

Born in Alberta:

Many of Alberta's favourite chain restaurants and mall kiosks got their start locally

BY ELIZABETH CHORNEY-BOOTH



Edo Japan

THERE'S A MISCONCEPTION that eating at a chain or franchise restaurant goes against the concept of "eating local." Many food enthusiasts believe that supporting small independent restaurants and coffeeshops is a more noble and community-minded choice, and there is an argument to be had there — being able to see the person whose vision is driving a food business first hand gives consumers greater trust and connection to their food and drink.

But shunning larger multi-location restaurants isn't entirely fair to local businesses either, since franchise locations are more often than not locally

owned and operated, and even corporate-owned businesses employ local chefs and servers. What a lot of Albertans also don't realize is that many of the most prominent food-related chains that we see on our high streets, in malls, and in suburban retail centres, got their start right here in Alberta.

Calgary and Edmonton in particular have been hotbeds for developing restaurant chains for decades. Boston Pizza got its start in Edmonton in 1964. Earls is another Edmonton baby, sprouting up in 1982, with sister restaurant JOEY first emerging in Calgary, in 1992. Those major players have moved their headquarters to larger

cities (specifically, Vancouver) but the proliferation of major restaurant brands in Alberta has come naturally. They were developed here, they continue to cater to local tastes, and many are owned by those aforementioned local franchisees. While those contemporary restaurant chains may be the most prominent children of Albertan entrepreneurship, so to speak, they're far from the only ones that have grown from local start-ups into nationally recognized brands.

Every chain business that got its start in Alberta has a different story — unsurprisingly, some started off in the "normal" way - as standalone shops - but their popularity lead to more locations

and an eventual expansion outside of their cities of origin. That was the case for the Good Earth Coffeehouse, which was started in 1991 in Calgary's Connaught neighbourhood by Nan Eskenazi and Michael Going as a humble place to grab a coffee and a light but wholesome meal.

While it seems impossible to imagine now, at the time the idea of a cool coffee shop that offered well-prepared food was not ubiquitous in Alberta, so Eskenazi and Going expanded to 10 cafes of their own before eventually turning to a franchise model when the brand became more than they wanted to manage themselves. Now there are almost 50 cafes scattered around Alberta and in provinces like B.C., Saskatchewan, Manitoba, and Quebec, with even more openings (including some in Ontario) scheduled over the course of the next year.

"We saw that it could be a business that people would love in other places and that there wasn't anything like it at the time. We wanted to get Good Earth Coffeehouses into other communities but were limited in our ability to do that as a two-person owner partnership," Eskenazi says. "We also realized that one of the most important parts of running a coffeehouse in a community is that customers know the owner. So, we looked at the franchise model as a way to bring personal ownership back into every coffeehouse."

But not all chain eateries start off as the little boutique business that could. Cinnzeo, a mall staple that draws customers in with the irresistible smell of freshly baked dough and cream cheese frosting, may seem a lot like another American chain. That's because the original owners were a group of Calgary-based investors who bought the rights to be master franchisers in Canada for the Cinnabon chain of bakeries in the late '80s. The group decided that they wanted to start their own business and converted their locations to their own Cinnzeo Bakery Cafe brand a decade later. Now the company how has a presence in Calgary, Edmonton, and Red Deer, as well as B.C. and Ontario, in addition to shops in Mexico, the Middle East, and Mongolia, with plans to expand even further. Four years ago, the company was taken over by new ownership,



but remains based in Calgary, and has entered a new period of growth while also developing new products.

It is an unconventional story with an unconventional growth pattern and pretty much the opposite trajectory to the Good Earth story, but the end result is the same: an Alberta-based company getting something delicious out to as many people in as many places as possible. The location of the head office isn't the company's only tie to Alberta: the mix that is sent out to franchisees to become dough is made in Calgary and the coffee served at all the shops is from a local coffee roaster.

"The company is doing all the right things to keep the brand growing and moving across Canada and into other places internationally," says Cinnzeo CEO Brad Turner. "We use Canadian technology when we can. We're a Calgary-based company that is a leader in its field. Plus there's a rich talent pool here that isn't in oil and gas, but can do retail marketing and other things we can draw on. I don't think we're at a disadvantage because we're here in Alberta at all."

While some Alberta chain restaurants have succeeded in getting a taste of the West out to other parts of the country and the world, one of the province's most successful chains, Edo Japan, started as a way to introduce Albertans to Japanese Teppan-style cuisine. Edo was founded at Calgary's Southcentre Mall in 1979 by Buddhist minister Reverend Susumu Ikuta, and expanded to franchise locations in Edmonton as a means of giving new Canadians an opportunity to own their own businesses. Reverend Ikuta left the company in 1999, leaving it in the hands of a new CEO who



initiated a period of rapid growth with the introduction of street side stores (as opposed to just food court kiosks). The company now has well over 100 locations across Canada and recently started selling its signature teriyaki sauce by the bottle.

“Our founder really wanted to be part of building community and nourishing opportunities for people. He really has a vision and a mission to give Canadians, including a lot of recent immigrants, an opportunity to own their own businesses and build a life for themselves and become part of communities across Canada,” says Edo Japan’s current CEO Dave Minnett. “If you look at our franchise partners, so many of them come from different ethnic backgrounds, and they’ve worked so hard to come to Canada and build a better life. Edo has been a part of that.”

These examples are just the beginning when it comes to Alberta chains. In addition to the aforementioned Earls, Joey, and Boston Pizza chains, familiar storefronts like Famoso (founded in Edmonton in 2007), Jugo Juice (1998, Calgary — and its founders have gone on to found 98 Food Co. which has Dirtbelly, Chachi’s, Hula Poke, and Deville Coffee in its portfolio), Wok Box (2004, Edmonton), Moxie’s (1986, Calgary), Joey’s Seafood (1985, Calgary), and OPA! of Greece (1998, Calgary) among many others. It’s not all mall-style food either — OEB, which started as a single hole-in-the-wall breakfast place in Calgary has already branched out to Edmonton, Saskatoon, Vancouver, and Arizona, and is currently in the process of opening restaurants in Kelowna, Winnipeg, Toronto, and California.

Many of these businesses started in Alberta simply because this is where the founders happened to live and were propelled by that famous Western entrepreneurial spirit, but there are also some advantages of staying in Alberta: the province has a diverse pool of food and beverage professionals, and the cost of living is less than that in Vancouver or Toronto. Alberta doesn’t necessarily have something magical in the water that has ensured the success of so many food-related start-ups, but there’s also no reason why a chain’s head office wouldn’t do as well here as anywhere else.

All of this business success does mean that budding franchise companies may



have their sights set on becoming the next Edo Japan or Jugo Juice — the owners of new businesses like Calgary’s VBurger or Saucy Burger, located just down the street, have said from the get-go that they had franchise expansion in sight, but a successful expansion requires more than a delicious product that appeals to the local market. Brad Turner says that there is plenty of opportunity for growth but advises businesses to take a good look at their model before letting those dreams of expansions take hold.

“There isn’t anything preventing an Alberta company from becoming a

franchise. It depends on how unique their concept is, how well-established they are, and how well they can take all of that and put it into a program for success,” Turner says. “Because that’s really what a franchise is — it’s when you want to be in business for yourself but not by yourself. You don’t want to have to create something by yourself and just hope it works.”

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