

Nanoosh

David Kostman, founder of Nanoosh Mediterranean Hummus Bars & Counters, says his goal is to have people walk out of his four New York City restaurants saying they experienced great food and great ambiance, and that the check wasn't very high. Offering an affordable selection of organic wines and beers is part of the equation.



"We don't have to have 20 varieties," he says. "We're not a bar, but beer and wine are a great accompaniment to our type of food and setting."

A glass of wine at Nanoosh is \$4.95–\$5.95; a bottle runs \$25–\$35. Beer offerings from Peak Organic Brewing Co. include Nut Brown Ale, Pale Ale, and Amber Ale and sell for \$5.45 a bottle. Other beer offerings are \$4.95 and include Corona, Corona Light, Blue Moon, and Samuel Adams Light. Mythos, a Greek beer, is \$5.95 a bottle.

**Save up to 20% or more
on cooking oil costs**

—testo—

Even with wine and beer offerings, the average check at Nanoosh comes in at less than \$15 a person, which Kostman says is a

"very good value in Manhattan." For takeout, the average check comes in around \$10.

The hummus at the heart of the Nanoosh menu is made fresh without preservatives every day in house from organic chickpeas imported from Turkey.

"We import some key ingredients from the Mediterranean," Kostman says, adding that while the food at Nanoosh is authentic, the setting is not.

"Part of our marketing strategy is that we are trying to appeal to mainstream U.S. customers," he says. "So the setting is more modern, healthy, and green than a traditional Mediterranean restaurant."

Kostman says the cooking is done fresh every day and the food is true to core basic ingredients.

"I see a lot of fusion with hummus on supermarket shelves, like hummus with olives, or salsa, or red peppers," he says. "We don't do that; our core hummus is authentic and creamy and we top it with things, but don't do blends."

A customer can order a plain \$6.25 Hummus Plate, which is served with a whole wheat or white pita, and for 70 cents more top it with warm chickpeas, organic mushrooms, and organic onions; spicy sun-dried tomato pesto; or red and green peppers.

"The whole growth of organic has contributed to our success, too," Kostman says. "We're really specific on our menu as to what is organic and what is not, because people who eat hummus eat it for health, as well as for taste."

The Hummus Plate with chicken—made with all-natural chicken breast, organic onions, and tahini for \$8.25—is a popular menu item, as are the Hummus Wraps.

Nanoosh

Founder/CEO: David Kostman

HQ: New York, New York

Year Started: 2007

Annual Sales: Undisclosed

Total Units: 4

Franchise Units: 0

www.nanoosh.com

“The whole-wheat wrap is a great replacement for a sandwich or any grab-and-go type of item,” Kostman says. “It’s much healthier, tastes great, and is a good price. It’s a great takeout item.”

Wraps range in price from \$6.95 for the basic wrap with hummus, tahini, organic greens, and Mediterranean salad to \$8.75 for the Nanoosh Wrap, which consists of all-natural ground beef, hummus, tahini, organic onions, organic mushrooms, and organic greens.

Three of the four Nanoosh locations have table service and a take-out counter, while the fourth is a quick-serve concept with counter service only. But the Nanoosh counter is the part of the business Kostman sees growing the fastest.

“There’s not one configuration that’s right for every location,” he says. “In some places people want table service, but in central business districts, for example, people need to move fast and don’t want to sit down and then be dependent on how fast the service is—and they may not want to leave a tip.”

Kostman says the decision to have table service is made on a store-by-store basis.

“To us it’s an advantage to have the two,” he says. “The counter-based stores are easier and faster to roll out, however.”

The Nanoosh with counter service is about 2,000 square feet and seats 50. Kostman says a fifth Nanoosh, scheduled to open in Manhattan sometime before the end of 2010, will also be a counter location, but will be closer to 1,500 square feet. It will seat 30.

“We are pretty flexible,” he says. “We could go as small as 1,000 square feet depending on the location.”

Nanoosh opened in 2007 after Kostman, previously an investment banker, noticed a proliferation of hummus products in grocery stores.

“The concept came about just as hummus started becoming a mainstream food category in the U.S.,” he says. “It was not viewed as ethnic anymore, but there were no restaurants combining Mediterranean cuisine with healthy, organic ingredients in a cool, modern setting at an affordable price point.”

The second location opened in 2009, followed by two more in 2010. Plans are in the works for the chain’s first location outside of New York City to open in the next year. So far all are company-owned, but franchising is not far off.

“We are pretty close to finalizing everything necessary to start franchising,” Kostman says. “We plan to grow through a combination of franchising and corporate stores, with the franchising happening outside of New York City.”

He says there are plans to grow to between 50–100 stores globally within five years.

“We are looking mostly at big cities,” Kostman says. “The market for Mediterranean fare is broader than just big cities, but that’s where we see the potential of stronger success for Nanoosh right now.”