

# *Restaurant Forum*

THE OFFICIAL MAGAZINE OF THE GEORGIA RESTAURANT ASSOCIATION

Chef Profile  
**Louis Spost**

POS — Answers &  
Applications

A photograph of George McKerrow Jr., a man with grey hair and a beard, wearing a dark suit, white shirt, and patterned tie. He is leaning on a wooden railing in a restaurant setting. In the background, there are tables with white tablecloths and other people. A glass cake stand with a yellow cake is visible in the foreground on the left.

**George McKerrow Jr.**

Big on Bison

# George McKerrow Jr.

## Big on Bison

By Hope S. Philbrick

“People fall in love with our industry — it’s what happened to me,” says George McKerrow Jr., who has made a 30-year home in the restaurant business. “I was supposed to go to law school, but one thing led to another, and here I am.” Starting restaurant work at 16 “for gas money,” McKerrow now holds interest in companies worth hundreds of millions of dollars.

### PIONEER DAYS

After graduating from Ohio State University, McKerrow worked for Log Cabin Supper Club and Victoria Station steakhouse. In 1981, he opened his first restaurant, the first LongHorn Steakhouse on Peachtree Road.

“I went bankrupt before I ever opened,” McKerrow recalls. “It was a rude awakening, which I think plagues a lot of us. But I was 30 years old, and I held my dream in my hand.”

He kept the doors open long enough to establish a reputation. “I would

“Some day we’re going to dispel the misconception that [restaurant work] is some sort of a low-level job that people can get,” McKerrow says. “It’s just not.”

Other ventures involved the Lone Star Steakhouse chain and Church’s Chicken. Not all risks brought rewards. Less successful attempts include Fishbone and an abandoned fine-dining concept, among others.

In the late 1990s, McKerrow says he wanted “to get out of the massive day-to-day running of a public company. I thought I’d try consulting, run these little private dining restaurants”—Aria and Canoe, part of We’re Cookin’, Inc., which he cofounded in 1996 with Chef Gerry Klaskala and Ron San Martin, the former CFO of LongHorn — “Relax, fish, hunt, have a good time.”

Retirement wouldn’t mean all play: McKerrow serves on the board of the National Restaurant Association representing the state of Georgia, and was formerly on the board of the Culinary Institute of America. He is also chairman of the board of the March of Dimes of Georgia, and a board member of Chastain Horse Park in Atlanta.

### BUFFALO ROOM

Learning of Ted Turner’s work in the bison industry, McKerrow loved the idea of working with a native North American product. He says, “It tastes better [than other red meat], has 50 percent or less cholesterol and fat, yet is cut and served exactly the same way.” He suggested adding bison to the RARE menus, but the new management team that McKerrow had put in place declined, citing concerns about cost and availability.

Bison meat is expensive, McKerrow concedes, “On average, 130,000 cattle are taken to market every day. There are 100 million or more cattle alive in the United States. At best, there are 400,000 bison alive in North America.” A symbol of the Wild West, the American bison (also called buffalo) is the heaviest and largest land mammal in North America since the end of the Ice Age. Some animals stand six feet at the shoulder, and weigh as much as a ton. Historically, bison numbered an estimated 30 to 70 million



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George McKerrow Jr. with Chris Raucci, manager, Culinary Development.

literally welcome people at the front door, serve them their drinks, and make their dinner—I believed in what I was doing.” Initial success took about eight months. After 22 months, McKerrow opened a second location. In 10 years the chain had 31 restaurants, eventually evolving into RARE Hospitality International, a nationwide casual dining group that today includes the Bugaboo Creek and Capital Grille chains.



**Ted's menu includes 19 different burger options (beef or bison), including the Green & Hot with guacamole, jalapeños and Monterey Jack cheese.**

over North America. By the late 1800s, unregulated killing dropped the worldwide bison population to less than 1,500. Legal efforts and individual ranchers have helped revive the population. Ted Turner owns the largest private bison herd in the world at approximately 40,000 head.

McKerrow remained inspired by the thought of helping preserve an American tradition. "I know it sounds odd," McKerrow explains, "but the best way to proliferate [bison] is to make it a commodity. We're talking about a gene pool that was down to hundreds of animals. If we just keep them all alive in zoos and national parks, it's a diminishing return in terms of their well-being."

**I**n fact, the National Restaurant Association forecasts \$476 billion in sales for 2005. The nation's 900,000 restaurant locations employ 12.2 million people today — anticipated to reach 13.5 million by 2014. With 9 percent of the U.S. workforce, the industry is the largest employer outside of government.

Sitting on a plane to California, McKerrow formulated an idea for a new restaurant. "I just wrote it down: small box, high-quality, turn-of-the-century saloon, serving classic American comfort food made from scratch, Western theme, straightforward, casual, neighborhood, approachable, affordable, made-from-scratch food, no boil-in-the-bag, no microwave, no almost-as-good-as, no shortcuts." The concept combined McKerrow's experience at Canoe — "where we serve hundreds and thousands of people, and make it totally from scratch and to order," — with the steakhouse genre, adding bison as a hook for a unique market position.

### **A PARTNERSHIP**

The next step was approaching Ted Turner as a partner, since Turner held links to bison and financing. Although the two men didn't have an established relationship at that time, Turner had been an original LongHorn customer — "When he was hatching CNN, he used to come in late, sit in the back corner and eat steak," McKerrow recalls. After a 15-minute meeting, McKerrow says, "We shook hands and Ted said, 'Come on, partner, let's go do it.'"

McKerrow describes the partnership as, "A great relationship. We have a lot of similarities in our personalities. He's a huge risk-taker. I've been a huge risk-taker all my life. Neither one of us is motivated by money: We do things because we love them, and because we're excited about them."

Creating a bison market was an initial motivation, but the long-term

**The crisp and delicious wedge salad, topped with chopped crisp bacon and vine-ripened tomato.**



PHOTOS BY HAIGWOOD STUDIOS

goal is to create a sustainable restaurant company. McKerrow predicts a bright future, anticipating that the chain will grow to several hundred restaurants within the next 10 years. "When you look back at the history of the restaurant industry in the U.S., the most prolific restaurants that have been around the longest and are the most successful, are pretty much based around the steakhouse and traditional, classic fare. It's not a big secret."

## THE ROAD AHEAD

Americans want "great food, reasonable prices, in a fun, high-class environment," McKerrow says, but what builds brand loyalty is a connection beyond food and service: a relationship. As an example, Canoe's regular customers may more easily secure reservations than new customers. "It's not favoritism," McKerrow says, "it's knowing your guest. I think that's where the industry is going."

His business case for courting loyalty is compelling: "A guest who visits

**I** think you have to hire the right people, give them the right information, allow them to express it in their own way and grow into a capacity [where] they can be successful.

— George McKerrow

a second time spends 24 percent more on their second visit than they did on their first."

For customers seeking convenience, McKerrow favors prepackaged foods over "to go" service, which he thinks will wane because it sacrifices quality, ambiance and leaves customers with clean-up duties. And although Ted's Montana Grill sells prepackaged chili, it's not used in restaurants. Chefs are encouraged to follow the recipe, but McKerrow concedes, "If I took 36 bowls of chili made by 36 different chefs, I'm going to be able to tell" a difference. That's fine with him.

Restaurants are "the only industry that orders, receives, manufactures, produces, sells and collects for its product all in one day," McKerrow says. "That makes for a unique product, especially if you cook totally fresh food. It's a form of art in my opinion," he says, sounding like someone who loves his job. ■

## A People Business

"Our biggest challenge is finding the right people," admits McKerrow, who expects to fill 110 management positions and more than 1,000 hourly jobs at Ted's Montana Grill this year. A long way from the early days at LongHorn — where, he admits, "I used to hide the paychecks" — Current programs are designed to help attract and retain the right talent, including:

- Health care coverage — Medical, dental and vision plans.
- 401(k) plan — Matching contributions of participants' pre-tax contributions, with immediate full vesting.
- Management benefits — Long- and short-term disability, group life insurance, two weeks of paid vacation (raised to three weeks after five years) and meal allowances.
- Shifts — Five-day workweeks with schedules set a month in advance.
- Job Titles — To demonstrate respect, hourly employees are referred to as team members; the term "proprietor" is favored over general manager.
- Teamwork — Proprietors have full responsibility for restaurant results and are supported by two managers, one focused on the kitchen and the other on guests.
- Training — New hourly employees learn from the highest performing team members as part of the Certified Training Program. Managers-in-Training spend 7 – 12 weeks receiving heart-of-the-house, front-of-the-house and leadership training from industry veterans with specialized experience who focus on "best practices" at the state-of-the-art Restaurant Support Center
- Career growth and development — Some hourly employees are designated team leaders and empowered to assist with management functions
- Managing partnerships — The opportunity to share in profitability is offered after two years, with payouts after a contracted five-year term.

**Made from scratch Strawberry Shortcake — sweet drop biscuit with vanilla ice cream, fresh strawberry sauce and whipped cream.**



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