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## Restaurant chain looks to 'Beef' up its presence in Daytona Beach, Palm Coast



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A Tampa-based chain of "family sports pub" restaurants is looking to increase its presence in the Volusia-Flagler area by adding 10 to 15 locations in the two-county market.

To do it, the Beef O'Brady's chains needs to find people interested in becoming franchise operators. No specific locations have yet been identified.

The chain currently has two restaurants locally, both in Volusia County at 1610 S. Dixie Freeway in New Smyrna Beach and at 2160 Howland Blvd. in Deltona.

It previously had more Volusia-Flagler locations, including restaurants in Port Orange and Palm Coast, but they closed during the Great Recession. The chain's former Port Orange location is now home to McKenna's Place restaurant.

"We'd like to be back in those markets. We just need to find the right partners to become franchisees," said Chris Elliott, the CEO of FSC Franchise Co., the parent company for Beef O'Brady's. Elliott spoke by phone with The Daytona Beach News-Journal. Here are the main takeaways from that interview.

## **Restaurant chain has a long history**

Beef O'Brady's began in 1985 when founder Jim Mellody opened the chain's first location in Brandon, Florida. According to the chain's website, Mellody's goal was to create a neighborhood pub where families and friends could enjoy good food and sports in a fun, comfortable atmosphere.



## **No one knows for sure how it got its name**

Legend has it that the original Beef O'Brady's location had a neon sign above the entrance that read "Beef's" and that Mellody decided to keep it rather than spend the extra money to replace it. The chain's website has a photo showing that original sign. But Elliott said he also heard that the Beef O'Brady's moniker was chosen from a list of Irish-sounding names compiled by Mellody's wife. "I'm not sure which is true," he said.

## **The chain has had several owners**

The chain grew to hundreds of locations in multiple states. A parent company was formed called Family Sports Concepts of Tampa Inc., which also acquired a chain of upscale craft beer bars called The Brass Tap.

But then the Great Recession hit, forcing the company to struggle financially, resulting in the closure of a number of its locations.

In 2010, a Los Angeles, California-based Levine Leichtman Capital Partners wound up becoming the FSC's majority owner. It hired Elliott to lead its turnaround. The veteran restaurant executive's resume included a stint as president of Cinnabon.

Levine Leichtman sold its stake to Nashville, Tennessee-based CapitalSpring in 2017, which owns 85% of the company. FSC's management team, including Elliott, owning the remaining 15%.

FSC Franchise Co. was incorporated that same year to become the new parent company for Beef O'Brady's and The Brass Tap.



## **The company is on a roll**

"We've spent a lot of time over the past decade improving the quality of our food and service," said Elliott. "We are also keen on building local ties with the communities we serve. We get involved with youth sports teams, schools, civic organizations and churches.

"We also want to be known for value. If you look at our menu, there's a special every day of the week. We've also introduced a deep value menu that offers 10 items at \$10."

"The average check for Beef's is about \$18.50," said Elliott.

The effort has resulted in the company being the most profitable in its history, according to Elliott. Same-store sales rose 5% last year, compared with 2021. So far this year, they are up 6%.

Newsweek recently included Beef O'Brady's in its list of "America's Favorite Restaurant Chains for 2022," based on a poll of its readers. The list included rankings for 16 categories with Beef O'Brady's earning a five-star rating for its chicken dishes.

## **The chain wants to step up its expansion**

After seeing its number of restaurants fall to 150 immediately following the Great Recession, FSC has been gradually adding more locations in recent years. It now has 180: 140 Beef O'Brady's restaurants and 40 Brass Taps, including one in Palm Coast at 250 Palm Coast Parkway.

Elliott said his company would like to significantly add more Beef O'Brady's restaurants in the Volusia-Flagler area as well as the Jacksonville/St. Augustine market where another 10 to 15 are also planned. Each location employs an average of 25 workers.

## **The chain is best known for its wings and burgers**



While the name Beef O'Brady's suggests some sort of steakhouse, the chain's top-selling items are actually its chicken wings and hamburgers. However, steaks are also popular menu items, along with its salmon and fajitas.

## **What it costs to become a franchisee**

FSC charges an initial franchise fee of \$40,000 and a 4% royalty fee, which Elliott said is "the lowest in the industry."

That, of course, does not include the cost of actually leasing and renovating and equipping the restaurant space, which can vary depending on the location.

"Where we do best is in an active (retail) strip center or in a small or medium-size community," said Elliott.

## **What others are saying**

Costa Magoulas is the dean of hospitality and culinary management at Daytona State College. He said he and his wife enjoyed eating at Beef O'Brady's but admitted it's been years since they've been back.

When told Elliott's comments, Magoulas said it sounds like the CEO is on the right track. "More people are going out to eat these days, but their expectations for both food and service is getting higher as restaurants have raised their menu prices," he said.

"The one thing Beef O'Brady's can't afford to do is do things like they did 15 years ago and expect to succeed. No restaurant can."