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## “Restaurateurs Say Customers Are Finally Back”

By Lisa R. Schoolcraft

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STAFF WRITER

Restaurateurs saw strong sales gains in the first quarter, and many owners say customers are finally back.

What is encouraging about the sales numbers, said Bob Wagner, a CPA with **NetFinancials Inc.**, who has dozens of restaurants as clients, is they are positive across all types of restaurants, from fast-casual, casual and fine dining.

For so long, fine dining lagged behind the recovery of some restaurants with lower price points.

“I’m amazed at the breadth of the positive sales trend,” Wagner said. “This is not localized in a particular market or geographic part of the city. It appears to be broad-based.”

Wagner’s data, a survey of 69 independent metro Atlanta restaurants, showed same-store

sales increased 5.3 percent over the same quarter in 2010. Sales at those 69 restaurants surveyed totaled \$34.9 million in the first quarter, the data showed.

“This increase comes on the heels of a strong 2010 performance when full-year sales increased 5.2 percent over 2009 sales,” he said.

### Higher head counts

The reason for the increase, many say, is customers are coming out to dine again.

Some of the traffic has been a result of promotions, such as those through discount services like **Scoutmob**, said Jason Hill, chef and owner of Wisteria in Inman Park.

He also saw big increases during restaurant week in the first quarter.

“We did our restaurant week and it was crazy,” Hill said.

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Wisteria's sales are up about 12 percent in the first quarter, and he's seen good Easter sales in the second quarter and expects big crowds for Mother's Day May 8 and with graduation celebrations throughout the month.

What's rising less rapidly are ticket prices, he said.

"Ticket price is coming up, but not where it used to be," Hill said. "My check average used to be between \$36 and \$42. Now it's \$32 to \$36."

Six Feet Under is having its busiest year at each of its two locations, one in Grant Park and the other in West Midtown, said owner Tad Mitchell.

"We were up in the first quarter over last year at both locations," he said. "Customer counts are up in both locations."

Mitchell said his sales didn't dip much during the recession.

"We've always been a value," he said. "A lot of people were changing what they were doing. We didn't. We were already running on pretty tight margins."

But not all of the increased customer counts seem to be inflated by discount services like Scoutmob or Groupon, Wagner said, where customers can buy a \$25 certificate for \$50 worth of food at a specific restaurant, for example.

"I think what we are seeing is a continuation of the economic expansion," Wagner said. "People will spend money in restaurants if they have assurance of financial security."

Tia Landau, owner of The Albert in Inman Park, is starting to see customers come back, but she also did a discount special through Scoutmob, which she says she would not do again.

"I paid for people to sit in the seats," she said.

Despite that, she did see sales increase in the first quarter, particularly during the January snow and ice storm when she remained open and was packed.

But now her second quarter is looking even with the first quarter, Landau said.

The restaurant averages about \$34 a check, he added.

March was a great month for the restaurant, but April was only so-so, Rose

said. However, May "has started out with a bang" so he is hopeful for good second-quarter results.

Livingston Restaurant + Bar in Midtown



BYRON E. SMALL

**Steady value:** Six Feet Under's business didn't dip much during the Great Recession.

had about a 5 percent increase in sales in the first quarter, said Chris Martha, food and beverage director for Livingston and The Georgian Terrace Hotel, where the restaurant is located.

"We're up over last year and we are doing what we projected for ourselves," he said. "I think it is safe to say we are seeing some strength in the hospitality industry. We're not fully healed, but we are seeing moderate growth."

Martha, too, is seeing more customers, but they aren't spending as much on high-ticket items.

"Some of that may be because of discounting," he said. "That does have a down side to profit."

The second quarter is shaping up nicely, too, with very successful numbers at Easter, Martha said.

"Mother's Day is shaping up to be very similar to Easter," he said. "That will be a nice shot in the arm. Our second quarter looks like our growth will continue."

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