



Sonoma Chicken Flying the Coop

Emerging restaurant chain Sonoma Chicken Coop refines its menu and prototype to ensure franchise profitability as it expands.

By Maya Norris, Managing Editor -- Chain Leader, 1/1/2009



Sonoma Chicken Coop's sales mix is evenly divided between dinner and lunch.

menu of casual-dining-like fare. While rotisserie chicken is the signature item, the concept features about 40 from-scratch entrees, pizzas, pastas, salads and sandwiches. Popular items include Lime Grilled Chicken, \$9.99, marinated in a roasted chile and cilantro sauce.

“Because we have higher quality food and better food choices, we can get a few more bucks for them in this concept, and it makes it very appealing as far as unit economics goes, food costs and the like,” says COO Mark Carter.

Hatching a Plan

Sonoma launched a re-engineered menu in October to drop food costs 2 or 3 percent. It eliminated low-selling, unprofitable items that contained ingredients that weren't used in other recipes. It also revamped its weekly specials, which make up 20 to 22 percent of sales, to have a gross profit of █ to █. The format of the menu changed to a trifold from a single-page, double-sided menu; items with high profit margins are in the center.

Sonoma also developed a smaller prototype, opening second quarter, to fit in the inline and endcap locations it is targeting in urban retail complexes. While current units average 10,000 square feet with 150 seats, the prototype is 5,000 square feet with 150 seats. Costs will range from █ to build from the ground up to █ for a conversion. The company says a 5,000 square-foot unit should generate volumes of █ million.

Sonoma Chicken Coop seems to be off to a good start. The fast-casual, four-unit concept generates an average unit volume of █ million—a figure usually reserved for casual dining. However, Sonoma has spent the past year refining its unit economics as it gears up for franchised expansion this year.

Brand Capital, an Alexandria, Va.-based private-equity firm, bought Sonoma from its founders in February 2008. The firm attributes the high volumes to a diverse

Flight Pattern

While Sonoma will open one or two more company stores, it is focused on franchising. Of the 20 units in development, franchisees will open at least six in 2009 in New Jersey, New York, California and Florida. The company plans to have 100 stores nationwide in five years.

Snapshot

Concept Sonoma Chicken Coop

Headquarters San Jose, Calif.

Parent Company Brand Capital, Alexandria, Va.

Units 4

2008 Systemwide Sales [REDACTED] (company estimate)

2009 Systemwide Sales [REDACTED] (company estimate)

Average Unit Volume [REDACTED]

Average Check [REDACTED]

Expansion Plans At least 6 in 2009