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A NICE ROUND MEAL: Franchise owner Anthony Russo pulls a pie from the oven at the Russo's Coal-Fired Italian Kitchen location on the Northwest Freeway. MELISSA PHILLIP PHOTOS: CHRONICLE



A THEME: Coal is part of the decor at both of Anthony Russo's franchises.

Featuring ovens powered by coal, restaurateur builds on two concepts

An age-old fuel has him fired up

By **SANDRA BRETTING**
FOR THE CHRONICLE

COAL may be blasted by environmentalists as a poor fuel choice, but it's fueled the success of the locally based Russo's New York Pizzeria and Russo's Coal-Fired Italian Kitchen franchises.

Buckets filled with 100 pounds of the stuff greet diners at the two restaurant chains. With 28 locations between them in three states and eight more set to open, the restaurants use almost 500 pounds of coal each day.

"Real New York-style pizza is different because it's cooked in these great brick ovens," chef and founder Anthony Russo said. "It's the kind of pizza you can fold in half because the bottom is crisp, but it's cooked just right in the middle."

A love of New York-style pizza comes honestly to Russo, who grew up in the kitchen of his parents' upscale Italian restaurant. He was already learning the ropes as a 12-year-old in Galveston.

Started as a teen

Five years later, he opened his own restaurant: a pizzeria with six employees and 600 square feet of space on the island's west side. By age 20, he'd moved the restaurant to Clear Lake, doubled its size and the number of employees, and watched sales climb to

\$500,000 annually.

"That was a lot of money back then," Russo said. "When I told my father I wanted to move again, this time to Houston, he said he didn't think it was a good move. Today, though, he's proud."

Anthony Russo owns five restaurants and franchises 15 more in Houston.

Russo's New York Pizzeria specializes in quick service and moderate prices, with meals averaging \$15 per person.

Pasta and pizza

Russo's Coal-Fired Italian Kitchens sell as much pasta as pizza, offer upscale furnishings that include chandeliers and linen napkins, and open in communities where annual household income totals \$100,000 or more. Russo said he tries to let new franchisees

customize their restaurants, to a point.

"It's all about striking the right balance," said Matthew Haller, spokesman for the International Franchise Association trade group. "You want to give the franchisee a chance to customize, but consumers are expecting a certain consistency from restaurant to restaurant within a brand."

Veterans program

Russo recently joined a program offered by the IFA called VetFran. This program, begun in 1991 and relaunched with the recent troop drawdowns in Iraq, encourages veterans to become franchise owners by offering a \$10,000 discount on the franchise fee.

According to the IFA's Haller, more than 2,100 veterans have participated in VetFran over the years

and 66,000 veterans currently own franchises in the U.S.

"Veterans already qualify for loan credits through the Veterans Administration," Russo said. "But the discount helps them be able to afford the franchise fee. What makes veterans successful in the military makes them do well with this because they're very disciplined and they're willing to pull the long hours."

Russo said two of his owners have served overseas, in both Vietnam and Iraq. To franchise a Russo's New York Pizzeria costs \$35,500 without the discount, while a Russo's Coal-Fired Italian Kitchen runs \$49,500, Russo said.

The cost to build one

The greatest costs involve creating the restaurants. Russo estimated the cost to build, stock and decorate a Russo's Coal-Fired Italian Kitchen runs about \$600,000.

"Each location is unique," Russo said. "We have decorating options that people can choose from, but we encourage them to make it their own."

Looking ahead, Russo hopes to sell at least 20 more franchises in 2012.

"The best thing about these restaurants is that they're recession-proof," Russo said. "When you can buy a large pizza for \$16.95 and feed a family of four. ... it's not high-end."



COOKING: Russo's Coal-Fired Italian Kitchens sell as much pasta as pizza in an upscale environment.