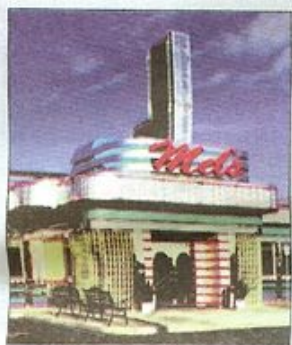


# Today's Restaurant News

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## Mel's Diner Accepts Corporate Culture

Bonita Springs - For years, Mel's Diner has been one of southwest Florida's best places for comfort food. Founded in 1989 by Chris Karakosta, the restaurant chain currently owns and operates 10 locations in the region, all of them rooted in the company's trademark mom-and-pop sensibilities — family friendly service, comfort foods prepared from scratch and great value.

But as the company has grown, it has needed to shed some of that wholesomeness and adopt a stricter corporate structure, mostly as a means to ensure a more financially secure future for the company and offer customers more satisfying and consistent dining experiences.

"We had no structure as a company," says Karakosta. "It took a couple of years to get control of it. And I didn't think the quality was where what we once were. We needed to bring the 'wow' back to Mel's in taste and presentation. We need people to start talking about us again."

To help achieve these goals, Karakosta brought aboard a talented team of restaurant professionals from around the country, including

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## Mel's Corporate Culture

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Ralph Desiano of T.G.I. Fridays and Pizzeria Uno (now chief operating officer). Desiano, in turn, brought in Walt Disney World veteran, Brad Cohen, Applebee's stalwart, James Rodriguez (both district managers) and Fred Scherger of the Compass Group (director of culinary operations).

Under Desiano's leadership, the crew rebuilt the corporate structure of Mel's Diner in order to emphasize training, menu consistency and singularity. Additional steps included outsourcing the marketing department, focusing more on franchisee possibilities and expanding beyond the southwest Florida demographic, among others.

As expected, these transformations took some time to implement, and they were naturally met with some resistance, both internally and externally. In some cases, some long-standing employees left the company. But those who endured the transition realized that many of the steps taken were for the best of the company and were not personal attacks.

"We've done a crash course in a

year," says Desiano. "It's been ugly and it's been good, but we needed to do it. Mel's is a mom and pop operation. When someone with corporate experience comes in with management experience, it's difficult for some to accept. When you rock their world and tell them that everything they've done for ten years isn't the way we're going, it's difficult. To some extent, I've had to help these guys understand why we're doing what we're doing. The good news is that I think we've conquered and overcome most of the obstacles."

Karakosta, himself ambivalent on the idea at first, has faith in the process and where it's taking the company. At the same time, he understands that no matter what changes occur, Mel's Diner will stay true to its core mom-and-pop values.

"Our biggest concern is to not lose the culture," says Karakosta. "The thing for us is to write the right script. That's the key. We've got a \$25 million-a-year company here. We've got a great base. We've got tremendous opportunities to explore."

