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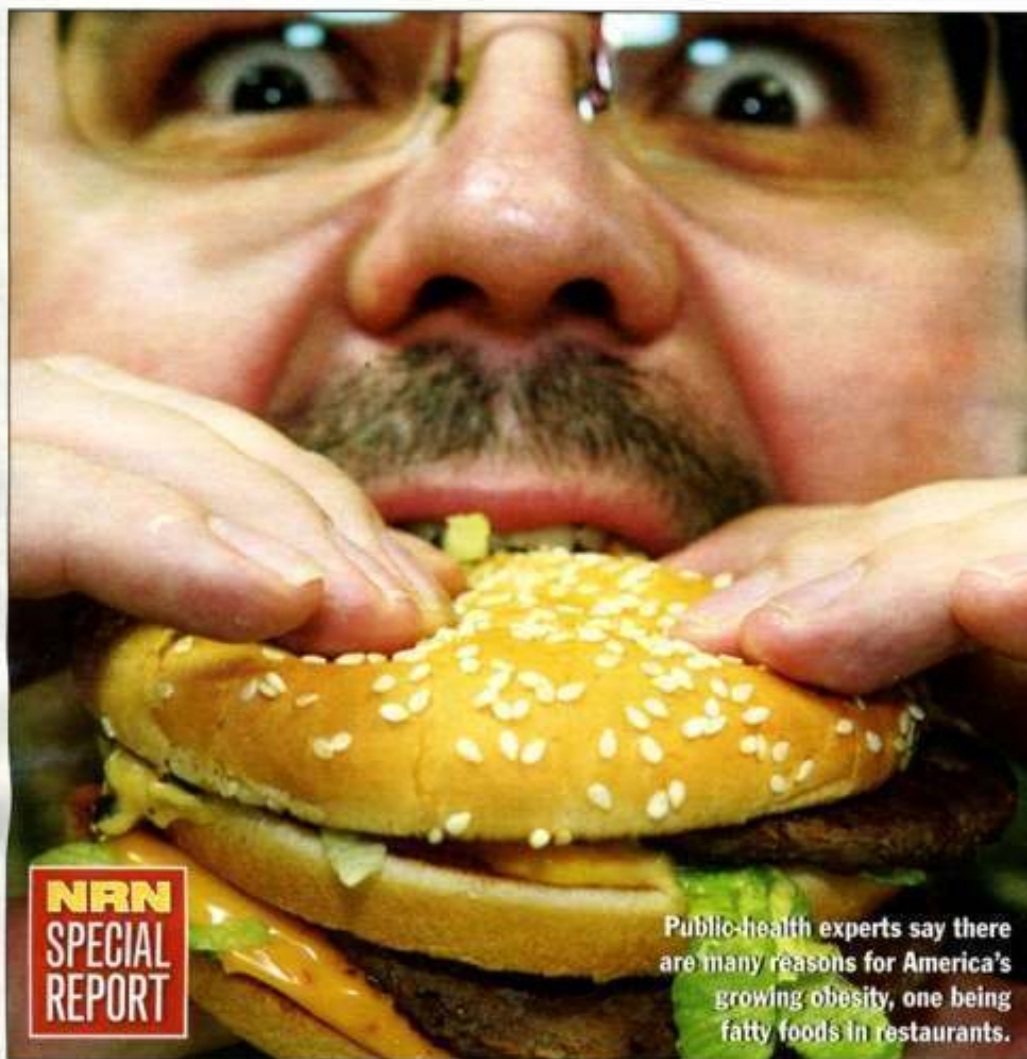
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Living off the fat of the land

Obesity 'crisis' tips scales in favor of change, healthful choices

BY ELISSA ELAN

As public scrutiny increases over the restaurant industry's role in America's growing weight problem, operators are responding by

offering a barrage of items boasting fewer calories and lower fat content.

In the past year, Dunkin' Donuts introduced its DD-Smart menu featuring items that were designed to be

25-percent lower in fat, sugar, sodium and calories; KFC rolled out its "Unfried" grilled-chicken product line; and Denny's debuted five better-for-you additions to

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Living off the **fat** of the land

As high rates of obesity tip the scales in favor of change, restaurateurs are fighting growing waistlines by developing a host of innovative, healthful new choices

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its Build Your Own Grand Slam breakfast, including egg white substitutions, chicken sausage instead of the traditional pork variety, yogurt, granola and fresh fruit.

While most operators say their goal is to give customers a greater number of choices, they also note that the more healthful items

may be helpful in reversing the nation's growing propensity for making unhealthy selections when dining out.

"It has come to a point where people are realizing we are fat," says Mark Chmiel, executive vice president and chief marketing officer for Denny's Corp., parent of the 1,500-unit Spartanburg, S.C.-based family-dining chain.

Public-health officials and consumer advocates agree. The percent of obese U.S. adults, after growing steadily during the past 25 years, has

leveled off recently but remains high at 34 percent, according to the Centers for Disease Control and Prevention.

Moreover, 60 percent of Americans today are fatter than ever before, and chronic health problems associated with being overweight are on the rise, said Kelly Brownell, director of Yale University's Rudd Center for Food Policy and Obesity.

"The prevalence rates of obesity are continuing to go up," Brownell says. "Approximately two-thirds of Americans are overweight, and the numbers are increasing rapidly."

The reasons for the increase are numerous, but restaurants and food manufacturers do play into the equation, Brownell says.

"There are a variety of reasons, and it's hard to say what the contribution of each really is, but among them are the increasing portion sizes, the perverse economics of food costs — healthy foods cost more than unhealthy foods — the tidal wave of marketing that surrounds unhealthy foods, and

the increasing consumption of sugared beverages," he says. "That just begins the list."

Despite all the recent product innovation, however, some say it is a small first step.

Michael Jacobson, executive director for the Washington, D.C.-based Center for Science in the Public Interest, a nonprofit consumer advocacy group, says reversing the obesity trend involves a three-part plan that restaurateurs must embrace in order for it to succeed.

"In terms of what needs to be done, it is three-fold," he says. "Restaurants need to look at portion sizes and where they can cut back. People should be able to order half portions at three-quarters of the price. They also should be encouraged to choose salads and low-fat salad dressings, versus French fries. Those kinds of switches are easy to make."

The second aspect of the plan is to accept and participate in menu labeling, he says.

"We at least need calorie information on menus and menu boards so that consumers can have some sense of how big these meals are," he says. "Quite a few cities and states have passed legislation that will take effect, and that is serving as an incentive to the industry to accept federal legislation. I think in two years or so we'll see at least calorie labeling on menus nationwide."

Menu-labeling legislation already has passed in California, Oregon, Connecticut, Massachusetts and Maine. In addition, a growing number of jurisdictions are putting in place their own mandates, including the New York counties of Albany, Westchester, Suffolk and Ulster; New York City; Philadelphia; Nashville, Tenn.; and King County in Washington, which includes the city of Seattle.

A federal menu-labeling bill also is under consideration in Congress. That proposal, intended to pre-empt the growing patchwork of laws and create a uniform national labeling standard, is under fire from several chain operators that would like to see it broadened to include more restaurants, convenience stores and supermarkets.

The third and last component consists of government intervention, Jacobson says.

"Government health officials must use a bully pulpit," he says. "The CDC or the Secretary of Health and Human Services or President Obama could cite the highly caloric content in restaurant meals and tell the industry to cut back."

Denny's Chmiel maintains that con-



Yale's Kelly Brownell says obesity-related health problems are on the rise.

sumer food choices are typically predicated upon taste first and healthfulness second. He says that the better-for-you-items Denny's introduced to its menu in July have been well-received, but are not huge sellers — at least not yet.

"They want to know they're there [on the menu], and they want to feel better about themselves for choosing them," he says, "but here's what is interesting: Even though we've introduced five healthier items, consumers are choosing to include only one of them [in their orders]. They are not going overboard with the better-for-you alternatives."

At McDonald's, the focus is on providing balance and the menu reflects that, says Danya Proud, a company spokeswoman.

"It's not just about good foods or bad foods," she says. "We serve everything from beef to grilled chicken to crispy chicken. If you look at our menu, what we strive to do is provide our customers with options so they can make their own choices. You have to have a balanced approach like with any other aspect of your life."

For Canton, Mass.-based Dunkin' Donuts, the quick-service bakery-café chain's DDSmart menu line was created as a result of repeated requests by customers who asked for more healthful options, says brand marketing officer Frances Allen.

"Our customers were coming to our stores because they loved our coffees, but they were asking us to give them healthier items," she says. "We had to first figure out what targets to set in order to comply with [producing those] healthier options. Consumers still want great taste, and that was the hardest piece to deliver. If you produce healthier items you have to find a way to make them the most tasty."

Allen notes that the chain's egg white flatbread sandwiches, which are approximately 280 calories per serving, are

"really resonating well with our customers. They've told us they're visiting more frequently because of the DDSmart menu."

The launch in April of Kentucky Grilled Chicken, KFC's newest more healthful product, has given Yum! Brands Inc., the chain's Louisville, Ky.-based parent, a much-needed financial boost during these tough economic times, spokesman Rick Maynard says.

"It's a great-tasting product that has helped KFC continue to evolve and increase its relevance among consumers looking for nonfried options," he says. "It is not only transforming KFC, it's transformational for the industry. Consumers can now get two pieces of KGC, two sides and a drink for under 450 calories."

In a conference call announcing Yum's financial results for the second quarter ended June 13, David Novak, the company's chairman and chief executive, told analysts at that time that KGC was primarily responsible for KFC's positive sales performance.

"KFC turned around its sales from a 7-percent decline in the first quarter [to a positive 3-percent increase] with the successful launch of Kentucky Grilled Chicken," he said. The product, he continued,

"clearly addressed an unmet consumer need and the biggest barrier for this brand ... people cutting back on fried foods."

He further stated that since its debut, KGC has accounted for 40 percent of the chain's chicken on-the-bone sales. KFC has 15,000 units in 109 countries.

Another chicken chain, Boston Market, also has revamped its menu to feature more healthful selections. The Golden, Colo.-based fast-casual concept so far has reformulated the marinade in its rotisserie-chicken product and switched from using saturated fats to a blend of canola and olive oils in the preparation of several other items.



The launch of KFC's new grilled chicken has given the company a much-needed financial boost, says spokesman Rick Maynard.



The eight-unit UFood Grill chain serves such items as baked French fries and hamburgers made from grass-fed beef.

The 530-unit chain also is planning to debut in the next six months a new version of its creamed spinach side dish that will feature less fat and calories, says Rich Davis, vice president of culinary innovation.

"We are right now testing it internally," Davis says. "We have to tread very carefully, but at the end of the day we will reduce the amount of calories and fat in that side dish. We need to do as much as we can to make it healthier, but maintain the flavor as our guests know it."

Although many restaurant chains are making strides in introducing better-for-you items, a recent study found that recession-wary consumers are ordering less healthful and less costly meals, even as they maintain that they are concerned about what they eat.

More than half, or 53 percent, of 1,200 people polled in August said they were ordering less healthful foods to save money, according to Technomic Inc. In addition, 74 percent of respondents said that healthful foods cost more than unhealthful foods in restaurants, and 44 percent said their budgets prevented them from eating healthfully.

Still, consumers claimed they want to make the right dietary choices, and are looking to restaurants to help them. Seventy-three percent of respondents claimed that restaurants have a responsibility to respond more aggressively to consumers' nutritional concerns.

"The industry is very aware of the fact that consumers are demanding healthier food," says Charlie Cocotas, chief operating officer of Boston-based UFood Grill, a quick-service chain specializing in good-for-you foods. "But we have gone through a very difficult economy in the last year or so, and when unemployment goes up, pocketbooks are tight. People tend to spend less and will buy lower-priced items."

Cocotas says the eight-unit UFood

chain, which has struggled during the recession, serves such items as hamburgers and French fries in a more healthful presentation: the beef is grass-fed and the fries are baked. The one-third-pound burger is 520 calories with a multigrain bun and the fries are approximately 230 calories for a 4.5-ounce serving. In addition, chicken dishes are made from hormone- and antibiotic-free poultry.

"Our check average has basically been pretty static, below \$8," he says. "You know, I kind of wonder why sometimes, but low-fat and organic items are definitely more expensive to produce. However, we have scrutinized our menus very carefully. Our food costs may be slightly higher — around 26 percent to 28 percent — but it's important when people are watching their pennies that we stay as competitive as possible.

"Still, it is hard to keep up with McDonald's or Wendy's when they offer their \$1 dollar hamburgers," he continues. "We just can't do that; we're not big enough yet. But our plan is to grow large enough that we can send out an appropriate message to eat healthier, that it will contribute to a better lifestyle."

Boston Market's Davis agrees that more must be done to reverse the nation's obesity problem.

"Consumers and restaurants share in the responsibility," he says. "Consumers need to better understand what they should be consuming relative to calories and fat, and restaurants need to help them better understand, via clearly posted nutritional values — whether it's on menus or on the Internet — what a healthy portion size is.

"It's tough to point the finger at restaurants alone and place all of the burden on them," Davis continues. "As consumers, we all bear responsibility in eating sensibly to meet our dietary needs." ■