

[THE] KINGS [OF] GREEN

Pizza company proves being eco-friendly can bring in profits



Story by Mandy Wolf Detwiler
Photos by Josh Keown

It seems an oxymoron at first. Can being “green” help you see green? The answer to that, say the owners of Ft. Lauderdale-based Pizza Fusion, is a resounding yes. This fledgling company (it began in 2006) already has six locations with sales expected to total \$6 million this year, and with more than 60 agreements sold, there’s a good chance it may soon become one of your competitors.

The company was started by college buddies Michael Gordon and Vaughan Lazar, who initially came up with the idea of opening a pizza place together; but instead of a traditional delco restaurant, however, they decided to go organic. “We knew there were the big three and we couldn’t compete with them (in terms of) marketing dollars. We couldn’t compete with them

in price, so we went totally opposite, to go with a higher end, more quality product," Gordon says.

Since the two had owned separate businesses, they already knew how to manage a staff, but they wanted a more holistic approach this time around, Lazar says. "It kind of made sense that we took a look at this business from the backside and worked our way forward, then we just figured profits would follow eventually if we did the right thing."

They opened their first store in 2006, just five months after the idea was born. Within those months, they attended International Pizza Expo in Las Vegas, met industry consultant Big Dave Ostrander, decided going organic would separate them from their competitors and hired an interior designer to get the company off the ground.

Their slogan — "Saving the earth one pizza at a time" — "became an 'a ha!' moment," says Lazar, and they decided to go big or go home. The list of environmental initiatives is impressive. The concept goes beyond recycled pizza boxes and energy efficiency. Pizza Fusion takes it to a whole new level, from using recycled blue jeans as insulation and providing employees with 100-percent organic cotton uniforms to recycling the heat from the ovens to heat the water in stores and installing countertops made from recycled detergent bottles.

"We've always said that this is so much more difficult than we thought," admits Gordon. Lazar says having no experience in the industry was a hindrance, but they figured with all the bad pizza out there, surely they could come up with something that tasted good and helped the environment as well.

The second store opened just eight months after the first. "We were looking at locations the day after we opened," Gordon says.

Six locations are now open, with another two expected by the end of this month. The second and third locations are franchises.

Delivery is available — the company added a fleet of hybrid Toyotas in which to do so — and accounts for about 30 percent of sales. Dine-in and carryout also account for 30 percent of sales each.

Of course, the menu here is organic as well. Even the sodas, beer and wine are organic and while alcohol sales don't comprise a large portion of sales, "it adds value. Where else can you buy organic beer and wine?" Gordon says. As the footprints of the new units grow, however, they expect beer and wine sales to increase with the additional capacity.

Dough and sauces are made in-house, and the gourmet pizzas have an unusual oblong shape that serves as a further point of differentiation. (Pizza Fusion uses rotating ovens.) The Bill's Pizza, priced at \$26 and \$32 for a medium and a large, respectively, is a bestseller featuring strip steak, tomato sauce, mozzarella, aged Parmesan, peppers, oregano, Gorgonzola and red onions. The bruschetta-style Seattle (\$19 and \$23) is also a hit, and the BBQ Chicken offering (\$20-\$25) is a top seller. Salads, panini, wraps and a handful of desserts round out this simple menu. A full line of organic ice creams is the most recent addition.

The question now then begs to be asked — how do officials source so many organic ingredients?

"We had a pretty simple approach to the distribution aspect of where we were putting our stores," Lazar explains. "We looked to see if there was a Whole Foods in the area. We figure if they'd done their homework, we'd know there's a distribution route set up (for organic products). We wanted to be within 10 miles of a Whole Foods."

They also found many of their products through their customers. "We didn't have vegan options, we didn't have gluten-free pizza," Lazar



says. "It was all customer suggestions."

Aside from the traditional tools like door hangers, Pizza Fusion's marketing steps out of the box as well. The company sponsors sports teams and participates in fundraising and other philanthropies. Additionally, their broad demographics allows them to touch a wider audience, says Eric Haley, vice president of communications. For instance, Pizza Fusion's gluten-free pizza is popular with those touched by celiac disease, so partnering with the Celiac Disease Foundation is a perfect fit. That, in turn, endears the company to those niche markets. "By reaching out to them and sponsoring their events, we really created a loyal following at our restaurants," Haley adds. "It's something we really encourage our franchisees to do."

They also host a free kids' organic class where children are taught how to make their own pizzas. It's one small attempt at passing on the organic idealisms embraced by Pizza Fusion and cultivates a new generation of customers.

Vice President of Development, Randy Romano, joined the company to help launch franchising initiatives after sampling the pizza at his corporate job. Romano says they have about 62 commitments to open stores, each expected to weigh in with a 2,400-square-foot footprint.

Romano says finding the right contractors and sourcing materials has been a challenge given the fact that Pizza Fusion is the first pizzeria company with national aspirations to offer a mostly organic experience.

Could a Pizza Fusion soon be your competitor?

"We're looking for that high-end market," Gordon says in regard to future locations, and they're starting to aggressively market to potential franchisees. Expected expansion will take Pizza Fusion coast-to-coast, from Santa Monica and San Diego to Phoenix and Philadelphia.

"We can go to these areas because the rent's high and we know we can sell the quantity that we need to sell," Gordon says. "The lifestyle centers are huge for us."

Still, officials are careful that potential franchisees not dilute the original concept of "saving the earth one pizza at a time."

"The reason that we don't have all the stores open as quickly as we'd like to have open is that we want to have all of our ducks in a row," Romano says. "We want to have all the materials with the right contractors, with the right trainers."

That's why there is no defined time schedule. That's why they tell franchisees to take time to find the best location.

And how do they expect to maintain continuity when the brand expands? They plan to use a one-number system, train phone staff for 40 hours and are creating a spec book for the look of the stores.

In the end, it's all about the culture of Earth preservation and giving back to the communities in which Pizza Fusion is embedded.

"We don't only say it," Lazar says. "We believe it. We live it. We do it." ❖

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