

Restaurateur taps industry know-how to craft e-business Web site.



Nation's Restaurant News

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NEW YORK -- Restaurateur Philip Kirsh is convinced that RestaurantMarket.com will prove to be the e-business equivalent of a better mousetrap. But operators and vendors, not the world at large, are the quarry Kirsh expects will beat a path to his virtual door on the Internet.

"If the site works as we envision, a lot of [operators] will come," said a confident Kirsh, who turned to Internet portal development after 10 years as a restaurateur and bakery owner and a stint as a lawyer.

Unlike some of his Internet competitors, Kirsh is eschewing strategic partnerships with high-visibility distributors, media organizations, operators and service providers because "we don't want to compromise our business model," he said. "As long as you have a successful market and competition, [would-be strategic partners] will come anyway," he asserted.

RestaurantMarket.com was scheduled to begin registration and interactive demonstrations this month. Kirsh vowed that the site would be fully functional by May 20, the start of the National Restaurant Association's annual Chicago convention.

Once a practicing attorney, Kirsh now owns Hot & Crusty bakeries in New York's Penn Station and Grand Central Terminal and franchises another dozen or so to others. He also co-owns the All Natural Bakery, which services high-end restaurants and other accounts in Manhattan. In addition, he owns two upscale counter-service out-lets in the city called New Era Cafe.

"I don't need a focus group," Kirsh said, taking a jab at portal development competitors from outside the industry who have used such research methods to determine what goods and services operators desire. "I feel that I know how restaurants really operate at every level and that I know what restaurateurs will like and not like."

Topmost on the list of things that he believes will appeal to operators, he indicated, are free e-procurement services, free access to more than 50 industry-related professional services providers, and free e-mail and Internet access.

RestaurantMarket.com permits buyers to seek bids from any registered seller or continue previously established relationships with suppliers at no cost to either trading partner. Buyers and sellers may check each other's standing before striking a deal by browsing the portal's internal rating system.

Sellers who land new customers through activity at the site must pay RestaurantMarket.com a one-time \$5 fee for each of those clients.

By supporting established trading relationships and bidding, RestaurantMarket.com "doesn't ruffle [suppliers'] feathers while opening up the [bidding] world" to operators, Kirsh said. Restaurant Depot, a cash-and-carry restaurant supplier serving several U.S. and European markets, is a minority "partner" in the venture and will bid on orders as it sees fit, he said.

Sellers pay a 2-percent commission on new equipment deals, and professional services providers, such as architects and accountants, pay \$5 per agreement reached on-line, the company said.

Kirsh and his main RestaurantMarket.com collaborator, Wolfram Krammel, said they think restaurateurs will appreciate other features, including posting points for job openings and resumes, a business-to-business advertising directory, a search engine tuned to find industry resources that then can be rated by users, product showcases, chat rooms and industry news.

Krammel, RestaurantMarket.com's chief information officer, said the company uses in-house

information technology professionals, including programmers and Web page designers.

Many of the site's pages are "dynamic," or capable of altering the information displayed to reflect changing circumstances, Krammel said. One of those pages, he explained, is the Corner Table, which shows members' account activity through the display of information about such things as his or her active bids or unread email.

RestaurantMarket.com's chief technical officer, James Nonnemaker, said the company's multiple Intel-powered network servers run the UNIX operating system and custom applications written in Perl and C programming languages.

To keep the site up and running, RestaurantMarket.com uses a hardware firewall to block hackers and redundant systems and components, including multiple security schemes and high-speed T1 data lines, as well as backup power generators, he said.

e-BUSINESS Fact Box:

Name: RestaurantMarket.com Inc

Headquarters: New York

URL: www.restaurantmarket.com

Web site launch: April 2000 for registration and demonstrations; May 20 for full launch

Key services: On-line marketplace with bidding for food equipment and professional services; real estate and job listings; free Internet access; e-mail

Operator fees: None for food or professional services transactions, monthly fee to list used equipment for sales

Funding to, date: Not disclosed; private

Leadership: Philip Kirsh, chief executive

Year founded: 1999

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