

● FRESHWAY FOOD SYSTEMS INC.

WWW.FRESHWAYFOODSYSTEMS.COM

HEADQUARTERS: SIOUX FALLS, S.D.

EMPLOYEES: 500

SPECIALTY: CONVENIENCE CAFES


JOAN GODDARD, PRESIDENT:

"EVERYONE EATS WITH THEIR EYES."

FOOD AND DRINK/JULY/AUGUST 2006

156

FRESHWAY FOOD SYSTEMS INC.



Freshway operates a variety of quick-service concepts, such as subs, salads, pizza and chicken.

# On The Go

Freshway Food Systems' philosophy of helping its franchisees succeed, coupled with high-quality products, has brought success to the company. **BY HANNA ARONOVICH**

**SUPPORTING ITS FRANCHISEES IS A TOP PRIORITY AT FRESHWAY** Food Systems Inc. Founded in 1993, Freshway operates several quick-service concepts including subs and salads, pizza, chicken and breakfast. Freshway concepts are available in convenience stores, grocery stores and cafes.

Each location has its own unique design based on the store's layout. Because there are many variables, President Joan Goddard says installation is a detailed process. Freshway factors in cost, space, colors and other issues when designing a food center. "Every store is a little different, so when we go in, it's not always systematic," she explains. "We ask questions about the traffic and nearby competitors, but more so, we go in and review each store's operations. We identify where foodservice fits into that plan. Visibility is a key issue, especially in grocery stores and convenience stores. People don't want to walk all the way into a back corner.

"We have to take issues such as plumbing and kitchen equipment location into consideration," she continues. "At some

stores, cashiers also have foodservice responsibilities, so in that case, our café needs to be near the register. It's best to work with new construction so everything can be placed in the ideal spot."

Goddard says the concepts are flexible and can fit in a footprint as small as 7 by 10 feet. "You can sell a lot out of a kiosk," she notes. "Our biggest space is 18 by 10 feet, and we can supply extra seating. Sometimes our concepts are co-branded with an ice cream parlor or other franchise. We really look at it from a labor efficiency point of view. We want to get the most productivity we can from our space, while attracting the most customers."

Regarding food offerings, Goddard says the low-carb trend is passing, but consumers are gravitating toward healthier, fresh foods. When Freshway redid its image for the sub sandwich line, healthier options were added, such as using a roasted chicken patty instead of a breaded patty. Wraps and salads are also popular options.

"The trend we've noticed is merchandising sandwiches that are wrapped and ready to go," she says. "They are made fresh

every day, and placed in the cooler as a grab-and-go option. Everyone eats with their eyes, so we've always changed our packaging to a black tray with colorful wrap. We include a little candy bar with the sandwich and put an ingredient label on the pack. Everyone is in a hurry, and one-third of our sales are those pre-made items."

### FRANCHISEE SUPPORT

Freshway says it provides complete franchisee support including quality products, reasonable startup costs, purchasing power from national food distributors, flexible programs, and training and marketing resources.

"We're not looking for chefs because the food preparation is fairly simple," Goddard notes. "Most locations are in another business, so we're really looking for franchisees to be able to operate the other facets of the business. The deli manager typically does the staffing and ordering. We come in and do the food training, and provide refresher courses when necessary."

She stresses marketing is a key area of differentiation for the company. "You have to have the eye appeal, the bells and whistles," Goddard explains. "You can make an awesome sandwich, but the merchandising really finishes it off. We present our food choices in bright, bold packaging. That adds sales because of the visual appeal."

Recently added menu boards have also boosted sales. Goddard says the signage was a "gamble," but has paid off. "We don't charge for marketing support," she notes. "Each store can customize its own fliers with their personal logo. It keeps it new

and exciting. Especially with the older stores, that change is important to keep customers interested.

Freshway distributes a quarterly newsletter with promotional ideas to encourage franchisees. Trivia questions of the day – with the winner receiving a coupon or free sandwich – are a popular promotion. Deals such as three sandwiches for \$10 or a cheese pizza special during National Dairy Month also draw customers, she adds.

### SOLID EXPANSION

Goddard says giving its sub sandwich program "a facelift" has been a major highlight. "We redid everything," she explains. "We've changed the look, the signage and the whole setup. We've gotten a lot of 'wow' responses, and franchisees are eager to make the change."

Adding a chicken concept has also boosted sales. "Emily's Chicken and Spuds is the new brand, and we've introduced that in grocery stores and convenience stores," Goddard says. "Portion control is key. We weigh everything, and price each item per pound. Human error is taken out, and we think it will be very profitable."

Goddard notes Freshway has seen a lot of opportunities this year, and plans to enter 48 states by the end of the year. "I am thrilled that we have gotten to this point," she says. "It's taken a lot of work to get here, but I feel that we've perfected everything to where it needs to be. We are ready for big growth this year. The groundwork has been done, and we are excited to move into larger markets." ☺

**FRUIT & VEGETABLE  
SUPREME, INC.**

*If It Grows,  
We Sell It!*

A Complete Line  
of Fresh Produce  
Plus Any of Your  
Frozen Food Needs

1099 East 56th Street  
Brooklyn, New York 11234  
(718) 763-5554  
(718) 531-8605  
Fax (718) 968-3604

**Here's to You!**

Proud to be a  
beverage partner to