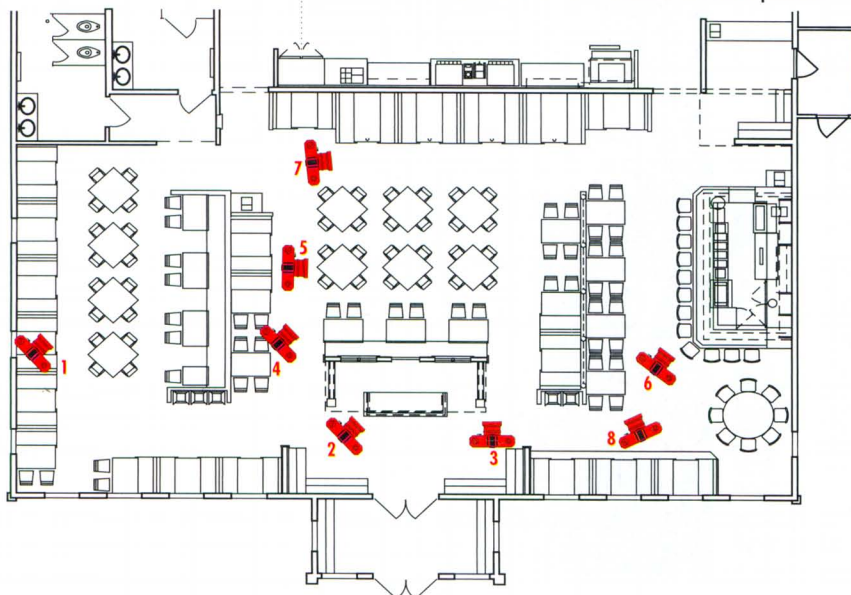
Hunting, camping and fishing items as well as liberal doses of wood give Montana Mike's interior a lodge look.

The bar, relocated to one side of the restaurant from the center, allows smoother traffic flow and gives bar patrons some privacy.



KEY
 — Direction of shot
 — Shot No.
 — Position of camera

This floor plan is designed to show the location of each key photograph. Shot numbers correspond with numbers in select photos.



beer and wine but don't have a bar. The prototype adds a bar, which is located in the back center of the restaurant in the first two units.

At the Owensboro location, the bar is off to the side. The move has a number of benefits, says Brad Anderson, franchisee of the Owensboro location. It streamlines traffic flow from the kitchen to the dining room, gives bar patrons some privacy ("Not everyone wants to be seen at the bar," Jobe says) and allowed Anderson to install several more TV screens without eroding the family-dining experience.

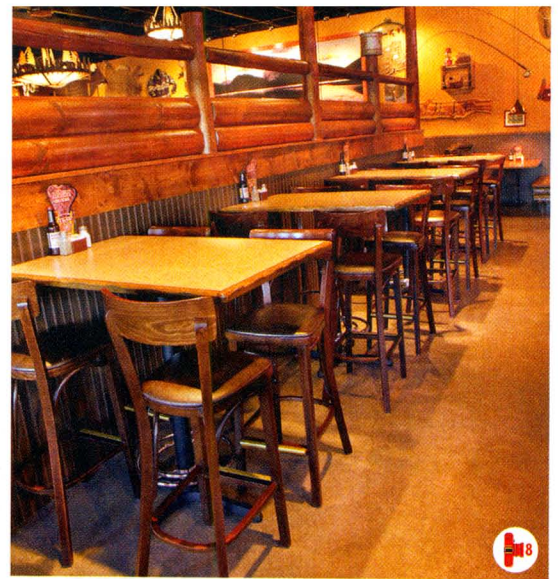
Moving the bar to the side also lets a mountain-scene mural and the hostess stand act as the focal points for the restaurant, Schwartzkopf adds.

The Owensboro location also has the chain's first dedicated takeout counter, located adjacent to the bar and with its own side entrance. The takeout counter generates 6.5 percent of total business;



A mountain mural is the focal point of Montana Mike's dining room.

Timber booth backs add to the lodge feeling.



The concrete floor is stained during the pouring process, making the finish more durable.

Rustic iron light fixtures give Montana Mike's dining room a lodge-like ambience.

MENU SAMPLER

STARTERS

Cheese Fries, covered with melted Jack and cheddar cheeses and bacon, served with a side of ranch dressing, \$5.29



ENTREE SALADS

Grilled Shrimp Salad: skewer of flame-grilled shrimp dusted with Cajun seasonings, with lettuce, tomatoes, cheese, bacon chips, onions, croutons, cucumbers and garlic toast, \$7.49

MIKE'S STEAK CLASSICS

Filet Mignon: bacon-wrapped tenderloin filet seasoned, grilled and lightly brushed with butter, served with garden salad, one side and freshly baked roll, 12 ounce \$19.77, 8 ounce \$14.99

DESSERTS

Crème Brûlée Cheesecake, \$3.99

takeout at other Montana Mike's stores accounts for about 4.5 percent, Jobe says. He says takeout has the potential to generate 10 percent of total sales.

Another change: The floor, while still poured concrete, is stained during the pouring process, not afterwards. The process is cheaper and produces a floor that wears more evenly, says Anderson.

The prototype costs \$1 million to build, compared to \$300,000 to \$700,000 or so to refashion an existing restaurant into Montana Mike's. But the numbers are worth it. The Owensboro store is on track to gross \$3 million a year, while the top 20 percent of Montana Mike's units gross \$2.4 million annually, and the bulk of locations average \$1.5 million.

Meanwhile, anecdotal evidence suggests that customers enjoy looking at the artifacts surrounding them. "They say there's a lot to look at," says Blair Patten, operating partner at the Owensboro location. As for Montana Mike's being anti-trend: The minimalist look "is cost-driven, not design-driven," Patten opines. **CL**