

FOOD



Burgers from Meatheads

chicagogrid.com
grid
 All up in your business

beefing up the burbs

Local burger chain Meatheads carves out an expansion plan

Tom Jednorowicz is used to moving quickly. As chief operating officer, he took Potbelly Sandwich Works from nine locations to more than 150 in four years.

Then in 2005, Jednorowicz found himself burned out and looking for a new business opportunity when he connected with Tartan Realty owner Doug Reichl. The two decided to jump on the burgeoning burger trend, opening Meatheads in 2007.

The Bloomington, Ill.-based chain now has 12 locations with two more set to open this year, in Barrington and Lincolnwood. Meatheads, whose slogan is "Thoughtful food by caring people," pulled in \$11 million in sales last year.

"It's been a slow ramp," Jednorowicz says. "It's somewhat governed by being opportunistic from a real estate perspective." His strategy, which centers on a strictly suburban expansion plan, will be key to solidifying

Meatheads' standing in the swiftly developing "better-burger" industry.

"We've seen so many of these better-burger concepts growing, and ultimately how they differentiate will be the difference-maker in who succeeds and who fails," says Darren Tristano, vice president of food research consultancy group Technomic. Sales of better burgers were up 18.4 percent from 2010 to 2011, according to Technomic.

Virginia-based Five Guys, known for greasy burgers and fresh-cut fries, was first on the scene and now has 29 locations in the city and suburbs. "Five Guys, quite frankly, is heavily focused on the indulgence of the product," Tristano says. "So they have the advantage of being first to market with this style of a concept, in terms of their growth."

Other better-burger players include Epic Burger, with six Chicago locations and one in Skokie, and M

Burger, with four stores downtown. Jednorowicz says Meatheads, which has one Chicago location, in Roscoe Village, doesn't have plans to expand elsewhere in the city. The company will continue to grow in the suburbs by building close to schools in an effort to draw families, he says.

Tristano agrees that Meatheads' plan to stay in the suburbs is smart. "They've learned how to be successful in that market, so the urban market is going to be a little bit different," he says.

It seems there's still room for more spots (come on, Kuma's Three), with better-burger sales making up only \$3 billion of the \$70 billion burger industry.

"It still has a lot of room to grow because it's so small. ... I would expect this to continue for at least the next three years before we see any level of saturation," Tristano says.

“The single male in their mid twenties – not really our customer.”
 — TOM JEDNOROWICZ



MADELINE SKAGGS

'BETTER BURGER' PLAYERS

Turkey burger



Epic Burger

Opened: 2010 | **Locations:** 4

Known for: A small menu including turkey or chicken substitutions, limited toppings, and classic malt milkshakes

Backstory: Chef Tim Hockett started the business after making simple, high-quality burgers out of the pastry kitchen when he worked at Tru in Streeterville.

2012 SALES

\$10.4 MILLION*

Cheeseburger



M Burger

Opened: 2008 | **Locations:** 7

Known for: Health-conscious options like bunless burgers, whole-wheat buns or a vegetarian portobello sandwich

Backstory: After working nearly every career in the food industry, founder David Friedman wanted to get back to basics when he launched Epic Burger.

2012 SALES

\$6.5 MILLION*

*Technomic estimates

EPIC, M BURGER PHOTOS BY RICH HEIN

DOW

100.75 | 14,760.31

NASDAQ

27.13 | 3,347.89

S&P 500

14.94 | 1,588.03