

Canadian Chain Looks to Bring its French fries and Poutine to Philadelphia

Emma Dooling | June 10, 2024

A Canadian chain specializing in French fries and poutine is looking to enter the Philadelphia market.

New York Fries is actively searching for franchisees to open several locations throughout the region, according to Dave Colebrook, president of quick service restaurants and emerging brands for Recipe Unlimited Corp., the chain's parent company. No franchise deals or Philadelphia-area stores are currently in the works.



New York Fries is known for its fresh-cut fries cooked in sunflower oil and for its hot dogs, both of which can be served with a variety of toppings such as nacho cheese, pulled pork and chili.

It also serves poutine, a Canadian french fry dish made with cheese curds and gravy.

The brand was founded in 1983 in the South Street Seaport neighborhood of New York City. Soon after that, entrepreneur Jay Gould took the concept to Canada and began expanding there. Recipe Unlimited decided to return it to the U.S. this year, opening four New York Fries stores on Long Island and in Northern New Jersey since January.

"Our plan, after doing extensive market research, is to bring it back to where it all started, almost [like] the prodigal son coming back," Colebrook told the Business Journal.

The four existing U.S. locations are corporate-owned, but Recipe Unlimited plans to continue its expansion down the East Coast and across the country using franchisees.

Philadelphia's food scene and a demand for New York Fries' products in the market made the brand a good fit for the region, according to Colebrook. New York Fries also has the flexibility to add toppings that highlight local cuisine. For example, one Philadelphia-specific menu item could be fries loaded with cheesesteak ingredients, he said.

Recipe Unlimited is primarily looking to sign multi-unit deals with local franchisees to open a minimum of three to five shops in the region. Colebrook said the franchise fees for U.S. stores will depend on the partners and agreements that are signed. In Canada, a single store has a franchise fee of \$30,000, with a 1% to 2% advertising fee and a 5% to 6% royalty fee.

New York Fries locations perform best in places with high foot traffic such as malls and shopping centers, but Recipe Unlimited is also open to stores in nontraditional locations like stadiums and airports. Colebrook pointed to the King of Prussia Mall, Philadelphia Mills, Suburban Square and Rittenhouse Square



as places where he thinks the concept would perform well.

Recipe Unlimited has connections with key mall owners in the region, including King of Prussia Mall's Simon Property Group, Fashion District owner Macerich and Brookfield Properties, which owns Bucks County's Neshaminy Mall and Christiana Mall in Delaware. Colebrook said early discussions with the companies about expansion into Philadelphia have been positive.

Eventually, Recipe Unlimited wants to have New York Fries stores in most of the nation's malls, like it currently does in Canada.

The brand typically operates locations between 250 square feet and 500 square feet. Operating hours for the stores would be tailored to the mall, shopping center or stadium's hours of operation, or the busiest hours in the neighborhood.

"The brand is about fitting into high foot traffic areas. We don't try to make it a destination brand," Colebrook said.

Each New York Fries location typically employs between 10 and 15 people. Today, New York Fries has 135 locations across Canada, the U.S. and the United Arab Emirates. Colebrook said Recipe Unlimited is currently working to build out a U.S. team to manage the New York Fries brand out of America instead of Canada.

Toronto-headquartered Recipe Unlimited Corp., formerly Cara Operations Limited, <u>acquired New York Fries in 2015</u>. The company owns several other dining concepts, including Elephant & Castle Pub and Restaurant and The Keg, both of which also have locations in the U.S. as well as Canada.