

## ***Case Study***

# **A New Café for a Multi-Tenant Office Building**

*One of a series of reports of the results of Clarion projects, illustrating the ways in which food services are improved and new opportunities to increase value are created. Names and identifying details are omitted to protect our client's anonymity.*

*Dining Insights, Spring 2009*

**O**nce upon a time, about 25 years ago, a thriving computer company built a splendid, big headquarters for itself in a suburban office park. It had more than 2,000 employees here and a staff café to serve that size population. The company was acquired by a larger high-tech company, who occupied the building for several years, then closed it.

**THE SITUATION:** The property had been vacant for five years when it was bought by the present owner, who planned to convert it to multi-tenant occupancy. We were asked to reactivate the café as an attractive tenant amenity in what would be a “Class A” office building.

The owner also asked us to help select an operator for the facility.

**WHAT WE FOUND:** The owner anticipated full occupancy would be about 1,000 population, working for four or five high-tech, tenants. That meant most café customers would be professional and technical staff. The operating system and menu would have to satisfy this well-educated population.

We found a fully-equipped kitchen and a huge servery. The servery's grill station was intact, but the facility was shabby. The servery was far too large, needing more labor than sales would support.

**WHAT WE DID:** Given current trends in corporate dining service, we knew that, at most, some 400 to 450 customers would come to lunch and many of them would want “grab-and-go” food to take out.

We called in the company that formerly maintained the equipment to restore the kitchen to operating condition.

**The servery** is L-shaped, with a main section 56 feet long by 28 feet wide. The short leg of the L includes beverage and self-serve counters and leads to the seating area.

Our design turned the servery around, with four compact service stations across the 28-foot width, facing a new servery entrance off a main corridor. The existing grill station was retained behind a new counter. The hot food station, equipped for exhibition cooking, adjoins it.

The pizza station is equipped with an oven, so product can be baked as needed. A to-order deli station completes the lineup. The salad bar, including two soup wells, is placed in front of, and at right angles to, the staffed service counters

In the shorter leg of the L, between the entrance and cashiers' stations, we located all self-service counters – beverages, desserts, impulse items and, most important, open-front, refrigerated display cases for pre-packaged grab-and-go foods.

**Customers looking** for a meal prepared to order go directly to the staffed stations. The customer in a hurry just turns right to the self-service section and on to the cashiers, without crossing traffic.

The new server occupies about two-thirds of the former space. The advantage for the operator is that staffing is efficient. At peak times, four servers and two cashiers are needed. At other times, one person can staff each of the two sets of adjoining counters.

**FINDING AN OPERATOR:** While construction was under way, we issued a Request for Proposals to eight national, regional and local food service contractors, more than usual. The opportunity included a limited vending operation and office coffee service, if requested by tenants. The operator is permitted to market the café to other, nearby buildings and provide catering service to tenants and outsiders.

Several companies declined to participate, primarily because they didn't want to operate in a multi-tenant environment. Our review of proposals received found two companies, one national and one regional, were best qualified.

After extensive negotiations, reference checks and visits to each company's existing operations, the regional company was selected and began service as the first tenant moved in.

**EPILOGUE:** After a promising start, the operator failed to satisfy tenants, who complained about both café and catering services. As a result, we issued a new RFP and a new operator – the runner-up in the first process – has been selected. Contract negotiations are now under way.

**CLARION'S CONTRIBUTION:** We found an innovative way to convert an oversized facility to meet the needs of the new occupants at a minimal cost for the renovation. We worked closely with the architect to ensure the café would be attractive as well as efficient and cost-effective.

When the first contractor failed to provide the expected service, we were there to work with the owner to find a qualified replacement.