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Sheetz Convenience Restaurant

A prototype "convenience restaurant" concept — equipped with multiple-function ovens, a 22-ft.-long, double-sided, custom-fabricated prep table, a panini grill, holding cabinets, fryers and food display cases — has propelled this 53-year-old family-owned company into a new phase of expansion.

By Donna Boss, Contributing Editor

Three years ago, top executives of convenience-store chain Sheetz Inc. were gathered at a planning session to determine how to increase food sales.

Since nearly 60% of Sheetz's gross profits comes from food, this was anything but a frivolous inquiry. President Stan Sheetz posed a tough question: "How can we create a business that will put Sheetz, as we know it today, out of business?"

The answer-in-progress can be found in Altoona, Pa., the city that has been headquarters to this multi-billion-dollar, privately owned, convenience-store/petroleum business for the past 53 years. In June, the company added to its collection of 299 stores by opening its largest unit, which features a newly developed "convenience restaurant" concept. Within the 10,000-square-foot prototype, which is almost double the size of a typical Sheetz store, 6,500-square-feet have been dedicated to a hybrid concept — a combination of quick-casual and convenience-store dining. In January, a similar, yet "tweaked" facility will open in Raleigh, N.C.

"We wanted to create a reasonably priced, fun, fresh, inviting environment where on-the-go families, couples, singles, adults, tweens and kids, as well as core convenience-store



Vibrant colors, bright lighting and multi-media product merchandising (above) contribute to the restaurant's energetic environment. Seating (below) is comfortable and designed to provide privacy. *Photos courtesy of Sheetz*

customers, can be comfortable," recalled Bill Reilly, vice president of sales and marketing. Part of the challenge for the Sheetz prototype group that included research, branding, design and foodservice specialists, in addition to 14 internal operating teams, was to reshape customers' expectations of C-stores as destination sites for freshly prepared foods by offering "entertainment," drive-thru service, indoor and outdoor seating, and free wireless internet connections.

Some of the work to bring freshly prepared food into a convenience-store setting had already been accomplished. In 2001, Stan Sheetz won an IFMA Silver Plate Award that recognized the company's proprietary Made-To-Order™ (MTO) food program and a \$17 million computerized touch-screen ordering system. At the new location, the POS and order

to 52 ♦

Facts of Note

Ownership: Sheetz Inc., Altoona, Pa.

Opened: June 2004

Headquarters: Altoona, Pa.

Units: One prototype convenience restaurant; 299 existing C-stores

Size: 10,000-square-feet for entire building; 6,500-square-feet for the restaurant, which includes BOH preparation and display kitchen, 40 feet of food stations, a take-out section and drive-thru window

Seats: 62 inside; 46 outside

Average Check: \$5.75

Total Annual Sales: \$2.3 billion (system-wide). This unit is said to bring in twice the revenue of a regular store.

Transactions: 25,000 customers/week

Hours: 24/7

Menu Specialties: Made-to-Order™ items, including hot and cold "subz" and sandwiches, "saladz" and "burgerz," all with choices of toppings (more than 60). Other foods on the menu are "carverz," "soupz," "fryz," "sidez," "dogz," pretzel "meltz," "fajitaz," a breakfast selection with "shmiscuits" and "shmuflins," a specialty branded "Sheetz Bros. Coffeez™" program, "Fizz City™" fountain and "Freez Way™" frozen beverages, panini boxes and "kidz" combo menus.

Staff: 80-100 employees (some part time)

Equipment Investment: \$800,000



chain profile

◆ from 51 system have been merged, so that information about the order not only goes into the kitchen, but also removes products in the order from inventory.

"We felt we had good products, but they were 'trapped' in a convenience-store setting," commented Rick Cyman, Sheetz vice president of store development. "We wanted customers to visit the restaurant as a destination and have a food experience when they first come into the store, so we built two separate areas for gas and foodservice."

An energetic environment was created to attract customers to the Sheetz prototype 24 hours a day, seven days a week. Customers place orders at terminals positioned both at gasoline islands and in the restaurant. As they wait for their orders to be processed, foodservice customers can watch about 70% of the culinary action. In addition to menu items found in other stores, this restaurant's menu was expanded to include "carverz™" (fresh-carved roast beef), sandwiches, pizzas, paninis, gelato



Ingredients for made-to-order salads are held in a refrigerated display case. Behind is an upright display refrigerator holding greens and a panini prep station is further back to the right.

and an expanded "kidz" menu.

What's invisible to customers waiting for orders is the food delivery process. Products that are delivered on trucks from the Sheetz distribution center, a 260,000-square-foot facility located in nearby Sproul, Pa., are placed in a walk-in cooler, freezer or dry storage areas located in the back of the store. Also in the BOH is a bag-in-box beverage system and automated ice bagging equipment. As needed, foods for the assembly of different menu items are taken to their appropriate preparation stations. Sub, sandwich, burger and melt components are brought from storage areas to the heart of the operation, called the "engine." As the project's foodservice consultant, John DePaola, principal, Foodservice Resources, Fredericksburg, Va., explained, this is a double-sided preparation table with undercounter refrigeration, hot food-holding units and quick-cooking equipment including toasters, a microwave oven and a microwave/impinger oven.

The "food theater" at Sheetz's restaurant prototype stretches for 40 feet. Flat-screen closed-circuit displays show animated videos of available product offerings.



Between the engine and the walk-in coolers is a station where prepared foods, such as meatballs, are rethermalized in a high-power microwave. Across an aisle from the engine is a fry production system with a freezer, two fryers and a dump station.

According to DePaola, after subs and sandwiches have been assembled and topped with condiments, they are taken to a centralized expediting and MTO landing area that is situated perpendicular to the engine and just steps from the order pickup space. Attendants assemble orders, then page customers by microphone when their selections are ready.

A nearby preparation area contains worktables, prep sinks, refrigeration units, shelving and sheet pan racks. A slow cooking roast-and-hold oven is used to prepare roast beef that is hand-carved in front of customers. A steam-injected convection oven with a proofer base is used for baking sub rolls and a variety of dessert items.

Adjacent to this lineup are equipment items used for various production purposes: an Italian gelato machine, a shrink-wrap packager for grab 'n go items and a refrigerated prep table.

Further forward toward the center of the store is what Sheetz staff members call the "food theater" — nearly 40 feet of food stations. At one end of the station lineup is a pizza preparation station. Included at this point of sale are a refrigerator, a dough sheeter, a prep table, a stone-deck air-door pizza oven, a pizza box storage rack, holding counters and overhead pendant-style heat lamps. The hand-carved roast beef is positioned adjacent to this area.

To the right of the pickup station are two cashier counters, which are positioned next to a salad station equipped with a display case in which ingredients are held for made-to-order salads and hot food drawers that are used to hold cooked chicken and steak. Behind the salad counter is an upright display refrigerator for greens and a panini preparation station.

Further down the line is a four-foot gelato display case. Next is a multi-tiered bakery display behind a vertical glass protector leading into sections for specialty coffee, espresso and frozen drinks.

As Sheetz executives and consultants look to the Raleigh restaurant, they will be tweaking the Altoona prototype to eliminate bottlenecks at the expediting stations, bring in more advanced E&S and improve labor efficiencies. "Eventually, we will start a 'bridge plan' to bring these concepts into existing stores," concluded Reilly. "It's quite an adventure." —FE&S

Sheetz Players

Chairman of the Board: Steve Sheetz
President of Sheetz: Stan Sheetz
Executive Vice President: Louis Sheetz
Vice President of Sales & Marketing: Bill Reilly
Vice President of Store Development: Rick Cyman
Interior Design: Chute Gerdeman, Columbus, Ohio
Foodservice Consultant: John DePaola, principal, Foodservice Resources, Fredericksburg, Va.
Brand Development: Colleen Devorris, Sheetz
Executive Chef: Keith Boston, Sheetz
District Manager: John Campbell, Sheetz
Manager: Leroy Wipple, Sheetz
Equipment Purchasing Manager: Skip Trostle, Sheetz
Equipment Dealer: Carnegie Equipment Co., Altoona, Pa. (smallwares)