

# Extreme makeover: Landmark restaurants aim for new looks without losing identities

Expensive remodels can bring big rewards, but not without risks

By LISA JENNINGS



**The Wolfgang Puck Fine Dining Group recently spent \$1.8 million for a top-to-bottom overhaul of Spago in Las Vegas.**

(Jan. 08) — [Spago](#) is credited with helping to launch a culinary revolution here when a branch of the Los Angeles original opened in 1992, and with annual revenue currently estimated at nearly \$15 million, the branch remains a lucrative member of the Wolfgang [Puck Fine Dining Group](#).

Still, in a city where increasing competition has made reinvention a necessity, the Las Vegas-based Puck group recently invested about \$1.8 million for a top-to-bottom overhaul of the restaurant's decor, menu and service.

Routine tweaks to replace worn carpeting or booth fabrics are standard operating procedure

for most restaurants, but for a landmark venue like Spago, comprehensive makeovers can be as stressful and risky as a new concept launch.

## Landmark restaurants face risks, rewards of remodeling

Whether you spend \$400,000 to refresh, as San Domenico NY in New York did two years ago, or \$2.6 million to reconcept, as George's at the Cove in La Jolla, Calif., is doing, the concerns are the same: Will too much change scare away loyal regulars? What balance between old and new is right? Will the time, effort and expense be worth it in terms of maintaining and broadening the restaurant's customer base?

Comprehensive remodels can breathe new life into an operation, but the more a concept is reworked, the higher the level of risk, according to foodservice consultant Randall Hiatt, president of Fessel International in Costa Mesa, Calif.

"Everyone wants to get to that newer audience. It's that 'my-regulars-are-dying' syndrome," Hiatt said. The accompanying fear, however, is that change can "alienate your core audience and still not attract a new

audience,” he said. “You have to be really careful.”

For many operators, remodeling allows an opportunity for expansion. “They can add more seats by turning that store room into a wine room, for example,” Hiatt said.

Operators also can bring restaurants in line with current trends, such as equipping bars to offer specialty cocktails. Kitchens can be upgraded to improve efficiency, and facilities can be brought into compliance with the Americans with Disabilities Act.

Operators that have been through the process say it's worth the headaches involved.

“Remodels work. There's no question about it,” said Tom Kaplan, senior managing partner of the Puck Fine Dining Group.

Two years ago, for example, the company spent about \$160,000 to remodel Chinois, Puck's Asian fusion concept in the Forum Shops at Caesars Palace in Las Vegas, the same high-end mall that's home to Spago. Sales increased about 25 percent in the months following, which Kaplan attributes directly to the renovations.



Likewise, the Puck group late last year completed a minor

facelift of the casual-dining patio of its contemporary American concept Postrio in The Venetian resort-casino, and average checks of that branch of the San Francisco original went up about 40 percent in the following three months, Kaplan said.

Spago Las Vegas underwent an \$800,000 freshening up several years ago. But the more recent redo, completed in December, was far more comprehensive, including just about every aspect of the guest experience, from the bathrooms to the new Bernardaud china to the spiffy chocolate-and-black staff uniforms. The restaurant didn't close and most of the work was done during off hours.

The interior, designed by Engstrom Design Group, now has a more contemporary feel with creamy leather booths and chairs, dark walnut floors, zebra wood paneling and lots of frosted glass. The varied textures of the white color scheme highlight the new art collection, which includes a massive and colorful piece by local artist Tim Bavington titled “Imagine,” which evokes with color the musical chords of the John Lennon song.

A new late-night lounge area has been added with couches, private tables, a custom music system and a 50-inch plasma television. The menu was redesigned by David Robins, the Puck group's managing partner and corporate chef, and will include items that allow server presentations with flourish, such as Dover sole filleted tableside.

Kaplan said sales were steady at Spago Las Vegas before the overhaul, but he observed that to stand still in Las Vegas is restaurant suicide.

“We could have kept that \$2 million [capital investment] and still done well, sure,” he said. “But we're in a city that's the most reinventive on the planet. You have to stay on top of things. It has to look good and it has to look fresh.”

George Hauer, founder of George's at the Cove, says he has spent about \$2 million in routine tweaks since the suburban San Diego oceanside restaurant opened in 1984. The current remake, however, is a “total deconstruction” of every element of George's fine-dining room on the first floor of the trilevel venue.

George's, scheduled to reopen in mid-February after a Jan. 1 closure, will have a new name—George's California Modern—and new decor, tabletops, uniforms and a restructured menu by chef and co-owner Trey Foshee.

“We wanted to reinvent what we think fine dining is for people today,” Hauer said. “History will be rewritten.” What has long been a formal special occasion dining spot requiring a coat and tie will become more relaxed and spontaneous, while still being sophisticated, Hauer said. “People will feel comfortable wearing a blazer and jeans,” he said.

The “dated and fussy” decor will become “cleaner,” he added. The menu, previously centered on appetizers, entrées and desserts, will be divided into different categories: raw and cold items; salads; soups; hot appetizers; seafood, meats and poultry; and various sides in single-serving portions.

A bar area with a communal table will be available in the restaurant for those without reservations. Servers will no longer lecture guests about specials, ingredients and the local farmers George's buys from, but will offer explanations when guests request them.

The reconcepting was deemed necessary after seeing flat sales over the past five years, as well as increasing competition throughout the San Diego market, Hauer said.

After signing a new 20-year lease, Hauer and his partners decided to make a long-term commitment to “keep our brand as a leader in the community,” he said. “We needed to give people a reason to come out to La Jolla.”

Hauer estimates the remodeling will increase sales by \$1 million a year, though he declined to divulge current annual revenues.

Manhattan restaurateur Tony May said he saw San Domenico NY's sales increase about 10 percent the year after its remodeling in 2004, and another 6 percent in 2006.

Renovations there, done by famed architect and interior designer Adam Tihany, also created a “less rigid” atmosphere, with softer lighting, revitalized wall treatments and brighter fabrics, May said. The goal was to freshen the look while still being “recognizable” as the acclaimed fine-dining Italian restaurant that opened in 1988.

“We got nothing but compliments after,” May said. “There was no negative reaction from regulars.”

In retrospect, May said, he should have done the renovations sooner. The move was motivated in part by increasing competition in the neighborhood, including the opening of Thomas Keller's Per Se and Jean-Georges Vongerichten's eponymous restaurant.

Knowing when it's the right time for an overhaul is tricky, May added. “You can feel it,” he said. “You can see things like employee enthusiasm lagging. You have to look at what's going on inside the restaurant and outside. When we opened, we made a statement. But that statement got old.”

The renovations, however, stimulated new curiosity in the restaurant. It also sent a message to the public that San Domenico NY cared about staying relevant—which is key for any established concept.

“If you don't renew yourself, you're left behind,” May said. “It's as simple as that.”