

• **PARADISE BAKERY & CAFÉ**

WWW.PARADISEBAKERY.COM
 2004 SALES: \$47 MILLION
 HEADQUARTERS: ASPEN, COLO.
 EMPLOYEES: 1,100
 SPECIALTY: FRESH-BAKED GOODS
DAN PATTERSON, CEO AND PRESIDENT: "WE HAVE SPENT 28 YEARS BUILDING A CULTURE - NOT JUST A CONCEPT."



Paradise Bakery offers a wide selection of bakery items, in addition to soups, salads and sandwiches.

Paradise Found

No longer just a Long Beach favorite, Paradise Bakery is taking its concept – and unique culture – nationwide with new stores all over the United States. **BY ERICA BURKE**

PARADISE BAKERY & CAFÉ ORIGINATED IN LONG BEACH, CALIF., ABOUT 28 years ago, by selling baked cookies and muffins. By 1987, Paradise Bakery was a booming business with 14 company-owned and two franchised bakery cafés. Soon, the menu grew to include brownies, croissants, quiches, breads, soups, salads and sandwiches.

Paradise Bakery operates 38 stores, of which 22 are company owned and 16 are franchised. Its company-owned store expansion is focused in the Phoenix area where it operates 15 stores today. "We will continue to open three to four Phoenix stores per year over the next three years," says Dan Patterson, president and CEO. "We are fortunate to have positioned our company in a way that is very appealing to developers that are looking for a concept that is a little different than the national chains. Our bakery cafés have a more personal feel."

The company's locations range from shopping malls both in food court and in-line sites, downtown office buildings, college campuses, lifestyle centers, freestanding street units and airports. Patterson spoke with *Food and Drink* about what makes Paradise Bakery a stand-alone in the growing bakery café segment.

FOOD AND DRINK: What are some of your strengths that you believe differentiate you from similar concepts?

DAN PATTERSON: What sets us apart are our fresh products made from scratch, our market fresh décor, and our unique culture. We have spent 28 years building a culture – not just a concept – driven by people with a passion for what they do. It is a very special feeling that is conveyed to the customer. We have focused on detail and quality as opposed to growth.

FAD: How have health-conscious consumers affected you?

DP: What we have found is that the customer is looking for "fresh food" as opposed to the "health" food of the '60s and '70s. Our prepared-on-the-premises, exhibition-style fresh menu is right on target for today's market including those on the Atkins and South Beach diets. Our year-to-date comparable sales are up more than 16 percent.

FAD: What are your biggest-selling items?

DP: From day one, we have been famous for our chocolate chip cookies. Our chicken salad sandwich is a lunch favorite. We have recently added a Greek salad, chopped salad, Oriental salad and a blue cheese Caesar.

FAD: In which locations do your biggest opportunities exist?

DP: We are fortunate to have one concept with multiple for-

mats. I would say that currently our greatest growth potential is in the lifestyle centers and street locations. Our flagship location, at Gainey Ranch, Scottsdale, Ariz., is turning in operating numbers well ahead of our competition.

FAD: How many units do you plan on adding in the next year?

DP: We will open approximately eight to 10 stores a year. We are currently focused mainly in the west, but we do have franchise stores in Orlando, Omaha, Indianapolis and Boston. Our strategy is to fill in existing markets first and then branch out into new territories.

FAD: Describe how you develop strong relationships with your franchisees.

DP: We are very selective of our locations and people we select as franchisees. At the moment, we have a very small franchise base because we have opted to open company stores. However, the No. 1-grossing store in the company is a franchise at the Sky Harbor Airport in Phoenix. Franchisees receive the same management leadership that our company stores experience; therefore, they are held to the same high standards and share in promoting the Paradise culture.

FAD: What achievements are you most proud of?

DP: Our biggest achievement is that we have built a company – one store at a time in the true entrepreneurial fashion. I am most proud of the number of young people whose lives we have impacted in a positive way by offering them a working environment in a company that they can be proud of, one that is drug-free and based on the highest of ethics.

The easiest part of this business is to sign up deals and get stores built. The challenge is to pick the right sites, build for the right cost and then operate them profitably with a strong, experienced team.

FAD: Where do you see Paradise Bakery headed in the next five years or so?

DP: I see us continuing to grow in a rapid, yet controlled fashion and firmly establishing ourselves as the leader in the bakery café segment of the marketplace known for quality food, fresh, inviting décor, and exceptional people with a passion.

Phoenix is our home court, but outside of this market, we are always seeking great locations and people. We are fortunate to have franchise partners who are connected with some high-quality individuals that fully embrace our culture of excellence. 🍪