

GREATER BATON ROUGE BusinessReport

Checkers looking to re-enter Baton Rouge market after long absence

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Undeterred by the rise in popularity of gourmet hamburger joints that have popped up across area in recent years, fast-food chain Checkers thinks there's plenty of room for one more burger option in Baton Rouge.

It has been nearly two decades since Checkers, which also operates the Rally's chain, has had a presence in Baton Rouge. It previously operated here under the Rally's flag. Now it's looking to bring the brand back, this time as Checkers, and it has a pretty ambitious growth plan.

"We think we'll be able to open 10 to 15 restaurants in the Baton Rouge market," says Jennifer Durham, vice president of franchise development.

As for the timeframe of establishing that many restaurants here, Durham says it depends on how many franchisees it can line up—and how ambitious they are. No company-owned restaurants are planned here, she says, and currently one Checkers franchisee in Lake Charles is looking at options in Baton Rouge.

"My expectation is that either through an existing franchisee or recruitment of new ones, hopefully we will have our first restaurant open in Baton Rouge by sometime next year," Durham says. "It typically takes about 12 months to go from franchise approval to getting a restaurant open."

When it comes to burgers in Baton Rouge, the trend in recent years has been toward quality over value or convenience. Recent newcomers to the market include Mooyah, Smashburger and Red Robin. They entered a market where restaurants such as Fat Cow and Burgersmith are also flourishing, and those are just the chain competitors. [As 225 highlighted earlier this year in its “Extreme Burgers” cover story](#), a bevy of local restaurants also are constantly pushing the envelope to come up with hand-crafted hamburger masterpieces.

Citing McDonald’s and Wendy’s as Checkers’ top competitors, Durham says the company sees nothing but opportunities for growth in Baton Rouge.

“All of those brands you have mentioned have an average check of \$12 and above. Our average check is below \$7,” she says. “And almost 60% of our guest visits are at or below \$5. We have always been about three things: value, flavor and convenience. And we stand out for options at and below that \$5 price point.”

Durham says Checkers isn’t only a value for customers, but is also a bargain for would-be franchisees.

“The average investment is just over \$400,000, not including site work and real estate ... so franchisees can enter for about half the price of other quick-service restaurants,” she says. “And we literally have the best ROI of any fast-food hamburger chain. As far as new unit performance, the restaurants that the company has opened in the past few years have seen profit of almost \$300,000 in our first year, not including rent.”

Checkers and Rally’s have about 800 restaurants in 28 states across the U.S., of which about 40% are company owned.

—Steve Sanoski