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At the helm

Family dining vet Greifeld set to pilot Captain D's through QSR waters ● BY ELISSA ELAN

Just four months after taking over as president and chief executive of quick-serve seafood chain Captain D's, Phil

Greifeld is prepared to steer the company on a new, more profitable path.

"Captain D's is a leader in the

QSR seafood space," he said. "It has the highest [average unit volumes] in the space and incredible brand recognition in the marketplace. I took a look at that and recognized the opportunities."

The challenge of improving Captain D's performance was too exciting not to pursue, he said, and, perhaps, the main reason for his leaving Huddle House, the Atlanta-based family-dining chain, after more than 14 years.

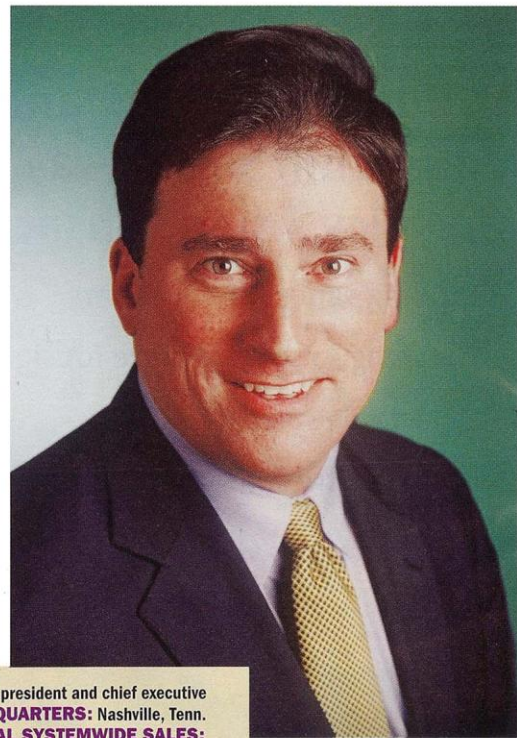
"There are challenges ahead for the organization, but I think they're not insurmountable," he said. "The great news is the brand is in a good position. Overall, it's very profitable, and there are a lot of great franchisees in the system. That said, I think there are opportunities to improve."

According to Chris Metz, managing director of Sun Capital Partners, the Boca Raton, Fla.-based private-equity firm that acquired Captain D's from Nashville, Tenn.-based Sagittarius Brands earlier this year, Greifeld is the right man to turn the company around.

"Phil is a hands-on, engaged leader with a strong strategic execution skill set and a clear track record in positioning restaurant businesses competitively in the market," he said.

Greifeld apparently has always had an interest in business. While growing up on Long Island in New York, he said he was fascinated with the world of business. Even during his teenage years, he seized the opportunity to sit in on some classes at Harvard Business School with his sister.

And while he admitted to not comprehending a lot of the material, he found it fascinating anyway.



TITLE: president and chief executive
HEADQUARTERS: Nashville, Tenn.
ANNUAL SYSTEMWIDE SALES: \$450 million
UNITS: 537
BIRTHDAY: June 1961
EDUCATION: bachelor's degree, business economics, Oneonta State University, Oneonta, N.Y.
KEY ACCOMPLISHMENTS: being a good dad
PERSONAL: married, two daughters

Carolyn. Married for more than 20 years, they have two daughters, Britt and Kelsey.

Not all of Greifeld's business experiences were great ones, though. In the early 1990s, he and two partners attempted to operate home-furnishings stores in the Northeast. Things did not work out, and in 1995 they liquidated the business.

"Then I had to go out and look for a job," he told Nation's Restaurant News.

Fortunately, Quad-C Inc., which had provided backing for the furnishing venture, had just acquired Atlanta-based Huddle House and asked him to become a part of the family chain's management team. He joined in 1995 as chief financial offi-

"I love business," he told Smart Business Atlanta magazine. "Not just the business I'm in. I generally have an interest in business. I read the Wall Street Journal every day to keep up on trends. It's a hobby of mine."

He attended State University of New York at Oneonta, where he received a bachelor's degree in business economics with a minor in accounting. While at school, he met his future wife,



Phil Greifeld, pictured on the opposite page, moved from Huddle House to head up quick-service seafood chain Captain D's, where he is focused on building traffic and profits.

cer, but by 1998 he had moved up to the posts of president and chief executive.

During his tenure there, he grew Huddle House to some 420 locations. Before leaving to join Captain D's, he helped spearhead Huddle House's makeover into a more contemporary version of a 24-hour diner.

Now at Captain D's, he says he has identified some operational adjustments that will help turn the brand around. The 539-unit chain plans to overhaul its menu to feature more portable and healthful items, as well as increase its focus on improving hospitality and speed of service, he said.

"Our biggest initiatives will center on how we can improve traffic flow," Greifeld said. "During the economic downturn, Captain D's experienced a decline in traffic. What we need to do now is improve guest satisfaction and improve profits through heightened execution."

He acknowledged that the chain in recent years has not con-

centrated as much as it should have on providing great hospitality to its guests, especially given the fact that most of the chain's transactions currently take place in the dining room rather than at the drive-thru. He added that operations at the store level could have been better, too.

But Greifeld is convinced that the biggest area of change and opportunity lies within Captain D's drive-thru business.

"We need to increase the number of portable items," he said. "Right now we have a limited amount, so when I looked at our lineup, I realized we needed to have more things that are hand-held. By improving that, coupled with a \$4.99 price point on those drive-thru elements, we can take a chunk of customers away from the other QSR players."

In addition, he said it is imperative that Captain D's offer more healthful options. The culinary team is now experimenting with several healthful items that are flavorful and spicy.

At the same time, the seafood

in price over the last three years — our average check is about \$6.15. With some product and menu engineering, you'll start to see a multipronged, barbell-like pricing strategy. We're not going to do a \$1 menu, but we will have various price points that appeal to a wide consumer base."

Despite the challenges ahead, he is confident that Captain D's will come back stronger than ever before.

"I see this brand operating more successfully and profitably at every restaurant," he

said. "I expect our [average unit volumes] to be growing day in and day out, going from \$850,000 to \$1.1 million or \$1.2 million. I want to see our stores become more robust, cleaner, sharper, better executed — reaching out to a different age group. I see our franchisees embracing this new brand culture and making more money on the bottom line.

"With some TLC, strong leadership and management, we will return to the glory days of years past." ■

chain plans to introduce other proteins into the menu mix, such as chicken, he said.

"We want to experiment with different protein platforms that would appeal to a wider customer base," Greifeld noted. "Having said that, we will, of course, have to make sure that those things fit within our brand filters. When people think about Captain D's, they think of seafood. But when you look at what fits, clearly there are opportunities for protein extension."

He said incorporating additional proteins into the menu mix will both fortify and increase Captain D's sales.

"Hopefully, we will build sales velocity with a protein extension," he said. "We've gotten a little rusty in our product [development]. We need to bring about some robust changes to that aspect of our business."

Greifeld also is looking at menu prices and deciding what to do to make Captain D's more competitive, particularly at a time when the economy is still struggling. But that doesn't mean he favors implementing a dollar menu like some of his competitors have done.

"What we have to do is have everyday good value for our customers," he said. "I think maybe we've gone up a little too much