



Nick Sanders stands in front of his Louisville The Pub location.

# SUCCESS ON TAP

Chain franchise veteran Nick Sanders takes The Pub concept to quick profitability

BY FRED MINNICK

**N**ick Sanders grew up in the restaurant business. His father owned a Maysville restaurant called deSha's, where a young Sanders spent his spare time learning the trade and occasionally mopping floors, scrubbing plates and wiping down tables. "I was a little kid back then, hanging around that restaurant and my dad all the time," said Sanders, 55, whose first name, deSha, is his grandfather's, father's and son's.

In the late 1950s, the senior Sanders sold deSha's and a few years later became

a Long John Silver's franchise owner. At this point, the son was old enough to shake the grease off the fries and drop orders of shrimp in the fryer. It was in these fast-food restaurants that Sanders watched thousands of customers enjoy fried fish, fries and soda pop, and he realized there were profits to be made. He wanted to own one of these gold mines.

In 1973, the University of Kentucky college student opened his first restaurant, a Long John Silver's in Maysville. "I was looking for the closest town to Lex-

ington, because I was in between my junior and senior years at UK," he says. It wasn't long before the tall and lean 20-something kid owned 18 Long John Silver's from Cincinnati to Naples, Fla. "But after growing all those stores through the '70s, I was itching to do something on my own, other than just a franchise concept," Sanders said.

As he was toying around with ideas, something coincidental happened. Or perhaps it was fate. The building next to his father's old deSha's restaurant became available. That's where he reopened deSha's in 1981. Sanders later opened two more deSha's, one in Lexington and Cincinnati. Today, his holding and operating companies, the Pub Holding Company and the Tavern Restaurant Group respectively, run four brands: The Pub, the Polo Grille, Nicholson's Tavern & Pub and deSha's.

One restaurant in particular has jumped out of the gate like a Kentucky Derby winner and is poised for great success.

**The Pub**

With four stores open and several in development, The Pub is the missing link in American dining. It combines a London-style pub with southern goodness and more beers on tap than waiters, giving Yanks and Brits alike a place to enjoy a pint, music and a burger and chips.

Sanders calls The Pub the best mouse-trap he's created, because the low light, old-wood decor, many high-end beers and a simple menu "has a widespread appeal," he said. And then there are the employees. They wear shirts that sport sayings you would expect to hear on Monty Pythons like "Piss off." A handful of male waiters also wear kilts. It's this fun environment that spawns timelessness, Sanders said.

There are a lot of developers and investors who also believe in Sanders' vision, said Mark Fallon, director of leasing for Anderson Real Estate, who has developed shopping centers throughout the Midwest. Fallon believes The Pub is one of the best restaurant investments a developer can make right now, especially with Sanders' plan to grow the Midwest and Florida markets. "What he has done with The Pub is by far the best concept he's built," Fallon said. "Of all the good, sit-down restaurants out there, The Pub has the best legs of them."

For Fallon to speak so highly of the place is definitely a compliment. The Cincinnati-based developer has worked with the likes of P.F. Chang's and J. Alexander's. However, with high praise comes high expectations and in the restaurant business, that's measured by growth, same-store sales and average-unit volumes. Sanders said the Pub Holding Company will always control at least 50 percent of The Pub. He would not divulge restaurants' sales figures, but said the company is operating at a profit thanks in part to a high frequency of customers, lower labor costs and energy-efficient stores.

"The amount of labor it takes to pull a \$5 pint versus making a \$5 dollar appetizer is much less," he said. "When we sell a beer versus a plate of food, we're not doing any better on the cost of goods, but we're doing better on the labor side."

At around 5,000 square feet, The Pub is a fraction of the size of his other restaurants. "We've got less space to build out, less space to pay rent on and less space to heat and cool," Sanders said. "All of those efficiencies kick in when you're selling a lot of beverages and a lot of food."

As for growth, Sanders doesn't want to fall into the same trap many hot concepts do. "Some brands go out and stamp their stores left and right and forget to operate them. We're not going to make that mis-



Fred Mirmick photos

Servers at The Pub wear shirts sporting Monty Python-like sayings on their backs, and many of the male waiters finish off their British-themed outfit with a kilt.

take," he said. "We're going to control our growth." Sanders hopes to open two to four stores a year, taking advantage of deals and real estate opportunities when they arise.

**The Boss**

Kathleen Ruppert, the placement coordinator for the culinary program at Cincinnati State and a board member of the Ohio Restaurant Association, has known Sanders for nearly two decades and helped him open Nicholson's in Cincinnati. She said it is no accident he has become such a success. "Nick has an extreme passion for this industry," Ruppert said. "He's a visionary with an entrepreneurial spirit."

What really separates Sanders from other owners, she said, is the way he

looks at everything from the customer's perspective, from the lighting, to the color of the fries and taste of the lager. He pays a lot of attention to details. "He never has blinders on when he's walking through one of his restaurants," she said. "After 30-plus years, he still doesn't miss a beat."

He also never loses his temper, she said, a trait that's hard to come by in the highly stressful restaurant world. When Sanders reprimands employees, "You never feel like he's belittling you. He always has a lot of class and is always poised," Ruppert added.

For Shannon Purkiss, the marketing director of the Tavern Restaurant Group, Sanders' compassion and appreciation for his staff makes him a special person. "I'm a new mom and didn't want to leave my son full time, so Nick allows me to work any hours that work for me," she said. "He empowers you with his confidence in your ability to be the best you can be. Even though we're expanding very quickly, he continues to be kind and supportive."

Sanders doesn't just act this way with his executive staff. He's chummy with the help, too. During a busy weekday lunch hour at The Pub in Louisville, a gregarious Sanders grabs an ale and heads back to the kitchen. He watches the line workers plop lettuce on buns and slap cheese on searing beef patties, but with them, doesn't talk business or the food at hand. Sanders speaks to the younger workers — most of whom have worked at The Pub since its opening in 2004 — about their social life, school and sports. He likes to catch up with the staff on a personal level, because, he said, he doesn't get out to the Fourth Street store enough. But why should he? It's one of the main attractions to the city's most-recent and perhaps most-important tourism venues in Fourth Street Live. The store doesn't need him; the general manager seems to have everything operating at a profit.

On this day, the tables are filled with happy customers kicking back pints of fine beers and enjoying British-influenced fare. They listen to the likes of the Beatles and the Moody Blues. And when they leave, their eyes meet a sign that sums up Sanders. The Pub and the future of the Tavern Group. It simply says "British Invasion." ■