

## Gourmet Burger Co. serves a better burger in competitive times

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The grey-haired former restaurateur known as Trevor Barryman sits on a bar stool, to eat his gourmet burger with onion rings. He faces the window, looking at Parliament Street, on a Tuesday afternoon. He's having his second burger in a week at the newly opened Gourmet Burger Co. in Cabbagetown.

Finishing a bite, Barryman says that people have been predicting the complete gentrification of this commercial strip for the last 30 years. "They told me it would be the next Yorkville."

He continued, "They were wrong."

He said, "If someone told me they were opening up a hamburger place here, I would have told them it was a terrible idea. Who would pay for a \$13 lunch in this neighbourhood?" But Barryman said that when he came in for his first burger on Saturday there was a line-up out the door.

This new burger joint faces the usual challenges of setting itself apart from the other restaurants that sell burgers in Toronto, and begs the question, can a gourmet burger joint do well and bring people in from other neighbourhoods?

In November, John Ward, 39, who is an experienced restaurateur and caterer from Australia, opened this burger restaurant at 482 Parliament St. His new take-out and small sit-in spot can appeal to a wide range of people with varying budgets – from those who want to pay \$6 for a gourmet burger, to those who can afford \$13 for a deluxe burger with sides and a drink. Because of the diversity in income levels in the neighbourhood, Doug Fisher, staff of the Old Cabbagetown Business Improvement Area (BIA), says the businesses that do best here appeal to the largest spectrum of incomes. Fisher said that like a hardware store, which everyone likes, the same may be true for buying lunch. According to Fisher, "A burger place also appeals to everyone." Fisher says the Gourmet Burger Co. has a great chance of gaining loyal customers from across the city.

A walk along Parliament Street reveals a real mix of restaurants. There are older diners, ethnic take-away places, and gourmet restaurants, alongside organic butchers, dollar stores, and the discount no-frills grocery store. According to Fisher, the rents in this commercial sector range from \$1,500 to \$5,000 a month. He said, "Our rents are lower than those on Church Street, so they are a bargain for business owners because they can still get customers from some of the nearby neighbourhoods for a third the rental price." He said that the rental costs have been inching up, but not to the point that older businesses are being priced out.

Walking the streets there are panhandlers, renters from James Town and Regent Park, students, and home-owning professionals. On Parliament, there are no exquisite floral or chocolate stores, upscale clothing boutiques, or bookstores. For a long time, the area has not even had a Starbucks (although one is going to open soon in the same block as Gourmet Burger Co.). If you were walking along Parliament Street, you might never guess that just a few blocks east is a neighbourhood that boasts million-dollar homes.

On the west side of Parliament Street, in the first block north of Carlton, Spiros Maniatos owns the block of buildings. They currently house a dollar store, Johnny G's Diner, and now – Gourmet Burger Co.

Fisher said, "Based on my blog research, there seems to be a lot of talk about Gourmet Burger Co." He said the key for businesses in Cabbagetown that aim to attract people with higher incomes is to draw people into the neighbourhood. Fisher said he thinks that Gourmet Burger Co. can potentially draw people from outside, as a few other businesses in the area have done.

John Lee, the owner of Omi, a sushi restaurant that moved into the area in November, said that business has been very good since the move from Church Street. He said, “We have a lot of our existing customers and the neighbourhood locals coming to our new location.” He said he gets around 70 percent of his business from his existing customers, and the remaining 30 percent from Cabbagetowners.

At a home furnishing store, Mi Casa, which has been in the area for 20 years, the manager, Andrew Halkewycz, said they draw roughly 60 per cent of their customers from outside of the neighbourhood, and around 40 per cent are Cabbagetowners. In spite of the few stores that regularly draw people into the neighbourhood, Fisher said Cabbagetown has not become a destination spot, like the Distillery District or Church Street. “People don’t wake up on a Saturday and say ‘Let’s go to Cabbagetown.’ The neighbourhood is still a locally serving area, with businesses largely there to suit the local populations,” he said.

There are many well-known long-standing restaurants on Parliament Street that Cabbagetowners frequent. Fisher said, “Gourmet Burger Co has a good chance to compete.”

Sure enough, every pub in the area serves a burger; but, Gourmet Burger Co. is the only place specializing in various kinds of unique burgers. Fisher said, “I had a smoky bacon burger with fries and spent around \$10. I could have spent less on their normal burger with condiments for \$5.50, but I was happy to pay more for the unique toppings. I think they have a good broad price range for their customers.”

A glance at the menu at Gourmet Burger Co. posted on the meticulously hand-written signs above the ordering counter reveals that, in addition to the cheaper basic burger, the signature suggestions made by owner John Ward, range in price from \$5.95 to \$9.95.

Down the street, the popular House on Parliament Pub offers their basic burger with sweet potato fries for \$12.38, around \$4 more than at Gourmet Burger Co. The Pear Tree, Ben Wicks Bar & Bistro, Big Mamma’s Boy, JAM café, and Stonegrill all offer burgers with sides ranging in price from \$7.99 to \$16. At these restaurants, the burgers are among the lowest-priced items on their menus.

Fisher said, “If you sell only a burger, you need to sell more.” John Ward says he is selling between 100 to 175 burgers a day, which is quite good, according to Geoff Wilson, a restaurant consultant in Mississauga, who did a quick calculation of Ward’s sales and costs.

Wilson said that the decision a potential customer makes to buy a gourmet burger versus one from McDonald’s will be based on a couple of factors. “Is the customer in the group that has been significantly influenced by the trend of ‘premiumization’? If so, that customer will be looking for more than just a regular burger, and if it’s different they are prepared to pay more. It has to have an enhanced flavour profile and a more appealing quality proposition. They have to want to buy it for the experience rather than just for filling up their stomach,” he said.

Ward says he has the differential gourmet aspect covered. He’s offering customizable burgers with the toppings they want, including some unique Australian options – fried egg and beets – which are common in his home country’s standard burger, but found rarely (if ever) in Toronto. Furthermore, he says he’ll soon be introducing a burger of the week with either salmon, bison, or pulled pork. Currently he has chicken, beef, and lamb burgers on offer with toppings like avocado, bacon, pineapple, gouda and brie.

At around 3 p.m. on Tuesday, Ward’s wife and two-month-old son visit the restaurant. Ward says he’s happy to have started this new business, after owning six other successful ones in the last 14 years. He says he’s glad, because with the restaurant he won’t be working late night pub hours, and he can spend more time with his son. Ward says he is up for the challenge of serving anyone who enjoys good food. He said he wants Gourmet Burger Co. to be like a good pizza place, “Everyone enjoys it... 12 year olds and grandmothers. It transcends age. I want people to leave here saying it was the best burger they ever had.”