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Modmarket

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Million-Dollar Man

Handel's Ice Cream & Yogurt franchisee Paul Danylik shares how he turned his restaurant into one of the most profitable units in the system.

BY BRYAN REESMAN

After working nearly 30 years in television syndication selling off-network reruns and first-run TV shows, Paul Danylik made a bold shift.

He sought out a new career and a franchise to take on, knowing that comfort food was a good bet for long-term success. A longtime fan of Handel's Ice Cream & Yogurt, Danylik knew that the brand had a small presence in Southern California but had room for expansion.

Danylik opened his Handel's location in Redondo Beach, California, in June 2010, and has since made a name for himself with the company as the "Million-Dollar Man," thanks to his unit's big sales last year. He and his wife and co-owner, Susan, put in long hours to cultivate the 16–23-year-old talent pool that makes up their workforce, and have hopes of opening a second location.

Danylik shares how he built his store to be one of the most profitable in the system.



Handel's Ice Cream & Yogurt franchisee Paul Danylik and his wife, Susan, built their unit into a million-dollar restaurant with thoughtful promotions and community partnerships.

1. Take the franchisor's advice

I got good guidance from Handel's president, Lenny Fisher, and COO, Jim Brown. I think they did their job as a franchisor as far as helping me not make mistakes, which I think is the basic idea of a franchise. They definitely walked me through the process and kept me from making rookie mistakes with their experience.

I'm pretty lucky. I found a great location, but it took three-and-a-half months. But it worked. The location turned out to be ideal in that most of the locations I had looked at within the first mile radius were all commercial real estate.

At my location, within 250 yards, I have three schools: one Catholic school and two public schools. Within a quarter-mile in each direction north and south, I have two high schools. All around me is residential. So kids literally walk here. Mothers actually pick their kids up here rather than going to the line at the school.

The kids will come here, and they pick them up in my parking lot. From that perspective, it's worked out ideally. I could not ask for a better location.

2. Pay attention to the numbers

I worked for Warner Bros., Paramount, and MGM. Everything in that [syndication] business is you've got to get product on the air, but the only way you stay on the air is if you get the ratings. To get ratings, you've got to promote it. So you have to know how to promote your product in whichever medium works, and you can't stop doing that, because you need to keep your product out in front of people. This business is no different.

I found the most beneficial outlet we have out here is called the Best Buys Guide. It's a pamphlet you get in your mailbox with coupons and advertisers for restaurants or services. I've used that for the last three-and-a-half years, every month. You do it by ZIP code, so I usually purchase three zones. I only coupon during the winter, but I can track exactly where the coupons come back from the ZIP codes.

I know that about 70 percent of my business comes from one ZIP code out of this area, and that's all within two miles of the store. For any of the other ZIP codes, the return is much less. I know that my core area is within three miles of the store. I pay attention to that.

3. Connect with the right community for your brand

I'm involved with all the schools in the area. We do fundraisers for the schools every Monday, Wednesday, and Thursday for whatever organization—football teams, basketball teams, and others. We help them print fliers, and they hand them out. Anybody who comes with a flier on that day, we staple the receipt of what they spent and write them a check for 20 percent at the end of the day. We've done that for innumerable organizations.

We also do something with the elementary schools in Hermosa Beach, California, which is one beach town north. They were going to lose their music program, so I sell them ice cream sandwiches pretty much at cost.

On the first Tuesday of every month, the moms come and we load them up with 300 ice cream sandwiches or whatever, and they go and sell them for \$3 apiece. That's their money. It's helped save their music program, which is near and dear to my heart. I'm a

crummy guitar player, but I still love doing it.

4. Create an irresistible promotion

I created a monster. When we first opened, we were trying to get people to the store, and Tuesday was the worst day of the week. On a whim, I started a promotion called "Two Buck Tuesday," so a single cone or cup on Tuesday was \$2 all day. Last Tuesday in August, we sold 2,200 ice cream cones at \$2. During the summer, that was a low number. Believe it or not, this is still a seasonal business, even in California. I sell more ice cream in July than I'm going to sell in January.

If you say "Two Buck Tuesday" to people in this area, they all know Handel's, and that's the progress we've made in just four years. Prior to that, nobody knew what Handel's was. We've established that in four years, and that's probably why we're a million-dollar store. 