

Huddle House Shaves Costs with Smaller Footprint

By Tom Kaiser | February 20, 2019



As part of a wider plan to refresh and expand Huddle House, the Atlanta-based diner announced a buffet of news that's designed to elevate its presence across the country, and also to attract franchisees who will be interested in a smaller-format restaurant with an easier-to-swallow price.

First up is news that Huddle House is debuting a new store footprint, providing franchisees with an option for a much smaller, 2,000-square-foot restaurant with fewer seats. The smaller format option will retain the previously released Evolution design the company credits with increasing its average unit volumes in recent years. The company claims the new design will reduce development costs by \$150,000, which it hopes will open the franchise opportunity to a wider audience seeking a lower total investment.

Another part of the company resetting of the table includes launching a plan to open more company-owned stores, opening a total of 12 new company units to boost brand visibility in new markets. The first of these corporate locations set to open in March in Hokes Bluff, Alabama.

On the franchise side of the restaurant, 10 new franchisee-owned Huddle Houses are set to open before this coming summer, spanning seven states from Virginia to Texas—the brand's most highly saturated part of the country.

“While Huddle House has been a household name in many towns for more than half a century, our work is just getting started,” said Christina Chambers, senior VP of franchise development.

As part of the announcement, Huddle House shared its best stats from 2018, including 11 new restaurants and an additional 25 franchise agreements in eight states. Also during last year, Huddle House began the systemwide rollout of its e-Restaurant, a new back office system that helps franchise partners achieve greater efficiencies in food cost and labor management.

For consumers, the brand has improved its website, with higher play given to its Huddle Up Rewards program and online ordering. Huddle House has 350 restaurants open.