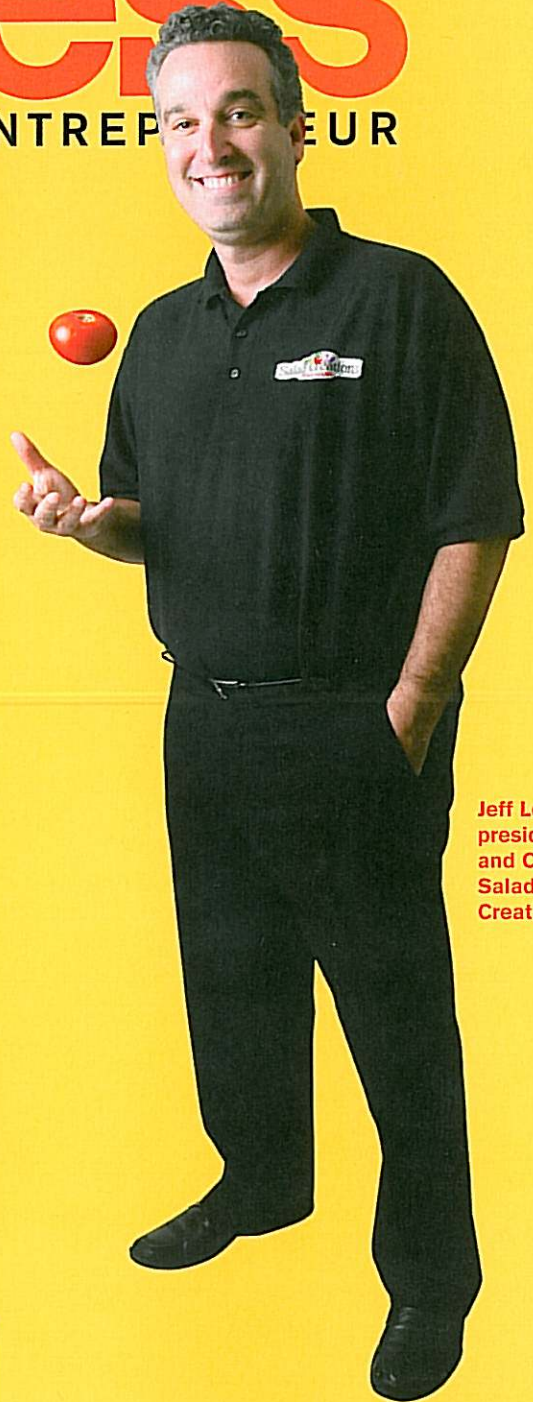


JULY 2009

Restaurant Business

STREET SMARTS FOR THE ENTREPRENEUR

THE FUTURE 50



Jeff Levine,
president
and C.E.O.,
Salad
Creations (#1)

Big growth in a bad economy?
You bet. Our annual look at the
fastest-moving small chains.



How to **retrain staff**
instead of firing them

Be a smarter
poultry buyer

1. Salad Creations

MARGATE, FL

S \$35 million*/79.5%*

U 53/43.2%

A \$800,000/0.0%*



Nine of the Future 50 saw sales increase by 40 percent or more last year, and nearly half achieved growth of 20 percent or more.

Nobody, however, did it better than No. 1 on the list. South Florida-based Salad Creations, which crossed the 50-unit milestone and hit an estimated \$35 million in sales, a whopping 79.5 percent more than in 2007.

Founded in 2003 by self-described serial entrepreneur Jeff Levine, Salad Creations hit a lot of the right buttons out of the gate in terms of positioning for rapid growth. On the business side, concept simplicity—a 1,500-square-foot fast-casual format with no grills, griddles, fryers or hoods required—ensures low-cost, quick entry for franchisees. And a franchise system built on area developers has proven fast and effective in establishing Salad Creations as a segment leader.

On the consumer side, a healthful, highly customizable menu and an emerging commitment to sustainable ingredients and “green” operations hold out strong appeal to Levine’s core demographic of educated, upper-income consumers. Smart promotions, including a recent “5 for \$5” offering (a create-your-own salad with five toppings for \$5) have helped to keep those customers engaged and traffic counts up.

While all of that has worked in the company’s favor, Levine, who recently turned 40, admits that growing in the current economic climate is no cakewalk. “The top challenge now is finding franchisees who are both qualified and can get financing,” he says. “Financing has become incredibly tough and tedious. We’re looking at bringing in some money to do self-financing as that may be the only way we’ll be able to continue to grow the way we want to.”

The way Levine wants to grow is real-estate dependent. “We’ve achieved our goal of quickly becoming the segment leader. Now we want to focus on securing only A+ locations. We could be a 1,500-unit chain, but I’d rather have 500 units in A+ locations than 1,500 in B locations. With players like Starbucks and Quiznos slowing down, more prime spots are available and affordable. Looking ahead, that’s one more thing that’s working in our favor.”

—D.T.



CUSTOMIZABLE SALADS ARE THE DRAW AT SALAD CREATIONS

THE KEY

S 2008 Systemwide sales/% change

U Total units open/% change

A Average unit volume/% change

RANKINGS BASED ON PERCENT CHANGE IN SALES. WHERE INTERVIEWS REVEALED UPDATES TO TECHNOMIC NUMBERS, WE INCLUDE THOSE IN THE COPY, BUT ONLY BASE RANKINGS ON TECHNOMIC'S ORIGINAL.

ALL PERCENT CHANGES VS. 2007

*TECHNOMIC ESTIMATE