

FOODweek

Ali Baba K'Babs™ & Wraps returns to its roots

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25th February 2008: Ali Baba K'Babs™ & Wraps is extending the brand with the launch of a casual dining restaurant in the Sydney CBD on March 3.

The launch of AB's Lebanese Restaurant on George St close to Central Railway signifies a return to brand roots for the business, which started as a single sit-down restaurant serving Mediterranean cuisine in Canberra in 1979.

The first Ali Baba opened in Woden and was founded by brothers, Mick and Karl Marjan. A quick-service model was subsequently launched. It was franchised in 1991 and now has 50 outlets across NSW, the ACT, Victoria and Queensland.

Currently holding pole position as the largest Australian-owned franchise brand in its category, Ali Baba K'Babs™ & Wraps is exploring further growth, spearheaded by a multi-million dollar investment in the Ali Baba world class executive kitchen (the WCEK).

Unveiled in 2005 and fully operational for the last two years, the WCEK has underpinned expansion into Queensland. Last November, Ali Baba finalised the acquisition of its largest competitor in Queensland, the local franchise operation Uncle Tony's Kebabs, and took over central supply to 12 additional outlets in the Sunshine State.

"Over 30 years, we've evolved recipes handed down through generations of the founding Marjan family to create a range of proprietary sauces and marinades absolutely unique to our products," said Robert Marjan.

With the WCEK is capable of supporting an additional 400 stores (with the capacity to

supply \$250 million in category demand) for Ali Baba, future brand expansion is being supported through the company's franchise business and the growth of AB's Restaurant brand.

Marketing manager, Nagey Kastoun told Inside Retailing Weekly that in assessing future pathways of growth, Ali Baba was looking outside of shopping centres.

"Currently, 80% of our business model is based in shopping centres. Food courts have been our business model," Kastoun said.

"Now we feel it's time to branch out and go back to our roots. We want to take casual cuisine back into a dining forum," he said.

"We are also currently actively seeking master franchisees abroad. We are looking at a few regions.

Kastoun said the business would remain in food courts because that was Ali Baba's expertise but the new concept provided the company with two revenue streams.

"We are successful but importantly, we are moving forward," he said.