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DUGG
BURGER

**ON THE
CUTTING
EDGE**

Jeff Braunstein,
co-founder/managing partner,
Dugg Burger,
Dallas, Texas

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ON THE CUTTING EDGE



Dugg Burger opened its doors earlier this year outside of Dallas, Texas, to offer diners its take on the gourmet hamburger.

One of the biggest things that makes the Dugg Burger concept stand out from others is related to the bread: The center of the top bun is dug out—hence the name Dugg Burger—and it's filled with the guest's choice of a dozen toppings while the burger is being grilled. A burger is one price, so no matter which or how many toppings—including a choice of four cheeses—a burger is \$7; a combo with soft drink and fries is \$10; and a burger, fries and beer or wine is \$13.

Burger toppings include hickory-smoked bacon, sautéed mushrooms, caramelized onions and fire-roasted jalapenos, as well as the more traditional ketchup and mustard. (Dugg Burger also constantly seeks a revolving 13th topping, which is called the "Lucky 13.") The "Dugg-out" bun keeps all the toppings in place, instead of sliding off the side, and allows the flavor of the meat to come through.

By keeping the menu focused on one entree, Dugg Burger is able to keep waste to a minimum and ticket averages reasonable for the guests.

Speaking of waste, what happens to the bread that is dug out of the bun? It is turned into dessert—bread pudding, naturally.

Owners Jeff Braunstein, Martin Hennessy, Jeremy Samson and Scott Terraciano Spence have more than 70 years of collective experience in the food industry, as well as a love for burgers. Contributing writer Sudie Crouch spoke with Braunstein, managing partner, to find out more about the concept and how business has been so far.

Dallasites Are Digging Dugg Burger

Tell me what led you to a career in the food industry. Did you always want to be in the restaurant business or did you initially have another path in mind?

There are four of us who developed Dugg Burger. Collectively, we have worked in the food industry for more than 70 years.

My partners have spent their whole careers in the food industry. As for me, I have always been drawn to unique restaurant concepts but didn't see myself being involved in starting a new restaurant concept until somewhat recently. I had a completely different career right out of college, working in the television industry for about 12 years. I left that industry and received an MBA with a focus on marketing, and that led me to a career in food marketing. After nearly five years at Taco Bell in brand marketing, I left to develop this concept. Compared to producing television, the great thing about the restaurant industry is the direct interaction with your consumer. You can walk into one of your restaurants and see how guests respond to the product and experience what you have created, and you can continually improve by making changes based on the feedback you receive.

"...the idea that all the toppings are included in the price is a big win for consumers."

Describe Dugg Burger to our readers; what sets it apart, makes it unique?

What truly makes Dugg Burger unique is the innovative way in which we make our burgers. We dig out the top portion of the bun and fill it with any toppings that the guest asks for in a build-as-you-go fashion. Meanwhile, we grill the burger patty, so when the guest is finished filling his or her Dugg-out bun, we add the patty and bottom bun, flip it so it's right side up and serve it to the guest. By reversing the burger building process and starting with the bun, we are able to deliver a completely customized, high qual-

ity burger extremely quickly. And the burger tastes great because the Dugg-out bun allows the guests to taste more of the meat and toppings. And all of our toppings—which include hickory-smoked bacon, sautéed mushrooms, caramelized onions, fire-roasted jalapeños—are included in the price, so the guest doesn't have to hold back on building his or her perfect burger.

How did you decide on the concept of Dugg Burger?

First and foremost, we love burgers! We wanted to develop a concept built on the foundation of "simple done exceptional." We believe that having that focus with regards to the menu, design, operations, etc., leads to an overall better consumer proposition.

For instance, by keeping the number of menu items limited, we lower the labor needed for prep and minimize the waste, and those are savings we can pass on directly to the consumer. Having come from the QSR world, we know the importance of speed with today's consumer. Knowing that we wanted to create a high-quality burger with minimal wait, we realized the best way to do that was to do both steps of the burger-building process simultaneously. And from that notion, the Dugg-out bun was born.

Dugg Burger just has the one location so far. Tell us what you have learned about the restaurant process since opening.

While we do just have the one location at this point, we have learned an immense amount that will aid us going forward as we open additional units.

We certainly learned a lot about our equipment and operations that will help us streamline the process further. However, the most meaningful learnings have been around the consumer experience. First, we validated the fact that people do like the Dugg-out bun and the build-as-you-go format when it comes to burgers. That, of course, was the biggest variable we needed to prove.

After that, we learned that some parts of the consumer proposition are resonating more with guests than we had expected. For instance, the idea that all the toppings are included in the price is a big win for consumers. Most burger places charge more for premium toppings, and thus consumers are used to having to do quick math in their

From left: Greg Watson, head of operations; Scott Terraciano-Spence, co-owner; and Jeff Braunstein, co-owner. Braunstein noted that Watson is "a big part of our success." (Not pictured are co-owners Martin Hennessy and Jeremy Samson.)



heads to estimate what their burger would cost if they added on the toppings they truly want. We eliminated that from the process and hear repeatedly from guests about how much they appreciate that.

Additionally, we have received really great feedback from guests about our service and the friendliness of our team members. When we were hiring, we had a banner that read, "hiring nice people," and it certainly worked. While having a great burger is a necessity, supporting it with great service is what truly creates a memorable experience that leads to repeat visits.

What has been your biggest obstacle or challenge?

The biggest challenge has been finding great real estate. Dallas is a very competitive food market with many great burger brands. As a startup, we have to find landlords who believe in us and our concept. Fortunately, we were given an opportunity with our first location in east Dallas and couldn't be more excited and thankful for that. And now we have landlords who have heard about what we are doing and the success that we are having, reaching out to us, pitching their properties to us.

On the flipside of that, what has been the greatest success or surprise you have encountered since you opened?

The greatest success has been the amount of repeat traffic we are getting. Our number of repeat visitors has gone up each week since we have opened. And every day we have guests tell us that their first visit to Dugg was the day before—or in some cases the meal before—and that they came back because they wanted to bring friends or family members to try Dugg. That, of course, is the biggest compliment we can get.

What are your plans for future expansion? Will you stay in Texas, or do you have another area in sight?

We are strictly focused on Dallas/Fort Worth at this point. It is a great market with very sophisticated burger eaters, and there is a tremendous opportunity for growth within the Metroplex. We would certainly like to expand beyond DFW eventually, but we want to do so at a pace that allows us to maintain the high standards we have set for ourselves.

What do you enjoy most about being in the restaurant business? Is it the fast pace, the customers, etc.?

Collectively, our passion is really around the guest experience. The four of us all have young kids around the same age and know how great it is to be able to go out for a meal and just enjoy the experience as a family. We have tried to create an atmosphere that allows everyone to have fun and relax while enjoying a great meal. For instance, we have a brick wall that stretches the length of our restaurant. We provide chalk and encourage guests to draw on it or write topping sugges-

tions on it. The kids love it and look forward to doing it when they come to Dugg. It's a little thing, but it helps create a fun and engaging atmosphere for guests.



Bread Pudding

How many options are there on the menu?

Our menu is very simple. We offer burgers, fries and drinks, including wine and a selection of local craft beers. We also make a bread pudding with warm caramel sauce that we drizzle on top. The bread for the pudding comes from the dug-out parts of the bun. We have a couple of "off-menu" items that we offer as well. The Dugg-less is our non-beef option. Guests can choose from any of our toppings and cheeses, and we will make them a great grilled cheese sandwich. Additionally, we have a Dugg Salad, which is any of our toppings and a burger or cheeseburger on a bed of lettuce with our house-made vinaigrette.

Do you plan on expanding the menu beyond burgers, or do you want to keep it just burgers?

We don't plan on expanding the menu. Consumers have so many great options for chicken sandwiches or veggie burgers, for instance. We are laser-focused on making exceptional beef burgers and fries.

What is your favorite combination of burger on the menu? What is the most popular burger for customers?

My favorite combination is our fire-roasted jalapeños, crispy onion strings, hickory-smoked bacon, warm BBQ sauce and pepper jack cheese. Since consumers get to build their own burgers, each one is different. With that said, from a topping standpoint, our most popular toppings are our sautéed mushrooms, hickory-smoked bacon, caramelized onions and Dugg Sauce, a mayonnaise-based sauce with roasted garlic, capers and shallots.

Describe your customers. Who is your ideal customer, to whom are you trying to appeal, a certain age/income/demographic?

The great thing about burgers is that



a Dugg Burger stuffed with toppings



everyone loves them. We truly see just as many older women as we do younger men eating at Dugg. It's great that we really don't need to narrow our marketing to any specific demographic.

Do you make use of any feedback you receive from customers via sites like Yelp, Google Reviews or any of those types of forums?

We definitely take into account feedback we receive on review sites like Yelp. We privately respond to every review, positive or negative, and thank them for their feedback. If a guest takes the time to provide feedback, we view it is an honor and a great chance to address opportunities we may have.

Another area where we encourage guest feedback is with our Lucky 13 program. Lucky 13 is the name we've given to our ever-changing topping. We are always on the lookout for great Lucky 13 topping ideas. In addition to literally posting ideas on our brick wall in the restaurant, guests can submit ideas through our website or Facebook page. We have received some great ideas and have used many of them already, including fried eggs, chipotle ranch, roasted corn salsa and grilled pineapple. And when we use someone's Lucky 13 suggestion, we give him or her some Dugg merchandise to show our appreciation.

How has customer response been since you opened?

The customer response has exceeded our expectations and projections. We have so many people who tell us that Dugg is their new favorite burger. We also have parents tell us that their kids never finish their food, but insist on finishing their meals at Dugg. We also have some repeat customers who routinely drive from 60 miles away just for our burgers. Every day we have customers asking us to open a Dugg Burger in their neighborhood.

What lessons do you think the current state of the economy is teaching entrepreneurs and restaurateurs?

Fortunately, the economy feels like it's providing new opportunities for entrepreneurs and restaurateurs. Banks seem to be lending again to startups, and consumers are eating out more, so it's a good time to open a restaurant. With that said, consumer predilections have changed over the past several years, and certain formats are going to resonate more with the new mindset. It's a great time to be starting a fast-casual brand since consumers have realized that they can get a high-quality meal with a relatively high level of service for not very much more than they would spend at a fast food restaurant. Consumers are also not always on the hunt for a deal like they may have been a few years ago, but they are still not going to frequent restaurants that don't provide a good value for the money. So restaurateurs need to make sure they are always cognizant of that value, not just with their price points, but with their service, atmosphere and product quality.

Do you consider Dugg Burgers a success, or how will you define success for Dugg Burger?

Having only been open for a few months,

we are very happy with the way things are going. We have been exceeding our projections with sales and repeat visits, and our labor and food costs are trending in the right direction. So the metrics are telling us that we have created a concept with great potential. We know there are areas in which we can continue to improve, and we have so much work ahead of us as we grow. We would like to open many more Dugg Burgers, but the true measure of success for us is the consumer feedback. That can be represented in repeat visits, word-of-mouth marketing and having customers tell us that we are their favorite burger place.



What advice would you offer aspiring entrepreneurs/restaurateurs?

The most important piece of advice is to stick to your guns. As an entrepreneur or restaurateur, you are taking a leap of faith because you believe in your product or concept. Along the way, you are going to have so many people questioning you or your idea. Listen to what they are saying, but always remember your strategy. That's not to say you shouldn't be flexible and pivot if needed, but don't take every suggestion or incorporate every piece of advice or you will lose sight of that concept you were once passionate about.

Anything else I should have asked you? What would you like to add?

Next time you're in Dallas, come to Dugg!

