

>> Meson Sandwiches' family dynasty includes (from left) President Felipe Perez with his son Feliipe Perez III, founder Felipe Perez Sr., and brother Gil Perez

# Confident Crossover

Meson Sandwiches plans to expand further into the United States market after realizing the success of its central Florida locations. By Janice Hoppe-Spiers

eson Sandwiches is the largest and fastest-growing restaurant chain in Puerto Rico and strives to duplicate that status in the United States. The company began testing its concept in the U.S. market in 2015 when it opened its first location in Orlando, Fla. With three locations

now in central Florida, Meson Sandwiches plans to open two more by mid-2017.

company profile

**Meson Sandwiches** www.mesonsandwiches.com Headquarters: Mayaquez, Puerto Rico

Employees: 2,000 Specialty: Sandwiches, anytime breakfasts and espresso bar Felipe Perez, president: "How we bring the millennials to our brand is very important for us.

"Every year we have been able to continue growing and increasing same-store sales," President Felipe Perez says. "Orlando has been very important for us because we wanted to test the market to see if we could do a crossover into the states. Following our plan, we opened our third restaurant two months ago because we are doing so well in the first two stores in Orlando and Kissimmee, Fla.

We have been very happy with the results so far, averaging \$2 million in sales per restaurant per year, which is above the industry average."

Perez's father, Felipe Perez Sr., founded the Mayaquez, Puerto Rico-based company in 1972 in his hometown of Aguadilla - a small beach town located on the western part of the island. "It is a well known town; Ramey Air Force Base was located there," Perez says. "From the beginning we catered to the Ameri-

can market - even in Puerto Rico. Most of the people who worked on the base used to visit Meson Sandwiches."

Although Ramey Air Force Base closed about the same time El Meson Sandwiches opened, many Americans remained in the community because Crash Boat Beach was and continues to be an Aguadilla attraction. "My father opened on the Fourth of July in 1972," Perez says. "It was a day Americans headed to the beach to celebrate and spotted Meson Sandwiches as a restaurant to fulfill their hunger," Perez says.

In 1987, Perez joined the family business after he graduated from college in Florida. "I got into the business and opened the second restaurant," he says. "In 1992, my brother, Gil Perez, joined the company. Today he is the vice president and oversees our supply chain. We are now in our third generation as my son is in charge of our expansion in Florida."

Perez learned about quality and service from his father at an early age as his summers were spent not on vacation, but working at the family business. "After the first Meson Sandwiches had become successful, I noticed that a competitor was about to open in a nearby complex," Perez remembers. "Their 'Opening Soon' signs showed a copycat menu plus air conditioning, something Meson didn't have at the time. I warned my father and in return, received one of the greatest lessons my father has ever given me: 'What are you doing looking next door instead of taking care of our customers? Never look to the side, always look inside and to the future.' The words have remained in my vocabulary ever since."

### **Making Great Sandwiches**

Meson Sandwiches began as a fast-casual deli, selling meat and cheese by the pound and making sandwiches







Meson Sandwiches' classic menu items include the Whitehouse (top) and the Philly's Vegetarian (middle). The company appeals to millennials with new recipes, such as its Picante Pepper Steak sandwich (bottom).









>> In addition to sandwiches, a significant breakfast menu features international staples such as pancakes, breakfast sandwiches and fried eggs. Meson Sandwiches cracks real eggs every time

for its customers. "Blue cheese or special cheeses from Europe were new to the area; pastrami, roast beef and even turkey wasn't that well known in Puerto Rico," Perez notes. "My father helped introduce premium cuts and meats to the community, which was innovative at the time."

The pastrami and Swiss cheese sandwich became the talk of the town at the time and remains one of the restaurant's signature items. El Meson Sandwiches continues to make its sandwiches the way it did from day one: grilled meat on toasted bread with a bit of Caribbean flair. The company adds its trademark dressings and sauces to most of its subs.

"When my father started the restaurant we had seven sandwiches. Pastrami, turkey and roast beef were the most famous," Perez notes. "Today we have



36 sandwiches and a lot of our recipes have come from our own clientele."

A Meson Sandwiches specialty includes the All Pro sandwich, which features pastrami, Virginia ham, Swiss cheese, shredded cabbage, tomatoes and sautéed onions served on its criollo bread topped with special dressing. Located in a beach town, it was inevitable El Meson Sandwiches would create a sandwich that appealed to surfers. "Surfers came from the states every winter in the early '70s, bought an old car for \$200 to \$300, put their boards on top of it and traveled around for waves," Perez explains. "They would stop by the restaurant at noon, requesting everything on the sandwich but meat."

More than 30 years later, Meson Sandwiches has updated its Surfer sandwich

develop and create several new concepts per year," Vice President of Marketing Hector Jimenez says. "You need to adapt and follow the trends to continue building your customer base."

Meson Sandwiches also hosts contests for the public and students of Puerto Rico's culinary schools to create its next new sandwich. The creators of the winning sandwiches receive cash prizes. "Sometimes we invite chefs to work with our ingredients and recipes to help us with the trends and make sure our menu remains relevant," Jimenez adds.

### **Beyond the Sandwich**

In addition to sandwiches, a significant breakfast menu features international staples such as breakfast sandwich-

## "Every year we have been able to continue growing and increasing same-store sales." - Felipe Perez

to include soybean salami, cabbage, tomatoes, peppers onions and pickles on criollo wheat bread. "It's more sophisticated, but still the Surfer sandwich," Perez adds. "We don't use lettuce on our sandwiches, only shredded cabbage."

Meson Sandwiches' Mesotron - a family-size, shareable sandwich - is a healthy alternative to pizza or chicken buckets, the company says. The packaging won second place in "The 'Wow' Factor" category for the 2015 QSR/FPI Foodservice Packaging Awards.

The classic sandwiches inspired by Meson Sandwiches' clientele remain on the menu while new recipes and seasonal items are added throughout the year. "We have done many things with our in-house test kitchen and we

es, scrambles and fried eggs. Meson Sandwiches cracks real eggs every time, which the company says is pretty amazing considering the high costs and challenges that presents to its speed of service.

All day breakfast is popular today, but Meson Sandwiches' breakfast menu and espresso bar, as well as its lunch menu have been available all day since 1972. "We serve 100 percent Puerto Rican coffee and have a sister company that grows coffee beans, roasts them and we serve the coffee in our stores," Perez says. "We manage our coffee from the crop to the cup. Our coffee is rated 'Specialty Excellent' by Coffee Review."

Recently, Meson Sandwiches added







more vegetarian and light options to its menu to accommodate a variety of dietary habits. Known as "Mesolite," the customized menu has been redefined for people seeking healthier food options without sacrificing the taste or the quality of the food. Customers can also choose to order their favorite sandwich on a baked potato instead of bread.

### **Engaging Millennials**

Meson Sandwiches emphasizes the development of recipes that are relevant to millennials, such as the Picante Pepper Steak Sandwich that includes roast beef topped with a unique, artisan hot pepper sauce and the Egg-White Sandwich that features a combination of egg whites, vegetables, turkey and Swiss cheese served on criollo whole wheat bread. "We are following the consumer's palate and doing that while keeping our foundation in the recipes that made us famous," Jimenez notes.

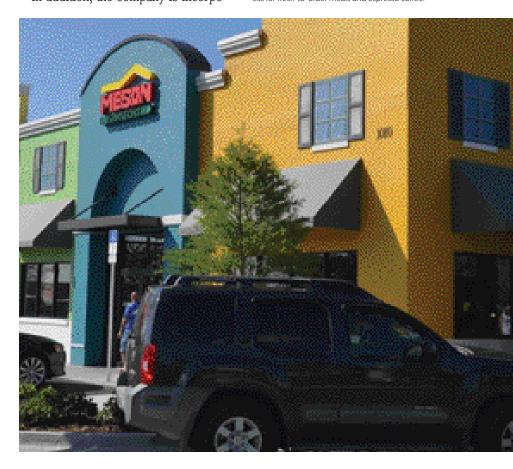
Meson Sandwiches appeals to everyone, from children to seniors, but consumers 30 to 55 years old remain the company's largest and target demographic. "How we bring the millennials to our brand is very important for us," Perez says. "We are developing new

The company has increased its presence on social media channels to reach millennials by marketing the Meson Sandwiches brand as well as showcasing new recipes.

In addition, the company is incorpo-

line ordering, but will first begin with a pilot program of ordering kiosks in its restaurants throughout 2017. "We are

>> Meson Sandwiches' freestanding store in Kissimmee, Fla., (below) feataures a drive-thru for even greater convenience. Its average wait time is two minutes or ess for fresh-to-order meals and espresso coffee









working hard in 2017 to bring in the millennials," Perez says. "That's our biggest challenge at this point."

#### **A Family Brand**

Meson Sandwiches provides great service because it treats its customers and employees like family. The company boasts one of the highest employee retention rates in the industry with general managers averaging 12 years and its managerial staff averaging eight years.

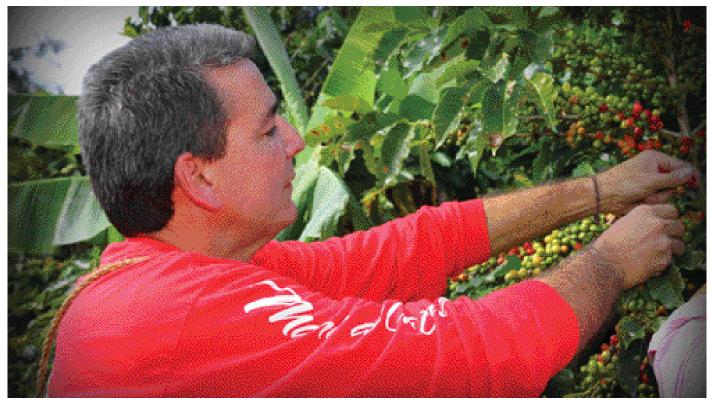
"If we want our employees and teams to treat customers like family, we need to treat our employees like family," Perez adds. "For example, this past year we had our best year ever and decided that we will share that success with our employees."

In addition to their Christmas bonuses, an extra bonus was delivered the first week in January to hourly Meson Sandwiches employees. "We gave out a quarter for every hour they worked," Perez says. "We didn't have to do it, but we wanted to do it because that's how we feel about our employees. Most are receiving \$300 to \$500."

#### **Right Locations**







> Meson Sandwiches serves 100 percent Puerto Rican coffee and manages it from the crop to the cup. President Felipe Perez assesses crop quality at Meson's coffee plantation.

Inhabiting centralized or high-traffic locations is a strategy that has enabled Meson Sandwiches to grow since its inception. Meson Sandwiches' freestanding stores in Aguadilla and Kis-

simmee feature drive-thrus for even greater convenience.

"People come through our drive-thru and the product is always made fresh to order," Perez says. "We wanted to

### **Social Responsibility**

Giving back to society has been a priority since day one for Meson Sandwiches. For example, sports are important to Meson Sandwiches President Felipe Perez. He believes playing on a team will help children develop strong characters and a solid foundation. "Sports teach discipline and teamwork," he says. "You don't have to be a great athlete, but children will become great citizens if you get them involved in sports at an early age."

Perez has been involved with Puerto Rico Olympic Committee and presided over the Central American and Caribbean Games in 2010, which took place in Mayaquez, Puerto Rico. Since 2010 he has been president of Fundación 2010, a foundation dedicated to offering free sports education to more than 1,000 children every year.

Also at Meson Sandwiches, cause marketing has played a major role in community programs, raising more than \$500,000 over the past four years. "Our 2016 University Combos Promotion helped raise \$150,000 in university scholarships and was recognized as 'Program of the Year' at the SME San Juan Marketing Awards last October," Perez says.

"We are very much involved in giving back to our community in Puerto Rico," Perez says. "And we are doing the same in Orlando."

do our first drive-thru in a place we knew we had a good customer base our hometown. More than 50 percent of our customers go through the drive-thru and are served in two minutes or less. That's pretty good for espresso coffee or a sandwich, and outstanding for fried eggs and bacon, egg scrambles or even an omelet."

A minute-forty-seconds is Meson Sandwiches' average drive-thru time in Aguadilla. Its location in Kissimmee is 10 seconds longer, which Perez says is because people aren't as familiar with the brand and take longer to order.

#### **Expanding Off the Island**

Travel & Leisure in 2012 named Meson Sandwiches one the world's top fast-food chains, which the company says opened many people's eyes to the brand and brought on greater expectations. With menu items that satisfy both Puerto Rican and American palates, the company decided to expand off the island.

Meson Sandwiches ventured into Orlando in 2015 to gauge the potential of the concept outside Puerto Rico. "In the states we want to do a complete crossover," Perez says. "We are looking for locations that have the right demographics. We have been selling American food in Puerto Rico for the past 44 years. You can't get more American than a sandwich or fried eggs and bacon."

Its marketing slogan, "The Sandwich Has Landed," aptly announced Meson Sandwiches' entry into the United States, but also referred to its success in Puerto Rico. The company decided to open its first locations in central Florida because the area is home to many people trained in the hospitality industry. Additionally, there are regular flights from Orlando to Puerto Rico, which was an important factor to Perez who routinely travels between the two destinations.

Meson Sandwiches' third Florida location opened in fall 2016 in the food court of the Orlando Premium Outlet, which is a tourist destination for South Americans and Europeans, Perez says. "We have done great; people are going and coming back," he adds. "We should be opening two more freestanding locations next year."

The company will continue to expand in the United States if the results from the test market are favorable, which Perez believes they will be if things stay the same. "If we continue to produce the same numbers, we will be prepared to go to the next step, including other places in Florida and the United States," Perez says. "We plan to keep growing in Puerto Rico, but our biggest challenge is to grow into the states and get the real crossover of our products into different markets." FD

florida because the area has many people trained in the hospitality industry.

