

Meet the Franchisor:

BEEFING Up a Brand



Photos courtesy Mr. Mikes Steakhouse/Casual

BY JACQUIE DE ALMEIDA

Mike Cordoba has fond memories of visiting Mr. Mikes Steakhouse as a child. Growing up in North Vancouver, his family regularly visited the eatery known for its bottomless salad bar and cafeteria-style service. When the cook called out an order number, the customer picked up their steak on a tray. No-frills dining, for sure, but unpretentious was in. And these days, it looks like it is back in vogue, though the trays are now reserved for the wait staff.

“I was lucky enough to see the Mr. Mikes brand when I was a young boy,” says Cordoba, who is now the chain’s CEO. “I hadn’t followed Mr. Mikes that much over the years and I wasn’t aware of how different it had become from the old cafeteria family dining concept that had previously existed. When I heard of the opportunity to buy Mr. Mikes, it was an

amazing experience to have those memories of biting into a steak or the Mikeburger of a great fun brand.”

Back in the day

Mr. Mikes was a hit when it first opened its doors in 1960 at 911 Granville in Vancouver. Brothers Bob and Nick Constabaris developed the restaurant’s concept. Though neither was named Mike, both were firm believers a good steak should be affordable to everyone and that it should be served in a relaxed atmosphere.

Families flocked to Mr. Mikes intent on enjoying a steak dinner in a casual setting, and it wasn’t long before the brothers decided to franchise the business.

By 1970, there were 50 Mr. Mikes locations, but with the tougher economic climate of the early 1980s, the chain took a hit as people shied away from what they perceived was too great a luxury to

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afford: a steak dinner. By the mid-1990s, Mr. Mikes changed hands and its new owners reworked the concept, turning it into a full-service West Coast-themed steakhouse. Gone, too, was the salad bar.

“It was much more of a traditional steakhouse dining experience than I remembered,” Cordoba says. “What immediately struck me when I stepped into the restaurant was that that was more upscale than when I was a kid. I didn’t think it was true to its heritage.”

In 2011, RAMMP Hospitality Brands—owned by Cordoba’s investment firm, Empresario Capital Partners—picked up Mr. Mikes and rebranded it into its present incarnation, Mr. Mikes SteakhouseCasual, its ‘come-as-you-are’ ambiance of days gone by once again front and centre.

Cordoba wasn’t always in the food-service game. Back in the late 1980s, he started out in fashion eyewear with Eyemasters Eyewear Shop, serving as its controller and learning the basics of successful branding. Between 1993 and 2008, he led T&M Management Services Ltd., as its CEO (with Jim Treliving of *Dragons’ Den* fame its director and co-owner). His time there included various senior roles at Boston Pizza, including executive vice-president of finance, president and CEO. About seven years ago, he became an owner in Mr. Lube and remains board chair.

In 2008, Cordoba and three others formed Empresario Capital Partners, an investment firm that acquires or invests in mid-market businesses. One of the investments turned out to be RAMMP Hospitality Brands, then the franchisor and owner of restaurant brands Mr. Mikes Steakhouse and Bar, The Pantry and Rockwell’s Grill and Bar.

Mr. Mikes’ look was the first thing to get a makeover. Out went the dark

woods in the décor and in came distressed wood, old-style brick and brighter colours. A perusal of the menu these days is also a less formal affair, with its fun and laid-back design. Tongue-in-cheek radio and newspaper campaigns complement the brand’s new image.

“We brought Mr. Mikes’ down from a premium steakhouse to a mid-scale steakhouse,” Cordoba says. “We made it much more of a non-traditional steakhouse. We don’t have the white tablecloths and fine wine, but we have a great steak offering that is served in more of a fun and casual environment.”

Come as you are

So how do you restore a 50-year-old franchise to its former incarnation after it’s been branded into a tony eatery?

Cordoba says he and his team looked at what made Mr. Mikes successful to begin with: the Mikeburger and great steaks, as well as its fun, laid-back environment.

“A brand doesn’t just survive for 50 years because it’s not good,” he says. “What we did was recognize its foundation and brought back its heritage.”

Taking the brand all the way back to its cafeteria-style format, however, was not an option. A steakhouse where diners picked



Rather than white tablecloths, patrons of Mr. Mike's dine in a fun, laid-back environment, a throwback to the brand's heritage.

up their own food just wouldn't fit with today's consumer preferences.

"We took Mr. Mike's' foundation and all its great brand attributes and we added others that we thought would work for Canadian consumers," he adds.

One of those included conveying the idea that diners shouldn't fret over their attire. Suits are welcome, but so are shorts and any manner of casual wear.

"When people walk into Mr. Mike's, the number one thing we want them to feel is comfortable," Cordoba explains. "We would say we've done a great job if you walk in and feel very, very comfortable."

The first step in rebranding a business, Cordoba explains, is understanding why consumers do what they do. And for that, you have to do your homework.

"A brand is the collective thought consumers have about you," he explains. "It's the personality of what you're trying to convey to consumers. Researching and analyzing what consumers say about you—the good, the bad and the ugly—is the first part of running a brand, not only when you first get it, but also on an ongoing basis."

In the food-service world, that means researching why customers visit a restaurant and what they are looking for on the menu when they get there.

Step two to rebranding involves making changes based on the information gathered. As Cordoba puts it, successful brands don't stand still.

"Great brands that have survived for a long time all have at one point or

another continually evolved to changing consumer needs and tastes, for instance. There are many different facets that can drive a brand."

These days, consumers are more health-conscious, scouring menus for smart choices. Since the purchase in 2010, Mr. Mike's has focused on revamping its salad selection, as well as using more local ingredients in its offerings. They'll even lettuce-wrap a Mikeburger for diners who don't want buns.

"We're always very cognizant that as more and more people demand nutritional items, you have to address their choices," he says. "However, since great brands can't be everything to everyone, we still have to be focused on our core items."

The hectic pace of a busy lifestyle is another opportunity to innovate a brand according to consumer preferences.

"We've learned that steakhouses have great dinners, but we want to do lunches better," Cordoba says. "We need to make lunch more convenient. In today's world, takeout is another consideration that has been very prevalent, particularly in the United States. You want to work on stuff that lends itself to the changing lifestyles of Canadians."

Restoration is the third step to rebranding. Cordoba sees this particular aspect as continually improving on the details.

"I believe in innovation, but you always have to restore, which means not being satisfied with what you did last year," he explains. "I characterize a brand as a play

where you write a script for actors to act out every day and hopefully, they do a good job in portraying your brand. The actors at Mr. Mikes are the franchisees and the employees. But ultimately, you have to tweak the play at some point and look at what went right and what went wrong. So it's continually restoring the play and fine-tuning the details. You're addressing what you did well and making it slightly better, but most importantly, always looking at how you can do it more efficiently and more effectively for the consumer."

Have steak and burgers, will travel

A familiar sight in Western Canada in its heyday, Mr. Mikes is looking to the same communities to instill nostalgia in consumers who grew up making those weekly family trips to their local franchise. But Cordoba is quick to point out the brand can be adapted to consumer tastes in other parts of the country. You'll still find steak and burgers, but tweaks to the menu are not out of the question.

"As we move east, we will try to find locations that will have the target market we're going after and in some situations, we will adjust the brand for regional preferences," Cordoba says. "Some regions of Canada prefer more protein and some prefer less, for instance, or salads might be a more important choice. We're lucky enough to have menu items like steaks and burgers, which in general, Canadians like. However, the brand also works because Mr. Mikes has a nice format that appeals to a wide demographic of consumers. Young and old can come and feel very comfortable. We've created an atmosphere and an offering that caters to a wide variety of people." **CBF**



Although Mr. Mikes' rebranding included an overhaul to its décor, it remained true to staples like its steak offerings and Mikeburger.