

Calgary-based Edo Japan continues expansion

100th restaurant opens today

BY MARIO TONEGUZZI, CALGARY HERALD MAY 10, 2011



Tom Donaldson, president and chief executive of Edo Japan, says the company is opening its 100th location today in the Edmonton area.

Photograph by: Gavin Young, Calgary Herald

CALGARY — Calgary-based Edo Japan is opening its 100th restaurant today in the Edmonton area.

Tom Donaldson, the company's president and chief executive, said in the last 12 years the restaurant chain has grown in Western Canada from about \$10 million to \$60 million in annual sales.

"The main business engine is in Western Canada. In fact, right here in Alberta where we have 60 of our 100 locations," said Donaldson, who took over in 1999 with a small equity earn-in position and later purchased the balance of outstanding shares from the founders in 2006. "So we're really a Western Canada phenomenon."

The company was founded in Calgary in 1979 with its first location at Southcentre Mall.

"We were one of the first branded concepts in the food court. Back in those days in the 1970s it used to

be a little sandwich shop, a mom and pop, and then maybe a little Chinese food shop and so on and so forth,” said Donaldson. “We were one of the early ones along with Orange Julius who actually had a brand name and a chain involved in a food court.”

Donaldson said Edo Japan has 63 restaurants in shopping malls. Edmonton’s opening today at the Namao shopping centre will be the 37th streetfront restaurant, which it launched in 2002.

“Our street restaurants are located in suburban shopping centres . . . In the early 2000s we did some customer research and we started to ask customers where they eat. They told us if we were closer to where they lived they would go to (Edo Japan) more often,” he said. “And that’s how we came up with the street restaurant concept because people were changing the way they shopped, going to these power centres and so on, and we weren’t represented there. We were only in the malls.

“Lo and behold, we found out that people would come to us for dinner. Traditionally we were a place for lunch and we turned out to be a dinner place. Half of our business happens after four o’clock in our street restaurants.”

Donaldson said 90 per cent of Edo Japan’s future development will be on the street locations.

“We have 60 locations in Alberta and we would like to approach the same penetration in the rest of the Western provinces,” he said. “So we would expect that we would build approximately 30 restaurants over the next five years in Western Canada in Saskatchewan, Manitoba and British Columbia.”

Donaldson said the Edo Japan concept fits between what people would describe as traditional fast food and casual dining.

“In the industry we call that fast-casual,” he said. “We have similarities to fast food in that we’re quick and we’re convenient but we have similarities to casual dining in that we have higher quality food and it is served hot.”

mtoneguzzi@calgaryherald.com

© Copyright (c) The Calgary Herald