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Mary Wood (right) talks to customer Judy Gearhart at Culver's in Tinley Park, which 25-year-old Justin Obriecht opened in 2001. The Wisconsin-based chain, founded in 1984, is known for its ButterBurger hamburgers and frozen custard.

Custard that's far from last stand

Culver's restaurants offer a different kind of fast food, & its success is making it one of the fastest-growing chains in the Midwest.

By Rob Kaiser
Tribune Staff Reporter

Many people would consider Justin Obriecht crazy.

Last year, using all of his savings plus money from his mother, aunt and a \$2 million bank loan, the 25-year-old Obriecht opened a burger and ice cream joint in southwest suburban Tinley Park. It stands a block east of Harlem Avenue, farther off the major thoroughfare than a nearby Burger King, Wendy's and Subway.

If his restaurant fails, Obriecht's financial standing will be in shambles. "I'd have to file bankruptcy, forfeit on the loan and then the bank would come after my mom and aunt," he said.

What Obriecht has in his favor is he opened a Culver's, one of the Midwest's fastest-growing chains. Home to custom-made frozen custard and ButterBurgers, Culver's is tapping in to the fast-growing "quick casual" category of restaurants where diners are willing to endure slightly longer waits for improved quality.

The Culver family opened the restaurant's first location in 1984 at a former A&W

drive-in in Sauk City, Wis. Culver's began its current wave of expansion in 1990 and by the end of this year expects to have 200 locations in Wisconsin, Illinois, and 10 other mainly Midwest states.

The average Culver's brought in \$1.5 million last year, nearly matching the revenue at an average McDonald's. But the similarities end there.

While Culver's offers hamburgers, fries and other standard fast-food fare, the chain also serves Norwegian cod filets, pork ten-



ButterBurgers, which are made to order, get their name from the butter applied to the buns before toasting.

derloin sandwiches and cheese curds. The food only hits the grill or fryer after an order is placed.

Still, Culver's requires franchises to complete in-store orders within five minutes and drive-through orders within four minutes.

The eclectic menu and fast turnaround times make Culver's a more complex operation than most fast-food chains. After ordering, customers are given numbers to display on their tables and the food is brought out to them. Employees also run orders to drive-through customers to prevent line-ups.

Culver's pays employees more than most fast-food chains to help ensure quick, friendly service. Full-time workers start at \$8 to \$10 an hour, while high school students usually begin around \$7.25.

The chain also awards scholarships to some college-bound students. It distributed a total of \$68,000 in scholarships to 76 employees last year.

The formula is working, said Bob Goldin, executive vice president of food industry consulting firm Technomic Inc. "There's no shortage of Wendy's, Burger Kings and McDonald's in their backyard, and they've done well."

That wasn't the case when the first Culver's location opened across the street from a Hardee's and Dairy Queen, both of which were teeming with customers.

"Have you ever thrown a party and nobody came?" said Craig Culver, who opened the restaurant with his wife and parents. "It was pretty lonely, to tell you the truth."

But with its ready-to-order food and good service, Culver said, the restaurant began to attract a loyal following.

We wanted more of an old-fashioned, higher-quality, fresher approach to the business," Culver said. "We wanted to be different."

Today, new franchises don't need to work as hard to win over customers, particularly as Culver's becomes more widely known. The Tinley Park location, which opened last September, already ranks among the chain's top revenue producers.

"Wherever Culver's goes, it becomes a destination location," said Obriecht, who became enamored with Culver's in high school. "The bread and butter of our business are the local families. I see the same faces every day."

Sue Van Dyck, who ate lunch last week at the Tinley Park restaurant with her 7-year-

old daughter and 4-year-old son, said she rarely goes to fast-food establishments but is drawn by Culver's frozen custard. She also likes that the restaurant doesn't attract packs of noisy teenagers.

"It doesn't remind you of McDonald's or Burger King," Van Dyck said as her children enjoyed a root beer float and chocolate shake. "It's more of a family-oriented restaurant."

In many ways, the menu reads like a Culver family history.

The never-frozen ground beef, root beer and the handmade milkshakes and malts trace back to the family's A&W drive-in restaurant. Its Norwegian cod filets go back to the Wisconsin supper clubs and Friday night fish fries that the Culvers used to operate. And the frozen custard "delicacy," as Craig Culver calls it, goes back to family trips to Milwaukee's frozen custard stands.

The frozen custard, which is made from a mixture of premium ice cream and egg yolks, accounts for one-third of Culver's sales and keeps traffic flowing through the restaurants in the midafternoons and

evenings. Its vanilla frozen custard is 13 percent butterfat and the chocolate is 10 percent.

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Ralph Bueschel of Mokena bites into a double ButterBurger at Culver's in Tinley Park. The menu also includes Milkshakes, pork tenderloin sandwiches and Norwegian cod filets.

While Culver's fatty foods certainly play to American appetites, restaurant industry officials said the chain's success in the competitive burgers and ice cream arena goes back to its focus on good-not just fast-food.

"People are looking for something more," said Gerard Centioli, president of Icon LLC and a senior partner at Lettuce Entertain You Enterprises Inc. "As their tastes develop, there's more of a concern for quality."

As Culver's continues to expand, Goldin said the chain will be challenged to maintain its quality. But so far, he said, "They have been very, very prudent about whom they let into the system."

Franchisees pay an initial \$50,000 fee, send 4 percent of revenue back to the Culver's parent company and invest another 3 percent in advertising.

Craig Culver recognizes the issue Goldin raised, but noted that the family-owned business is very cautious about which potential franchisees it accepts.

"We're just not so anxious to grab that check," Culver said.

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Justin Obriecht, Owner of Culver's Franchise in Tinley Park