



# InterFace Student Housing

REAL ESTATE CONFERENCE

June 16, 2009 | The Union Club, Philadelphia

**REGISTER  
NOW!**

LEADING THE WAY THROUGH THE 21ST CENTURY  
**SHOPPING CENTER  
BUSINESS**



Cinema, Entertainment  
and Specialty Retail  
Real Estate  
Consulting Services

[HOME](#)

[ABOUT](#)

[archives](#)

[SUBSCRIBE](#)

[AD SPECS](#)

[ADVERTISING](#)

[PAST ISSUES](#)

[CONTACT US](#)

## *Restaurant Review, June 2009*

### Ever Changing

**In its 20th year, McAlister's Deli stays ahead of the curve with new prototype.**

Lindsay Sport

This year marks McAlister's Deli's 20th anniversary, but the quick-casual dining chain is doing anything but resting on long-standing success. This year McAlister's launched a new prototype in Columbus, Mississippi, confirming the company's commitment to staying ahead of the curve.

"If you're not changing you're dying," muses Bill McClintock, senior vice president of development for McAlister's Deli, headquartered in Ridgeland, Mississippi.

The new Mississippi store opened in mid-February, highlighting elements of the prototype that will embody future McAlister's Deli locations in coming years. The main component of the prototype is the ability to shrink the traditional McAlister's footprint from 4,000 square feet to approximately 3,200 to 3,400 square feet, which is expected to reduce build-out costs by at least 10 percent.

Though economical, which is no doubt helpful in the current market, McAlister's innovative step was not motivated by the economy, as the company actually began looking at a new prototype more than a year ago. Instead, the company's progress was driven by McAlister's enthusiasm to remain on the forefront of a changing, and notoriously fickle industry.

"In the restaurant business, you learn that over time you need to have certain changes that occur to your décor and footprint," says McClintock, who is no stranger to the industry, having spent the last 10 years in franchise development for Buffalo Wild Wings.

"Customers expect you to spruce it up a bit here and there, and so that's what is needed to remain relevant in the eyes of the consumer over the long haul. That was really behind the design of getting a prototype that would give us an additional option," he says.

The new Columbus, Mississippi, store opened in mid-February, highlighting elements of the prototype that will embody future McAlister's Deli locations in coming years.

[Capital Markets Update](#)

[Property Listings](#)

[Writers Guidelines](#)

[Today's Real Estate News](#)

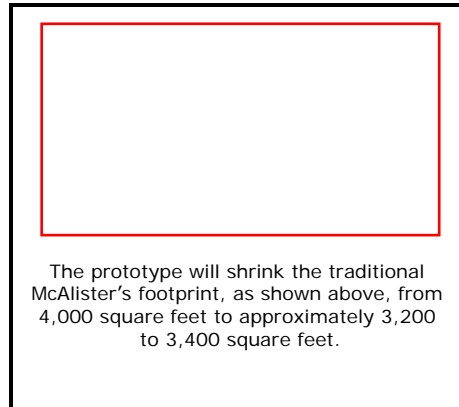
**REBUSINESS  
ONLINE**

[InterFace Conference Group](#)

But most importantly, the new prototype will allow McAlister's to have more flexibility, creating more opportunities for the chain.

"There's a ton of building end-cap locations, and in certain cases, freestanding conversion opportunities in that size range out there," McClintock explains. "With the new size, we can secure higher profile locations that may not have been possible before."

One possibility is entering freestanding, fast food conversions that have gone dark. This is exemplified in Peoria, Illinois, where a year ago McAlister's converted a former 3,200-square-foot, Fazoli's drive-thru location. With its increased flexibility, McAlister's was able to adapt to the smaller footprint, as well as converting the drive-thru into a pick-up window for carryout orders, which proved a success with customers.



The prototype will shrink the traditional McAlister's footprint, as shown above, from 4,000 square feet to approximately 3,200 to 3,400 square feet.

"Some of those fast food locations that have gone out of business, we can now convert and do what we do, and it's still a beautiful looking McAlister's, but now we have the added traditional convenience piece for customers," McClintock says.

The new prototype will cut size and costs; however, no quality of the traditional McAlister's Deli will be lost. The new McAlister's locations will still offer the same menu options of more than 100 sandwiches, soups, spuds, salads and desserts, while also maintaining the brand's recognized interior décor.

"It's really about value-engineering a footprint, not only from the exterior build-out, but also value-engineering everything that's inside the restaurant to continue providing customers with a great menu that they've become accustomed to with McAlister's. By value engineering the inside, especially the kitchen area, we are more efficient with every square foot we have."

With the new size, seating will be reduced from the 130 range to approximately 110, but McAlister's has no intention of losing customers or sales. As the footprint shrinks, McAlister's will balance in-store sales with a new emphasis on outside store sales as well.

"We will still have plenty of seating in the new prototype to handle customers, but the big thing we're going to focus on is the carry-out and catering part of our business," McClintock says. "We're going to fine-tune and drive those pieces, and you don't have to put a rear-end in a chair for that."

Currently, McAlister's has come a long way from its first restaurant in Oxford, Mississippi, with more than 280 locations in 22 states across the country. The company is breaking into new markets with locations in development in areas such as Chicago, Cleveland and Phoenix. "We're franchising into places we've never franchised before, so it's a pretty exciting time for us to be poised and ready to do this prototype," says McClintock.

In addition to the prototype, McAlister's is taking another step towards growth the implementation of a new captive-market format, McAlister's Select. The Select format is smaller, at 800-1,500 square feet, offering 30 to 35 menu options in a prepared-to-go format. The production line and quality will be the same, but whereas McAlister's Deli locations tend to be in more suburban areas, the McAlister's Select format will be able to enter more confined areas, such as airports, hospitals and university campuses.

As McAlister's enters the next few years, the company anticipates opening 30 to 50 locations a year, with locations remaining predominately franchised.

With 20 years under its belt, the franchise has no intention of slowing down. With a new prototype and captive market format, the company is poised to continue growth in multiple directions.

"As we get into 2010, that's where we really see our growth plans, and when the time comes, we'll be ready to rock and roll," McClintock says.

©2009 France Publications, Inc. Duplication or reproduction of this article not permitted without authorization from France Publications, Inc. For information on reprints of this article contact [Barbara Sherer](#) at (630) 554-6054.