



To improve U.S. sales, Yum Brands promoted Emil Brolick, left, to president of U.S. brand building and Peter Hearl, right, to chief operating and development officer.

Yum shakes up chain leadership to strengthen domestic sales

By Carolyn Walkup

LOUISVILLE, KY. — Yum! Brands Inc.'s new U.S. realignment, with its three core chains placed under veteran Taco Bell leader Emil Brolick, aims to strengthen domestic results that have been surpassed by sales and earnings from overseas, especially by Chinese outlets of the world's largest system of restaurants.

The promotions of Brolick to the new post of president of U.S. brand building, Peter Hearl to the dual role of chief operating and development officer, Greg Creed to Taco Bell president, and Scott Bergren to Pizza Hut president signal an increased emphasis on beefing up recent lackluster U.S. sales.

Domestic same-store sales in the third quarter fell 5 percent at Pizza Hut and 2 percent at Taco Bell and were flat at KFC, for a blended U.S. same-store sales decline of 2 percent. Domestic profit for the quarter ended Sept. 9 rose only 1 percent on an all-brand basis.

By contrast, profits grew 26 percent in the China division and 22 percent in the non-China (See **YUM**, page 51)

McD says it's ready, but NYC hints at extended trans-fat-ban deadline

Taco Bell chain vows to switch to zero-trans-fat frying oils by April

By Richard Martin

NEW YORK — An amendment that would allow more time for this city's 20,000 restaurants to replace partially hydrogenated oils could be formalized when the municipal health department meets early next month to vote on stringent new limits on trans fats.

However, city health commissioner Thomas Frieden said

details about a likely extension of the deadlines had not yet been worked out. The original proposal would give foodservice operations six months, until July 2007, to switch to oils, margarines and shortenings that contain less than 0.5 trans fat grams per serving, with that same quantity limit imposed after 18 months on all re-

maining menu items.

Frieden did not indicate that any extended grace period was being considered for the same proposal's mandate that restaurants already disclosing calorie contents on websites, food wrappers, tray liners or brochures also



post that information directly on menus and menu boards.

Chuck Hunt, executive vice president of the New York City chapter of the New York State Restaurant Association, (See **NYC**, page 49)

Chains join the quest for sustainable fish supplies

Some operators struggle with mixed messages from environmental groups

By Lisa Jennings

When chef-operator Ed Bilicki opens his new coastal-cuisine-theme, fine-dining restaurant Satava in Orlando, Fla., early next year, there will be no wild oysters on the menu.

There also will be no monkfish, bluefin tuna or even grouper, a Florida restaurant staple. Those are products Bilicki feels he cannot serve in good conscience because of concerns about the sustainability of those species.

At a time when some restaurants may just buy what they can of cod, the former fish stick staple, and feature the now-scarce fish on upscale menus, Bilicki is one of a growing number of chefs who feel their restraint could help rescue collapsing fish stocks.

Earlier this month, a paper published by leading ecologists and economists in the journal *Science* predicted that the world would run out of seafood by the year 2048 if declines in marine species continue at the current rate. Overfishing, pollution and other environmental factors are



NRN NATIONAL REPORT

A paper published by leading ecologists and economists in the journal *Science* predicted that the world will run out of seafood by the year 2048 if current rates of depletion continue.

wiping out wild fisheries and threatening the ocean's delicate ecological balance, they reported.

While some in the seafood industry have dismissed the

study as alarmist, others see it as a wake-up call that will spur on the sustainability movement — not only among the fine-dining chefs who so far have led the

charge but also among larger multiunit operators whose buying power will have an even greater impact.

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More chains join quest for sustainable seafood supplies

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For example, industry giants such as Orlando-based Darden Restaurants Inc., operator of the Red Lobster, Olive Garden, Smokey Bones and Bahama Breeze brands, and contract caterer Compass Group's Americas division, based in Charlotte, N.C., have announced changes in seafood buying habits based on sustainability concerns.

Smaller regional chains such as Legal Sea Foods, based in Boston, King's Fish House, based in Costa Mesa, Calif., and the upscale Oceanaire Seafood Room dinner-houses, based in Minneapolis, also are touting sustainability as a priority.

The approach each company takes varies, however. Some see fish farming as an answer, while others ban such aquaculture products from their menus. Some look for products certified as environmentally friendly by various groups, while others dismiss the certification process as political or unproven.

Many operators say they want to do the right thing, but conflicting information from environmental and trade groups has left them confused and skeptical.

Even such seasoned seafood operators as Jasper White, chef-owner of the five-unit Summer Shack chain, based in Cambridge, Mass., say the issue is far too complex to offer easy answers.

"We're all concerned, and we always have been, but it's hard for us to know what's right and wrong," White said. "The science varies according to who's paying for it. I don't always think the scientific community is giving us straight answers. It's kind of a nightmare."

The forecast of the marine ecosystem's impending doom comes at a time when the demand for seafood is growing rapidly. Nutrition experts are urging Americans to eat at least two seafood meals per week, which would roughly double the nation's consumption of about 16.6 pounds of seafood per person in 2005.

But according to the recent study, nearly one-third of commercially fished species have already been depleted to the point where catches now are only 10 percent of historic highs, including for such popular menu options as bluefin tuna, Atlantic cod, Pacific salmon and Alaskan king crab.

Still, it's not too late to reverse the trends, according to the marine scientists who authored the study. Environmental groups, for their part, are putting increasing pressure on consumers, restaurants, distributors and retail stores to make responsible choices.

Organizations such as the

National Fisheries Institute, a trade association, point to aquaculture as one solution. About half of the nation's seafood comes from fish farms, mostly overseas.

However, some say lack of controls within the largely unregulated aquaculture industry has led to problems — from harmful feeds, waste and disease, and gene pool risks posed by the inadvertent mixing with farmed and native species — that have contributed to the decline of wild fish.

The National Oceanic & Atmospheric Administration, an arm of the U.S. Commerce Department, earlier this month released a proposed 10-year plan for developing the U.S. aquaculture industry, calling for improved regulations, monitoring and environmental-impact research.

Some environmental groups have expressed doubt that increased regulation is the answer.

"One of the reasons fisheries are so in trouble is because our government has had a hard time managing them," said Sheila Bowman, outreach manager for the Monterey Bay Aquarium's Seafood Watch program, which offers guidelines on choosing sustainable seafood.

An industry group, Global Aquaculture Alliance, or GAA, based in St. Louis, has developed a set of best practices for fish farms.

Darden — which is represented on the organization's board — has pledged to buy shrimp only from aquaculture sources that follow GAA standards.

The Marine Stewardship Council, or MSC, an independently funded nonprofit organization based in London, on the other hand, has created an "eco-label" for wild-caught products that come from fisheries certified by the organization as being sustainably managed. The MSC logo appears on more than 450 seafood products in 25 countries. But the council does not find farmed seafood products to be "truly sustainable" because of the environmental hazards involved.

Philip Fitzpatrick, the council's U.S. spokesman, said the organization is in discussions with one of the nation's largest foodservice distributors, which he said is looking to develop a "sustainability strategy, particularly with seafood."

There's no question that seafood buyers are demanding more information about sustainability, said Thomas Sherman, vice president of marketing for seafood vendor Icelandic U.S.A., which is considering a move toward carrying MSC-certified products.

Sherman said he recently completed a report on the sourcing of 15 products sold to a major U.S. university at the request of the

campus's head chef.

"That was the first time I've ever gotten that request, but I expect to get a lot more of them," Sherman said. "I'm sure most manufacturers are going to be getting their ducks in a row in coming years because they're going to be analyzed and judged for who they buy from."

Compass Group, which holds a large number of university foodservice contracts, in March announced plans to follow the advice of the Monterey Bay Aquarium's Seafood Watch program, which lists seafood

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under categories such as “best choices,” “good alternatives” or “avoid,” depending on their endangerment status.

As a result, Compass-operated outlets have replaced Atlantic cod dishes with the more viable Pacific cod or MSC-certified pollock. The contractor also pledged to decrease its use of unsustainably raised shrimp.

The policy grew out of an even more stringent commitment to the Seafood Watch program by

Compass subsidiary Bon Appetit Management Co., based in Palo Alto, Calif., which in 2002 began offering contract services to the aquarium.

Initially, the Seafood Watch guidelines were meant only to apply internally at the facility's restaurants. “But we felt that, if it's the right thing to do in Monterey, it's the right thing to do everywhere,” said Maizie Ganzler, Bon Appetit's director of communications and strategy.

Bon Appetit goes further than Compass by banning the use of farm-raised salmon systemwide, though it serves farmed tilapia, catfish, and domestic shrimp and other shellfish.

Monterey Bay Aquarium has been working with other marine facilities to develop similar restaurant programs in their respective cities, but not all aquariums agree on best practices.

The Monterey institution's Seafood Watch program places farm-raised salmon on the “avoid” list, but the Aquarium of the Pacific in Long Beach, Calif., sees that product as a viable alternative to at-risk wild salmon.

Multiconcept restaurant operator King's Seafood Co., based in Costa Mesa, Calif., works closely with the Aquarium of the Pacific in making menu choices based on sustainability, said Matt Stein, chief seafood officer.

For example, the company's 10 King's Fish House restaurants and five other higher-end concepts have dropped at-risk species, such as Chilean sea bass and ling cod, from their menus, explained Stein, who is a passionate advocate of farm-raised salmon.

“In the decade, I hope we'll see

the U.S. take a leadership role in aquaculture and that we'll get to the point where we can export improved technologies,” he said.

Some contend that offering seafood products deemed sustainable and environmentally friendly could offer a marketing edge to restaurants that have struggled to keep pace with steadily rising seafood commodity costs.

Increasing demand and the weakened dollar have resulted in higher wholesale seafood prices in recent years, a trend that observers agree is not likely to change anytime soon.

Atlantic cod, for example, is believed to be nearly extinct, which has increased demand for Pacific cod as a more sustainable option, resulting in climbing prices for that species.

Where cod was once the stuff of fish sticks and common seafood dishes, the increased price now has moved cod mainly onto the menu of higher-end restaurants, which can charge more for the dish.

The 11 upscale Oceanaire restaurants nationwide use menu descriptors that offer details down to the name of the boat that caught the fish, said Wade Wiestling, the company's culinary vice president.

“We train our chefs and management team to be aware of what's going on” and to seek advice from various trade groups and vendors, Wiestling said.

Supporters of the sustainability movement say every little bit helps, though the learning curve tends to be a long-range matter. As Bowman of the Seafood Watch group put it, “no one goes completely green overnight.” ■

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CULINARY CURRENTS®

The mid-Atlantic's great catch of seafood and vegetables

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“I only buy it in season, and now is a great time for it,” Caputo says. “In fact, they just finished a rockfish fishing tournament in Rehoboth called ‘Rocktoberfest.’ We are serving it pan-seared, skin on, with cumin-acorn squash purée, broccoli raab, pickled red onions and a celery-pomegranate vinaigrette.”

Chefs aren't limiting themselves to just the root vegetables and seafood of the mid-Atlantic, however.

Haimowitz points to some of the excellent cheeses available in the area, and Andrew Brown, chef of White Dog Cafe in Philadelphia, loves the chicken. “I swear the best chicken in the whole world comes

from Lancaster County [Pennsylvania],” says Brown, who has sampled the famous French poulet de Bresse and others and finds them wanting.

He currently is roasting them whole, breaking them into half-bird servings, and finishing them with what he calls “Scarborough Fair” herb butter, flavored with parsley, sage, rosemary and thyme. They are served with heirloom pumpkin; panzanella, or bread salad; local green beans; and shallot confit.

Despite his love for the chickens — and for Bucks County, Penn., heirloom tomatoes that he says are “so much better than those Jersey tomatoes that people scream for” — Brown doesn't

ignore the sea.

He says autumn, as the waters cool, also is the best time for lobsters, better than in the summer when they are more popular. On quiet nights at this time of year, when he has time to perfect the dish, he offers lobster rolls as a special. He butter-poaches the lobster and serves it, tossed in some emulsified butter, on house-made hot dog rolls with some lettuce.

Back at the Mermaid Inn, Price, still enjoying the success of his fish fry, is making plans for next summer, when he might hold a blue crab festival, complete with Old Bay seasoning and newspapers on the tables. ■

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