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THE RESTAURANT STARTUP AND TROUBLESHOOTING EXPERTS™

National Restaurant Consultants, Inc. is happy to provide this complimentary article for prospective clients that are considering bringing their brand into the United States marketplace. NRC represents clients of all size and type worldwide, and we would be happy to represent and protect your interests when considering expanding into the U.S. For a no-obligation discussion about your business venture, please contact our office at: 001-303-757-3663, or E-mail Mr. David Holmes, Sr. Vice President at: david@nationalrestaurantconsultants.com

BRINGING YOUR FOREIGN BRAND INTO THE UNITED STATES

TIPS FROM NATIONAL RESTAURANT CONSULTANTS, INC.

As one of the most desired places to do business, the U.S. marketplace is large enough to accommodate any restaurant concept, and we would be honored to help you! With 50 states and thousands of cities to choose from, combined with a vibrant and well educated population of 305 million people, the United States of America is truly the land of opportunity.

With over 945,000 restaurants representing every imaginable concept, the U.S. also presents a competitive foodservice environment. However, for a well-executed concept, extraordinary success is within your grasp. We might add that your chances of success are better than most people realize.

According to the U.S. Bureau of Labor Statistics, the survival rate of all new businesses started between 1998 and 2002 reveal that 66 percent of them are still open two years after they started. In addition, a Cornell University study of restaurants in three major markets showed a first year failure – or closure rate -- of 27 percent with only a 4 percent difference between the closure rates of a franchised versus an independent restaurant. Regardless of how you crunch the statistics, approximately 30 percent of all restaurants fail within the first three years after opening. For many, understanding that their statistical probability for success stands at 70 percent, enlisting outside assistance makes sound economic and practical sense.

Like all people, you want to maximize the opportunities available to you and ensure that your single or multi-unit expansion into the U.S. will be a success. On foreign soil, it's your responsibility to understand the rules of this game. The restaurant consulting experts at National Restaurant Consultants, Inc. are happy to provide these considerations to keep in mind:

THE UNITED STATES IS A DIFFERENT MARKET. Opening a food service operation in the U.S. is an act of integration. Putting the niche, the location, the investors, the growth plan, restaurant design, brand identity and the business plan together must be a tightly woven and highly integrated process that must make sense for all of the parties involved. Restaurants that fail usually lack the proper planning at the earliest stages and we'll help you structure your business venture for success. Acknowledgement that you may need assistance is the first step in getting it right.

GET A BUSINESS PLAN. Don't shoot in the dark with valuable capital resources. When we represent our clients, it's of critical importance that we understand exactly what you want and how you plan to do it. Creation of the business plan is the starting point and we'll walk you through this process step by step. We've created hundreds of business plans for successful clients worldwide and would be happy to assist you with yours.

KNOW YOUR MARKET. You may have a great idea (or an existing brand for that matter) and wish to launch in a specific location in the U.S. However, if your target market rejects your concept, you're out of business. Conducting a feasibility study is the easiest way to find out what's out there, and this is the second step to entering the U.S. market. For most clients, we encourage them to consider the feasibility study a requirement of opening a new business in the United States.

UNDERSTAND YOUR NICHE. You simply cannot be everything to everyone and do it well. That said, a well executed concept in the right location will allow you to own the entire niche market. There are those that underestimate or don't understand the importance of being in a niche. Don't jeopardize your venture by being among these people. Clarity of whom you are, what you offer, and what makes your concept something special is paramount for those that wish to avoid being in the 30 percent failure group.

CONSIDER FRANCHISING EARLY ON. Is your concept unique? Do you think it may have value to others in the U.S. market? Are your intentions to grow quickly and add immense value to a young organization? You owe it to yourself to look at the many benefits offered to you through franchising. For many, franchising is the key to great wealth and security and it may make sense for you to learn why franchising may be the right route to take when entering the U.S. market.

YOU MUST HAVE INDUSTRY KNOWLEDGE. Or, be willing to pay for it. A few words of quality advice at the right time can save you thousands of dollars. Did you know that your restaurant consultant can negotiate deals for you that are better than you can do on your own? Engaging professional advice in the early stage of a restaurant launch in the U.S. will prove to be some of the best money you've ever invested.

THE POWER OF YOUR MENU. Your menu is the number one tool for ensuring a profitable operation. It also drives your concept; the name, the design, the décor, the marketing, the kitchen equipment, the staffing - everything is dependent upon your menu. By having each menu item correctly costed out and strategically placed on the menu, you can bring many thousands of additional dollars to the bottom line each year. Regardless of the size of your operation, you must commit to having your menu professionally designed. Your guests and your investors will all thank you.

BUILD YOUR TEAM OF ADVISORS. Don't wait until the last minute to hire your team of advisors. If you don't have the contacts that you need in the U.S., we can put you in touch with the people that will help you succeed. If your concept involves alcoholic beverages, it's a minefield that must be strategically planned at the very beginning. You'll need an attorney that has an extensive list of restaurant clients and ideally has liquor license experience. You'll also need an accountant that understands restaurant accounting and also has an extensive list of restaurant clients - and who can also handle your payroll and tax matters. Of course, your restaurant consultant will help you stay focused, coordinate the entire process step by step and you'll have a lot more fun in this venture knowing that your chances of success are much greater with a quality team in place.

COVER THE BUSINESS BASICS. Don't forget the business basics including the proper formation of your company, stock structure, business registrations, naming and trademark protection, funding, restaurant design, location, building and health codes, insurances, local permitting, and others. Again, we'll handle this entire process for you as you desire.

UNDERSTAND THE IMPORTANCE OF MARKETING. You can serve the best food and have a beautiful restaurant. However, if no one knows where your restaurant is located or what you offer, how will you pay the bills? The marketing and promotion of your business should be your number one priority. Everything else is secondary to the effective marketing of your new venture.

GO FORWARD. Until you're open, you will be faced with many obstacles that may be new to you. Use your team and stay focused on the goal of not only getting and staying open, but excelling in your brand management and delivery of product. Above all, listen to your advisors - they have nothing to lose by telling you the unvarnished truth.

SELECT THE RIGHT PARTNER TO HANDLE YOUR LAUNCH IN THE U.S. The consulting staff at NRC has successfully opened over 500 restaurants of all types. We represent a wide variety of clients worldwide. With a track record like this, you know you're bringing on the right U.S. business partner. We can help you from an advisory perspective, or we can handle the entire process from start to finish. In fact, depending on your concept and your interest, we may be willing to discuss having NRC run your restaurants via a management agreement.

THE BOTTOM LINE. For most concepts entering the U.S. there are approximately 400 tasks that must be accomplished before you serve your first meal. Regardless of who completes these tasks, they must be done properly in order for your venture to be successful in the U.S. marketplace. We here at National Restaurant Consultants, Inc. are the proven industry leaders when it comes to the opening of restaurants.

We will treat your needs in a confidential and professional manner and guarantee that you will enjoy working with us, as have hundreds of successful clients worldwide. Contact us today - we look forward to hearing from you.

Let NRC help you get your own slice of the American Pie!



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