



Franchise Fiesta

La Carnita and Sweet Jesus go from pop-up shop to global brand

By Karen Stevens

La Carnita is known as a hip, fun place to meet friends and experience a Mexican street-food-inspired menu, but the journey from concept to franchised business was far from typical.

It started when Andrew Richmond and Amin Todai of OneMethod marketing agency collaborated to create a pop-up taco restaurant without a kitchen or physical location. Legally, they weren't allowed to sell food, so instead they sold original art and gave away three free tacos with each purchase. To make the experience feel genuine, they added a graffiti-stencilled logo, loud 90s hip hop music, and original art by local artists.

Soon, people were lining up for more than an hour to give it a try. This caught the attention of Terry Tsianos, President of the Pegasus Group. "He saw a lot of potential in the concept, so he partnered with them to help grow the business," says Jeff Young, Chief Development Officer of Monarch & Misfits, the franchisor of La Carnita and Sweet Jesus.

Bringing a new taste experience to Toronto

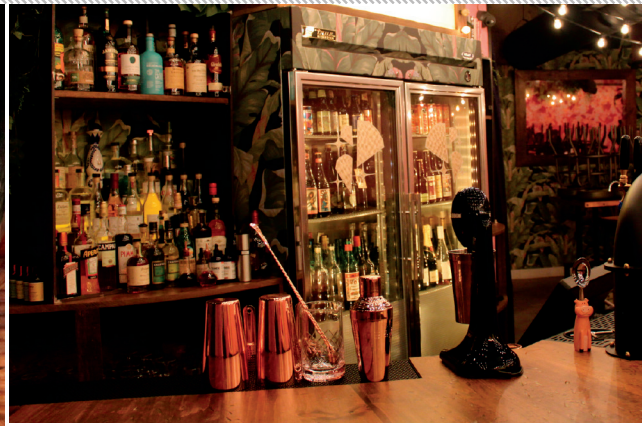
The first bricks and mortar fully licensed full service restaurant opened in 2013 on College Street in Toronto,

and has seen so much success that it's been replicated in other Toronto locations. From the beginning, the idea was to eventually move into franchising. "The vision was always to franchise, but it took time to get there. We want to maintain that local feel and connection to the community. We didn't want to come across as a chain. We want to grow strategically and cautiously, and not become a watered-down brand," stresses Young.

The Sweet Jesus concept was created in 2015 as part of a Sweet Jesus/La Carnita combo unit, and the response was immediate. The flagship store, located on John Street in Toronto, was a huge success, with lineups out the door. If you have an Instagram account, chances are you've seen their offerings – soft serve cones piled high with toppings. The restaurant also serves espresso-based drinks, specialty coffees, and other desserts.

"The consumer response to the brands, both in the restaurants and on social media, was tremendous. It confirmed that we were on point with the menu offering

EMERGING SYSTEM



and the brand positioning,” says Young. “There is nothing like La Carnita or Sweet Jesus in the market, and the inspiration for all elements of the concepts comes from a point of creativity.”

Attracting the right franchisees

Prospective franchisees have the option of becoming a franchisee of a La Carnita/Sweet Jesus combo unit, joining two unique concepts in one franchise, in what Young calls “a powerful combination of a full service restaurant with a quick serve restaurant in one business model.”

Each of the two franchises is suited to franchisees with slightly different backgrounds. Since La Carnita is a large full service, fully licensed restaurant, the ideal franchisee has experience with operating a restaurant, or a food service and hospitality background. On the other hand, Sweet Jesus is a smaller quick service/fast casual concept. It involves a much lower investment level and is less complex to operate, so it’s ideally suited for people from the restaurant, hospitality or retail business. “Regardless of the concept, we want to partner with franchisees who share in our vision and passion for the brands, and who can deliver the brand experience and promise,” says Young.

“Having a business mind and sense of business is very important. Strong management skills are the most important,” he adds. “The key is to team up with the right franchisee –someone who shares the same vision as the franchisor and is aligned with the culture of the manage-

ment team. When you have the right partnership, it can be very rewarding for both parties.”

Shining a spotlight on social media

Monarch & Misfits touts the relative newness of this franchise venture as a huge asset. “A unique benefit to a franchisee in getting involved with Monarch & Misfits is the ability to join us with a ground floor opportunity and share in our growth and success. The opportunity for high-calibre franchisees to become multi-unit operators is very appealing to our franchise partners and to us.”

According to Young, social media engagement is another advantage. “What sets us apart in the restaurant industry is that we have a close connection with One-Method, so we have access to marketing and social media masterminds.” Social media is the focal point of their marketing plan, and Sweet Jesus, which has been growing at a rate of 10,000 Instagram followers a month, is “The number one Instagrammed food in Toronto. We are the number one most followed Toronto café or coffee shop.”

Social Media-driven marketing is important for both brands, notes Young. “From the chef-driven culinary cuisine, the visual appeal of the food, the trendy atmosphere, and hip vibe in our restaurants to the incredible social media, everything that La Carnita and Sweet Jesus says or does is on brand.”

When it comes to supporting franchisees, “We provide comprehensive franchise support services and



assistance with bank financing, real estate selection and lease negotiations, turnkey design and build-out, initial training, pre- and post-opening support, ongoing operational support, menu innovation, and leading-edge media marketing,” says Young.

For operational support, each franchisee has access to a dedicated regional manager, who coaches, guides, and works with the franchisee to help grow the business and make it more profitable. “That being said, they can speak to me, or anyone in the company. We very much so have an open door policy,” explains Young.

Getting ready to go global

With a number of units already in Toronto, another in Ottawa, and several Sweet Jesus units under development throughout the GTA, Monarch & Misfits is currently working with interested parties throughout Canada. “Now that we have established proof in concept in Canada, Sweet Jesus plans to expand globally. License Agreements have already been signed in the Middle East and Bangladesh, along with a Representation Agreement in India. Plans are in the works for Europe and Asia, and we are currently sourcing real estate for Sweet Jesus units in the United States,” says Young.

“With powerful branding, innovative cuisine, a robust franchise model, and highly qualified franchise partners, we plan to grow the La Carnita and Sweet Jesus brands aggressively, but strategically,” he adds. “The end goal

with La Carnita is to see it in select major markets throughout North America and internationally.”

As for the sweeter side of things, “Looking ahead a decade in the future, I can see serving Sweet Jesus pimped-out soft serve to ice cream lovers in most major markets with street front and enclosed mall units throughout the world,” he predicts. 🍁

LA CARNITA STATS

- Franchise units in Canada:** 3
- Corporate units in Canada:** 1
- Franchise fee:** \$40K
- Investment required:** \$700,000 - \$2,000,000
- Start-up capital required:** \$350,000 - \$1,650,000
- Training:** \$5,000-\$15,000 – Initial training expenses
- Available territories:** All of Canada, US, International
- In business since:** 2009
- Franchising since:** 2015
- CFA member since:** 2016



SWEET JESUS STATS

- Franchise units in Canada:** 3
- Corporate units in Canada:** 1
- Franchise fee:** \$40K
- Available territories:** All of Canada, US, International
- Start-up capital required:** \$200K - \$500K
- In business since:** 2015
- CFA member since:** 2016

