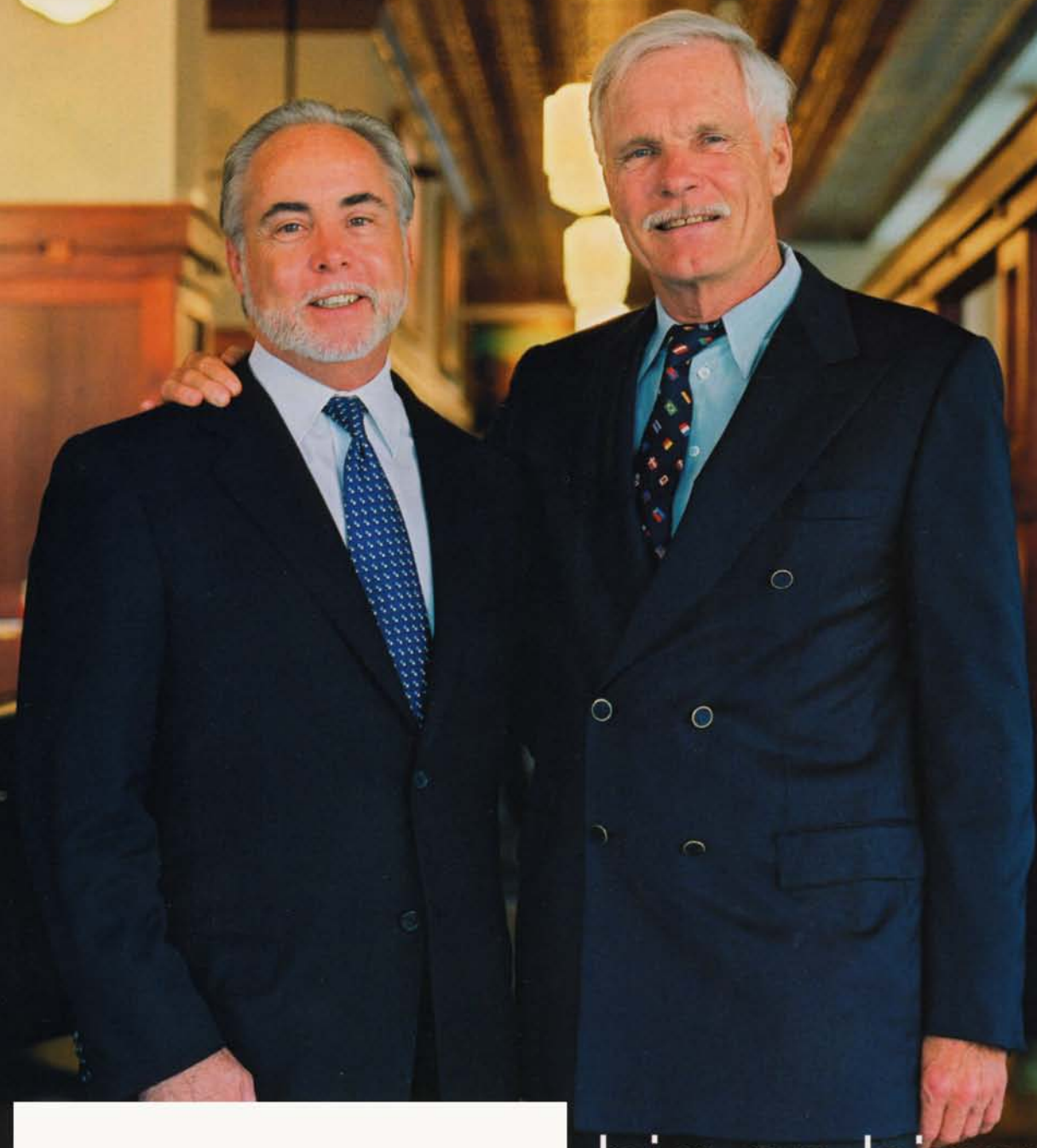


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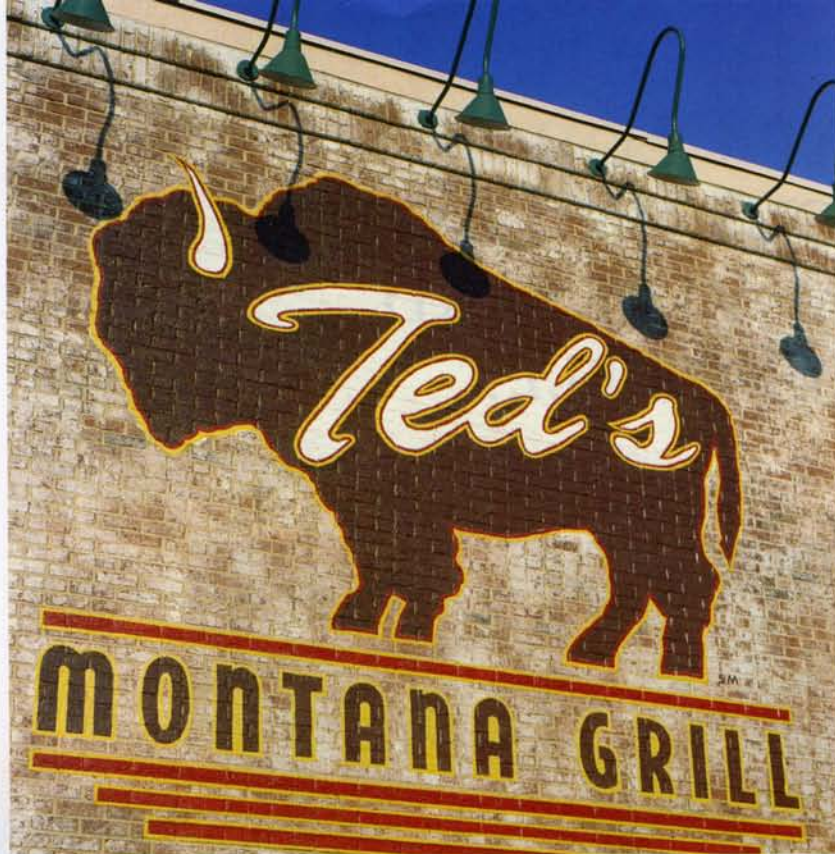
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big on bison:

TED TURNER AND
GEORGE MCKERROW



ted's turn: STAMPEDING THE COMPETITION?

by **andrew hunter**

It began as a pact between two friends. "I'm going to save the world, George; you go out and sell bison." Ted Turner and George McKerrow Jr. are partners in Ted's Montana Grill, a Craftsman-style Montana bar and grill with casual dining prices. And yes, their featured menu offering is bison.

Successful people from other industries have a habit of starting restaurants and failing because of inexperience, fierce competition, and slim margins. Turner, the 24-hour cable news pioneer who owns almost two million acres of ranchland throughout the West, was savvy enough to partner with McKerrow, a restaurant industry pioneer who founded LongHorn Steakhouse, Inc., and several fine-dining restaurants in the Atlanta area. Failure isn't a part of either man's DNA.

BISON BUSINESS

"Ted wanted to protect and promote bison, and he knew the best way to do this was by making it a commodity," says McKerrow, who also serves on the board of the National Restaurant Association. The challenge was "a huge supply and no demand."

Ted's Montana Grill is projected to grow at a rate of 15 new restaurants per year.

TED'S MONTANA GRILL

Corporate Restaurant Support Center
133 Luckie Street
Atlanta, Georgia 30303
t 404-266-1344 f 404-233-6717
tedsmontanagrill.com

OWNERS

Ted Turner & George McKerrow Jr.

VICE PRESIDENT OF OPERATIONS

Jake Hickton

CULINARY DIRECTOR Chris Raucchi

SEATS 140 average per unit

EMPLOYEES 65 average per unit

GROSS ANNUAL RESTAURANT REVENUE

\$1.8 million per unit

GROSS ANNUAL FOOD REVENUE

\$1,422,000

GROSS ANNUAL BEVERAGE/WINE/

LIQUOR REVENUE \$378,000

AVERAGE DINNER CHECK \$15

WINE LIST FOCUS American wines

WINES ON LIST 30

WINES BY THE GLASS 22 (\$6-\$7)

AVERAGE BOTTLE PRICE \$32

SIGNATURE DRINK TMG Signature

Margarita, Big Sky Lemonade

AVERAGE DRINK PRICE \$5.50

The original menu was burgers only. "Everything was on a bun, and 50 percent was bison," continues McKerrow. "Women were the most resistant to bison. When we first opened, they would reject it without trying it. Once they tried it, though, they came back." Despite success in educating customers on the merits of bison, the meat continued to be a niche play with limited appeal. Too many customers were still rejecting it prior to trial.

So the Ted's Montana Grill partners enhanced the menu with more traditional choices and still featured bison. Today, the menu includes Vine-Ripened Tomato and Onion Salad (\$3.89), "Beer Can" Chicken (\$10.99), Fresh Cedar-Plank Salmon (\$15.99), a daily "Blue Plate Special" (\$8.59-\$13.99), and a featured array of grilled bison and beefsteaks. The additional choices have seemed to help ensure Ted's success. Ironically, with more choices on the menu now, bison is the most popular choice. "The preference for bison has grown, despite competition on the menu from the likes of chicken and salmon," McKerrow says with pride.

TRAIN TRACKS

Nick Raucci is the proprietor of the Ted's Montana Grill in midtown Atlanta. "Proprietor means I'm the general manager. I'm fully responsible for everything within these four walls—training, profitability, guest satisfaction. . . . My name is on the front door." He concedes, "This isn't the easiest place to work. Convenience turns George off."

Raucci started when there were only three Montana Grills; now there are 40. "I liked it because of George and Ted's commitment. They are actually involved. That got me on board and excited."

The restaurant management calls its employees "team members" and knows that it must provide incentive for the good ones to stick around. "We serve a family meal every day from 1:30 to 4:00. It's free. In fact, everyone is welcome even if they're not on the schedule that day," Raucci remarks. "Everybody sits at one big table and talks. People come and go, but a manager is always there. It's a way to introduce new menu items, share best practices and victories, and generally have fun."

Even with such open communication, "training employees is a big challenge," Raucci admits. "I spend lots of time doing it, and everyone gets retrained every three months." Pausing to consider his work, Raucci adds, "I spend the majority of my day making sure my team members are happy. If they're happy, they're going to have happy customers."

McKerrow believes in constantly rewarding people for their energy and hard work. "We hand out lots of Bison Bucks, which are as good as cash to our employees. They can redeem them at any Ted's," Raucci claims. "But rewarding employees isn't just about giving them things. Part of what makes us a success is letting the staff know our business and listening to them. I can spend only so many hours a week in the restaurant, but my cooks spend 500 hours combined. Their ideas can often impact food costs better than mine."

OUTSIDE INFLUENCES

Another piece of the operating philosophy at Ted's is to consider the environment. Each location uses recyclable paper instead of plastic and aluminum instead of Styrofoam. McKerrow is always looking for ways to lower energy con-

sumption and water usage, and he is willing to pay more for the equipment and supplies to build a greener business. Raucci reports, "We even tried paper straws once, but," he grimaces, "they collapse when they get wet."

Raucci, who is clearly on board with the environmental mission of Ted's, adds that all of the meat is organic and steroid-free. Taking the green philosophy one step further, McKerrow adds, "We think transparency is really important, whether it's in managing team members or communicating with our customers. That's why we make nutritional information available to our customers and help them make good choices if they have allergies or are on special diets. It's one of the things that sets us apart."

Fresh food is critical at Ted's because it's critical to the customers. The cooks cut bison and beefsteaks once a day and grind burger meat

George McKerrow (left) and Ted Turner aim for transparency in managing staff and communicating with customers.





Ted's Montana Grill specialties include (clockwise from above): lean bison burgers; a long mahogany bar, especially popular at lunch and for single diners; and generous beefsteaks with traditional sides.



BISON OR BUFFALO?

The National Bison Association considers *buffalo* an acceptable synonym for *bison*, though the latter are indigenous to North America and are not related to the true buffalo found in Asia. American bison belong to the bovine family, along with cattle. Bison live on plains and prairies and in forests. They eat a wide variety of grasses, moving continuously as they eat, so they rarely overgraze an area. Bison meat contains 2.42 grams of fat, 143 calories, and 82 milligrams of cholesterol per 100 grams of cooked lean meat. Comparatively, beef contains 9.28 grams of fat, 211 calories, and 86 milligrams of cholesterol.

(Source: *The National Bison Association at bisoncentral.com*)

“Ted wanted to protect and promote bison, and he knew the best way to do this was by making it a commodity”

—George McKerrow

twice a day, once before and once after lunch. This means the burgers come from one or two animals instead of the 1,000-animal variety that is common in the industry. Whole fish are cut daily into fillets, and whole heads of lettuce and ripe tomatoes are on the line in big bowls waiting to be chopped à la minute for salads and sliced to order for burgers.

“I’m also really proud of our Big Sky signature wines,” says Raucci. “We feature a Chardonnay, Cabernet Sauvignon, Pinot Noir, Merlot, and Riesling. They’re made for us in Washington State and sell for \$6.50 a glass. We also have a line of brew called Bison Beer. The chocolate stout (\$4) is a favorite.”

GROWING SUCCESS

Even with Ted Turner’s celebrity and resources, McKerrow knew that there would be steep competition in the marketplace for restaurant guests. So he spent the time necessary to learn who his customer was, to choose sites with the best demo-

graphics, and to understand the preconceived notions of bison. “These were our biggest challenges in getting started.” Now that the business is established, McKerrow finds that the challenge is in hiring, training, and keeping talented people, especially given the fact that Ted’s will welcome another 109 managers to the team this year alone. These new recruits will be needed to sustain a projected growth rate of 15 restaurants per year for the next three years. According to McKerrow, the partners will evaluate this rate of expansion when they reach 75 restaurants.

Summing up his part of this growing restaurant puzzle, Raucci comments, “I think of Ted’s as a group of independently run businesses that just so happen to report to one office. We’re all proprietors who have to make sure the food is prepared in small batches throughout the day, that our customers are happy, and the family meal is bountiful.”

Given these daily triumphs, perhaps Ted is saving the world after all—one restaurant at a time.