

Nando's 'exports spirit of SA' to lands as far as Fiji

By Zeenat Moorad 19 Oct 2012

Nando's not only dishes out Portuguese flamegrilled peri-peri chicken, it sells the spirit of SA and Africa as a whole through its restaurants around the globe, the group's cofounder, Robbie Brozin, said yesterday, 18 Ocotber, at a breakfast briefing in Johannesburg.

"People think that nothing world class can come out of Africa, and that's one thing that we want to change - the way the world thinks about Africa. The energy and pride we had as South Africans during the World Cup certainly was our finest moment and we're definitely going to get those moments again.

"SA goes through ups and downs. The resilience we have as a nation is what we have taken out to portray to the world."

The 25-year-old fast-food chain, known for its cheeky advertisements, was started from a single outlet at the corner of Main and Ferreira roads in Rosettenville, Johannesburg by Brozin and his friend Fernando Duarte.

"When we started out we knew nothing - we were just two naïve guys," Brozin said. "I thought it was a thing I would do on the side, but it doesn't work like that - you have to focus and work hard, no matter how big or small your business is."

The privately owned Nando's now operates in 26 countries through 1,010 outlets in locations as far as Fiji, Singapore and Bangladesh. While menu items are largely the same with a few differences here and there to fit market nuances, its international restaurants are typically larger than its local ones and cost between US\$1m-1.5m to develop.

"The food business is probably the hardest business you can find," Brozin said.

"People look at it like it's all glamour; everyone wants to own a restaurant, but unless you have a slight madness in your eyes, don't go into the business. Without that you are not going to succeed, it's one of those businesses that's 24/7. It's bloody difficult - you have to have a sense of reality, you have to be humble."

The group, like SA's other food players, has had to adjust to the global markets it operates in. "One of the first things we had to do was reposition the brand and make it almost a chicken temple, particularly in London," Brozin said. "When we opened our first restaurant there, we literally took our SA model with what we thought was the latest designs and copied it.

"It was a huge failure - the margins were wrong, the design was wrong. We now have about 300 restaurants in the UK; it's a seriously well-run business."

The UK market has proved to be a tough one for local players as high labour costs and dampened consumer spending weigh on operations.

Last month, Spur Corporation CEO Pierre van Tonder said: "The UK and the Australian development for us is in a bit of a holding tank at the moment."

Meanwhile, Famous Brands, whose Wimpy chain has a presence in the UK, says revenue in Sterling declined 19% and in rand terms 13% to R82m for the year ended 29 February. But the division does make a nominal contribution to Famous Brands' revenue and operating profit - 3.8% and 1.8% respectively.

Brozin recently stepped away from the day-to-day operations of Nando's to focus on corporate social investment projects such as the fight against malaria in Africa through a partnership with explorer Kingsley Holgate.

Nando's is now headed up by global CEO David Niven.

The company, which also supplies its sauces to UK supermarkets Tesco and Sainsburys, only uses South African art in its stores. "We have an art programme that supports young artists, which is part of our social investment.

"We're also involved in residencies for them in places like Amsterdam. We spend about R10m-15m on art that we ship around the world and probably have one of the biggest South African contemporary art collections outside of the country."

From its humble beginnings in 1987, the Nando's path is clear. "The vision has really always been to have fun and make money while changing the way the world thinks about chicken.

"Building our business globally we failed so many times. We've only learnt from our failures, not from our successes.

"Whatever you're doing, do it with ... passion. For me, there is absolutely no doubt that if you're not enjoying what you're doing, don't do it; life is too short.

Source: Business Day

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