

Franchise fever

BY CARRIE MASON-DRAFFEN

carrie.mason-draffen@newsday.com

Long Island businesses will face more competition from franchises as some familiar names move to ramp up their numbers soon and new chains plan to open first locations here beginning next month.

Franchisers' keen interest in Long Island in some respects mirrors strong franchise growth nationwide, but it also reflects the Island's affluence and demographic appeal.

Among established companies on Long Island, Carvel and Nathan's Famous intend to open more outlets in the next year. Newcomers include Fantastic Sams hair salons and Saladworks, which hope to open dozens of locations here.

Fatburger, which has a celebrity following in California, plans to open its first Long Island outlet next month, in Massapequa Park, not far from a well-known independent, All American Hamburger Drive In, which has a loyal following on Long Island. The beverage purveyor Juice It Up, another California-based franchise, also plans to open in May in Massapequa Park.

"The growth in franchising [nationwide] has been tremendous," said Ken Stein, a managing director of Roslyn Heights-based Kensington Co., whose FranNet division advises franchisees. "Long Island in many respects is probably one of the biggest markets where franchisers are looking."

The number of new franchise concepts introduced nationally jumped from 200 in 2003 to 500 in 2005, according to the International Franchise Association in Washington, D.C.

Despite the explosive growth, franchisers still battle the age-old problem of finding the right people to buy and operate their businesses, which can cost up to hundreds of thousands of dollars.

"Franchise concepts make sense for a lot of people who don't have a lot of knowledge about business and who feel comfortable operating within given guidelines," said Barry Berman, a marketing professor at Hofstra University in Hempstead. "The store hours, the ingredients and the assortments are predetermined. You really can't change much in the business model."

To find franchisees, Carvel, Nathan's, Saladworks and Fantastic Sams are teaming up for a "Road Show Tour" seminar tonight at the Huntington Hilton in Melville.



PHOTO BY DON PITLUK



Fantastic Sams, above, plans 30 salons here; Fatburger, left, opens its first Long Island outlet next month in Massapequa Park; Carvel, with 82 Long Island outlets, plans three more this year.

in 1956, wants to add eight locations to its current 20 on Long Island, said Randy Watts, vice president of franchise operations. "We were born in Brooklyn but grew up on Long Island," Watts said. "So we would like to continue to grow up out here."

Atlanta-based Carvel has 82 locations on the Island and plans to open three more this year, said Ray Torres, regional vice president for franchise development.

Juice It Up, a smoothie and juice bar chain, plans to open in May in the Southgate Shopping Center.

"There's not really a healthy alternative to fast food [in the area]," said franchisee Jay Eisenberg, who hopes to open five or six more shops on Long Island.

Stuart Lieblein, a Fatburger franchisee, plans to open two locations this year, including the first one about two miles from All American, which opened in 1963. And he hopes to open about two a year in the future.

"People here crave the better experience, and it's just not here for them yet," Lieblein said, pointing to Fatburger's fresh burgers and hand-scooped milkshakes.

All American said it isn't worried.

"A lot of people open around here, and they do take a little business away," said manager Jason Vultaggio. "But we have a consistent crowd every day."

Saladworks, which features made-to-order salads, is in negotiations to open a location just outside the Broadway Mall in Hicksville later this year, said Steven Beagelman, chief franchising officer for the suburban Philadelphia company. The company has a five-year plan to open about 30 locations on Long Island.

"Obviously Long Island is a market where we think the consumer is perfect for us," Beagelman said.

Fantastic Sams, a suburban Boston chain with 1,350 loca-

tions nationwide, wants to open 30 to 40 locations on Long Island in the next three to five years, said Jeff Sturgis, vice president of franchise sales and development.

"We look at it as an opportunity for the next step of growth for us," said Sturgis, who describes the unisex chain as a mid-priced, full-service salon.

Nathan's and Carvel have more modest plans. Nathan's, which first opened in Coney Island in 1916 and chose Oceanside for its second store