

# Long Island Business NEWS

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## Pudgie's pushes for plumper revenue with leaner menu

### Chicken franchise tries to attract a health-conscious demographic

By JESSICA DINAPOLI

Since coming under Trufoods' umbrella, Long Island fried chicken franchise Pudgie's is aiming to shed its, well, pudgy image.

When we checked in with Pudgie's and owner Manhattan-based Trufoods almost a year ago, they had recently joined forces. Since then, Trufoods and the Long Island skinless fried chicken brand have been working internally to revamp Pudgie's image, through new menu items and updated décor, in a quest to boost revenue.

But, that could be a gamble. Although Trufoods has invested an undisclosed sum in developing new products, demand for quick-serve chicken is down.

According to Port Washington-based market research firm NPD Group, for the three months ended Dec. 31, 2010, visits in the quick service chicken category fell 4 percent, though that's an improvement over the 7 percent decline reported in the same period of 2009.

"There's a couple of problems," said Bonnie Riggs, an NPD Group analyst. "It's fried, and it's expensive relative to a fast-food hamburger place and other fast-food sandwich places."

An average bill in the fried chicken category runs \$6.38, while a fast-food bill overall runs about \$5.05, Riggs said. Lunch at Pudgie's runs between \$5 and \$7, and dinner goes for \$12 to \$18, said Gary Occhiogrosso, the chief development officer for Trufoods.

Pudgie's isn't abandoning its core skinless fried

chicken base, Occhiogrosso said, adding that the "skinless" factor makes it healthier. But, the brand is looking to diversify its customer base, and has added veggies and grilled chicken to the menu.

Management is also introducing new, bamboo-inspired décor and seating arrangements to appeal to the lunchtime crowd, he said. In the past, Pudgie's diners typically just grabbed their food and ran.

So far, only one Long Island Pudgie's, in East Islip, has been redecorated, Occhiogrosso said. It's up to the franchisees to invest about \$25,000 for the changes.

While an increase in revenue is the primary goal of the transformation, Trufoods also wants to ensure that the 15 Pudgie's planned for Suffolk County look the same for a consistent, easily identifiable brand, Occhiogrosso said. Aman Singh, the new development agent for Trufoods, is scoping out areas across Suffolk for the new Pudgie's franchises, which will open in the next four to five years. Singh already owns locations in East Islip, West Islip and Shirley.

The main demographic for fried chicken is men ages 25 to 44, but Occhiogrosso hopes the new, healthier menu items will attract busy women.

"We're missing out on young folks, women and a very important occasion to use Pudgie's, to help folks who are time-pressed," Occhiogrosso. "We're not redirecting the brand, but rather expanding its reach to other customers."

Pudgie's was struggling when Trufoods bought it from New York City-based PAT Franchise Systems. PAT had bought the company from the original owner, George Sander, who started the business in 1981 in Bethpage and expanded it to 200 locations

See PUDGIE'S, 56A



Aman Singh: Fifteen Pudgie's planned for Suffolk.

## Pudgie's: Plans for growth

From 10A

nationwide. Trufoods currently has annual sales of \$40 million through all of its locations and franchise brands – Wall Street Deli, Ritter's Frozen Custard and Arthur Treacher's Fish & Chips.

Occhiogrosso and Singh also discussed plans to grow the franchise network. Singh, who also owns a number of Cellular City franchises across the Island, has been scouting Suffolk locations that are 1,500 to 2,000 square feet in size and in busy areas like shopping centers. Singh already has his sights set on locations in Holbrook and Bay Shore.

A location in Farmingdale is also



planned, Occhiogrosso said. Opening a Pudgie's runs between \$135,000 and \$250,000, he added.

Pudgie's has a loyal fan base, but Occhiogrosso said a pre-existing deal with Nathan's will help boost sales at the new franchises.

All of the new Pudgie's can participate in a branded menu program with Nathan's to sell their products, he explained.

Most health gurus would shy away from hot dogs and fried fish patties, but, Occhiogrosso said, the driving force behind offering those items is diversity – anything to get more customers through the door.

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