

The Exceptionally Good Taste of Danny Meyer

FROM THE BESPOKE GRAMERCY TAVERN TO SHAKE SHACK, THE STAR RESTAURATEUR HAS AN APPETITE FOR EXPANSION, ONE BITE AT A TIME. BY ROBERT KLARA

Danny Meyer, trim as a track star and turned out in a dark gray suit despite the summer swelter, steps just outside Union Square Cafe, his landmark New York City restaurant that, even in its 27th year, is typically booked. A young couple with English accents, apparently tourists, studies the menu, encased in glass. It's clear they are aware of the spot's legendary status, and equally clear they don't have a reservation. Just as the one of them begins to express doubt about securing a table, Meyer glides over.

"I can help with that," he says, smiling and offering his hand. "My name is Danny."

Chances are the couple has no idea they are talking to *that* Danny, the guy who owns the place, the guy who, in fact, owns some of the best, most enduring restaurants in New York. Meyer makes good on his word and finds them a table, makes sure they are taken care of. In the process, he also undoubtedly adds two more to the legions of foodies, critics and everyday customers who wonder: How does he do it?

Even in the white-tablecloth Valhalla that is New York, Meyer's empire stands alone. In the Zagat guide, Union Square Cafe reigned as the city's top-ranked restaurant for seven years. Eleven Madison Park, the hushed, art deco spot Meyer recently sold to executive chef Daniel Humm, notched four stars from The New York Times. Meanwhile, North End Grill, Meyer's latest, "is all about the classics," enthuses The New Yorker, "executed with flair." (Meyer has shuttered only one restaurant. The 400-seat Indian eatery Tabla closed in 2010, a victim of the recession.)

Despite the string of accolades, Meyer, born and bred in St. Louis, is no food snob. His Union Square Hospitality Group also includes barbecue joint Blue Smoke, live-music destination Jazz Standard and the beloved burger outpost Shake Shack, which has become the growth vehicle in Meyer's stable with more than 20 locations up and down the East Coast and even as far as Doha, Qatar. Meyer also operates the restaurants in the Museum of Modern Art and cold-press juice bars in Equinox health clubs. He's opened a catering and events division, a management-consulting business, and often finds himself addressing the leaders of Fortune 500 corporations—suits who aren't so much interested in his refined taste in food as in his theory about why food isn't the primary reason people dine out.

Yes, you read that right.

"Danny Meyer understands that, while food trends are important and the culinary revolution is real, ultimately the key to success is his ability to deliver on hospitality," says menu trends analyst and restaurant consultant Nancy Kruse.

Indeed, Meyer believes that restaurateurs have erred in confusing hospitality with service. "Service is the technical delivery of a product," Meyer wrote in his best-selling book *Setting the Table*. "Hospitality is how the delivery of that product makes its recipient *feel*." It's the reason a four-star restaurant that's stuffy can easily go down the tubes while a two-star place that treats you like family might keep its doors open for decades. It's a means of instilling a culture of ownership in a business plagued by high turnover. And it's also the philosophy with which Meyer has not only built some of the most popular eateries in New York, but is well on his way to becoming a brand in his own right.

On a recent afternoon, Adweek sat down with Meyer at Table 1 in Union Square Cafe to talk about his company, his career, and how he's managed to prosper in the world's most unforgiving industry.

PHOTO: MELANIE DUNEAU/CPH



ADWEEK: For the benefit of those who might not know the scope and influence of Union Square Hospitality, I'd like to start with a snapshot. Assuming my count is right, you've got 13 restaurant concepts, and these range from white-tablecloth dining to contract dining on down to Shake Shack, which is a burger chain. You have a catering and events arm, and a management-consulting division, too. I've seen your name on the cover of eight books to date, if we include the cookbooks. And counting up the awards and honors that you, your restaurants or your chefs have received, that number comes to 99.

MEYER: Boy, you have better statistics than I have.

When you first started out, did you envision your brand getting this big, this diversified?

I neither envisioned nor wanted any of the above.

Really? Why not wanted?

All I really wanted to do—and it's great that we're sitting right here where it all started ...

Incidentally, is it true that the spot we're sitting in right now used to be the rest room?

No, when we took over this space, the rest room was where Table 61 is, up on the balcony.

And that's Union Square Cafe's most popular table, isn't it?

It's where people like to get engaged. And it was a rest room.

I didn't mean to interrupt you; you said it's fitting that we're sitting here ...

It's fitting because this was my one and only restaurant for the first 10 years of my career. And I had only one goal. That was to scratch this entrepreneurial itch and open a restaurant. It was an odd career choice because in my family, we had lots of business-people, maybe a distant cousin was a doctor, another a lawyer. But nobody was in restaurants. So it was a weird thing. I just had to find out: Did I like it or was I bad at it and now it's time to just get on with life? But it was never, ever part of my thought process that there would be more than this place.

Why?

For a few reasons. In those days, to be taken seriously as what used to be called a fine-dining restaurant, you had one restaurant and, optimally, you lived upstairs from it. In fact, in those early days, the first three or four years Union Square Cafe was open, when I wanted a vacation we'd close the restaurant for those two weeks because the whole mentality was, if you wanted to be taken seriously, you never missed a service. You were always there.

That must have ruled out the notion of rapid expansion.

I equated expansion with bankruptcy. I was completely satisfied to go deep rather than wide—for 10 years. And in retrospect, I wouldn't have it any other way. I got to know myself, I got to know this business, I got to know this restaurant, I got to know this neighborhood, and I got to know New York. It

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was also a period of time before the Internet where the runway for every idea was way, way longer than it is today.

You opened up Union Square Cafe in 1985. I moved to New York in 1986 and I remember Union Square back then: vacant lots and boarded-up buildings. It was a seedy neighborhood, scary at night. Worse, the fine-dining scene was 40 blocks north. But you leased this space anyway. What did you see that others didn't?

Two things. I saw the Greenmarket, which back then was only two days a week, not the four days a week it is today. But when I was getting my cooking education in France and Italy, every morning started off with my going to the market. The Greenmarket was as close to that as anything I had seen, and it just made me feel right. So that was No. 1. No. 2, when I got this itch to go into the restaurant business, rather than going all the way in the water, I dipped my toe by taking a job at a seafood restaurant called Pesca that was six blocks north of here. And I'd already gotten a sense that this neighborhood was a completely different world than I'd ever known with my, you know ...

You had a high-paid sales job.

Yeah, and I moved to the Upper East Side. I'd come down here occasionally to find a club, but I didn't know anything about this neighborhood. But I really, really liked the kinds of businesses that had moved here to work—advertising companies, magazine companies, book publishers like crazy. Lots of architects and photographers taking advantage of these big lofts. I didn't even know what a loft was.

So, despite the grit, you saw opportunity.

It was a very exciting time. And my dad, who was my coach, even though he sort of didn't want me getting into this business, said, "You know, if you play your cards right, you could be the downtown version of the Four Seasons."

It's funny you mention the Four Seasons. That restaurant made such a big splash because of its seasonally changing menu. And the Greenmarket down here fits into that

ethos, too, since you're buying and serving only what's fresh and available. I assume your competitors weren't hitting the farmers' market with you?

Restaurants were not using it.

These days, we take things like local sourcing and organic produce for granted. But you were doing it years before most everyone else.

It wasn't a political statement. When I was in Italy and France, that's just how you did it. It just felt right.

You were a downtown pioneer; you were a farm-to-table pioneer; and you apprenticed in the kitchens of Europe. So how is it that you started a burger chain called Shake Shack?

Shake Shack started off as a summer hot dog cart in Madison Square Park. It was not meant to be a company—it was completely accidental. It started off as an expression of community building. Madison Square didn't have the opportunity to have a Greenmarket, but I had seen the power of what happens when you give people a good reason to use a park. So we raised all this money to make the park beautiful, then decided to match it with art—to make it a great outdoor sculpture park. We collaborated with the Public Art Fund, and they brought in a Thai sculptor who did a piece called "I ♥ Taxi." He dressed up a hot dog cart to look like a taxi—but he needed somebody to operate the hot dog cart. We offered to operate the cart. We did it out of the kitchen of Eleven Madison Park.

We said to ourselves, "Let's take something as mundane as a hot dog cart and apply our theory of hospitality to it." ... These were not dirty-water dogs. We had Chicago-style hot dogs—nobody else was doing them. We had eight toppings, lemon verbena lemonade, beet-stained potato chips and Rice Krispies treats. It was the summer of 2001, and we had 60 or 70 people waiting in line.

Yes, I remember seeing that.

We lost money because no other hot dog cart in the city had four people working it. But by the summer of '03 we ended up making \$7,500 and contributed our profits to the Central Park Conservancy. And then we said, instead of doing a hot dog cart, how about we convince the city to put out an RFP for a permanent kiosk in the park? The rent flow would go to the park, and we would own the business. And we'll blow up the hot dog part—add shakes and burgers and fries. And, lo and behold, we won it.

And people are still standing in that line.

People have just shown up. But this was never Danny sitting in a room saying, "I've got a great strategic idea—let's get into the burger business!" It all started from the standpoint of trying to do the right thing for the community. And we did this for five years before opening a second one.

Still cautious, huh?

My history has been to grow the roots as deeply as you can before going on to the next



PHOTO: MELANIE DUNEAL/CPI

thing. That’s why it took 10 years to go from Union Square Cafe to Gramercy Tavern, and another 10 years to go from Blue Smoke’s first location to its second, and five to go from Shake Shack 1 to Shake Shack 2.

I’m not sure how to say this tactfully, but there’s no shortage of places to get burgers and fries in this town. Why are people waiting in line for yours? I mean, what’s the mojo?

It’s true. There’s nothing we serve at Shake Shack that you haven’t had for years and years, in many different ways and in many different places. We try to answer that question ourselves every single day. We struggle with that.

You mean, you still don’t know?

Our philosophy is that if we can keep making the food irresistible, accessible, and hire the same kind of emotional skills at Shake Shack that we would hire at Union Square Cafe or Gramercy Tavern, so that your experience is one of feeling welcome, there’s an alchemy there that just works.

Why have you chosen Shake Shack for aggressive expansion?

I wouldn’t call it aggressive. I would call it very careful.

OK, but there are still 21 locations of Shake Shack and relatively few of your other brands.

Well, yes, it’s the only concept we have that’s not in New York City. But the business is absent so many variables—chefs, sommeliers, florists, bartenders—that exist in a full-service restaurant. It’s the restaurant version of prêt-à-porter as opposed to haute couture, and we can teach the system to people who have natural hospitality skills.

You’re seen as an industry pioneer in terms of elevating the status of restaurant work. A quote on your website struck me: “We take care of each other first; our next priority is the guests.” In an industry notorious for turning and burning its workers, you preach “enlightened hospitality.” That’s radical thinking, isn’t it?

Well, I didn’t name it that until I wrote Setting the Table. I didn’t wake up one day and say, “The right way to do business is this.”

But you were already doing business that way.

I only had two restaurant jobs before I did this, and both added up to less than one year. And while I loved being around really good food and wine, what I loved more than anything was the sense of family that came from being on the same staff. Whether it was cooking for each other, taking care of each other or even talking about how bad your boss was.

Well, the restaurant industry doesn’t have the best reputation in terms of how it treats many of its employees.

It doesn’t. And it made me ask myself: Why can’t your boss be part of what you love about your job—in terms of what they teach you, in terms of their job being to foster a healthy sense of family? Secondly, to your question, I had to break through some barriers with my own family in terms of this not being a career path.

A Lot on His Plate

Whether the high or low end of cuisine, Meyer’s concoction of great food and legendary service has been a winning recipe for nearly three decades in a notoriously brutal and mercurial industry. Since opening its first spot, New York’s Union Square Cafe, in 1985, his company has redefined the Manhattan food world, launched a burger chain that’s gone global, spawned a series of books and events, and earned 25 James Beard Awards along the way. Meyer’s philosophy of “enlightened hospitality” is at the core of the entire enterprise and is defined thus: “The basic premise is simple. We take care of each other first. Because to be champions, we need a team that supports all the individual players. Our next priority is our guests, then our community, our suppliers and investors.”



Union Square Cafe's Charred Beef Sirloin Carpaccio



Blue Smoke's Black Pepper Sausage with pimento cheese



Burgers from Shake Shack

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the late Jean-Claude Vrinat of Taillevent in Paris. It had the longest string of three Michelin stars of any restaurant in Paris, and yet delivered with a twinkle in the eye, a sense of playfulness and warmth that said, “We’re delighted you’re here.”

Most diners would call what you’re talking about service, but you maintain that there’s a key difference between service and hospitality.

Well, a restaurant needs both. But service only describes that degree to which you did what you do well. It has nothing to do with how you make the recipient of that performance feel. Hospitality describes the degree to which the person on the receiving end of your service feels like you’re on their side.

That’s how the public saw it. People forget that restaurant work wasn’t seen as a profession until fairly recently.

“That’s not why we gave you a good education ...”

You mentioned earlier that the pre-digital age gave you more time to learn. If you were to start out today, would you have had the same success?

It would be a whole lot harder. The one thing that would still work today is good intentions. People can always feel if you’re trying hard—and we were. But that’s not experience, that’s just character.

In the mid-’90s, when you’d firmly established yourself with stalwarts like Gramercy Tavern, Blue Smoke and Eleven Madison Park, your restaurants had impressive food, wine and ambiance, just like the rest, but there was a difference. When guests walked in, they didn’t get that tight-chested feeling of being in a fancy restaurant. Can you tell me about creating that casual mood, why it even matters?

I had a chorus of voices saying, “Danny, do you realize how many people work in this company now? That there’s only one of you dividing yourself among five restaurants? You have to put down on paper what matters to you.” So finally, after all these voices had kept me up at night for a year or so, I decided to write Setting the Table. The book allowed me—forced me—to make intentional all those things that had been intuitive.

In your book, you repeatedly talk about the importance of making a restaurant not just good, but “accessible.” Had you been put off by the snootiness of fine dining as it existed at the time?

Yes, but fine dining wasn’t the issue; it was the absence of hospitality. I adore going to a very, very fancy restaurant—as long as the spirit is genuine, like it’s their pleasure to welcome you. One of my great teachers was

You could eat at one of our restaurants and we might get everything right, but you still haven’t told me if you feel good. Service is technical, hospitality is emotional, and they are as different as night and day.

Union Square Hospitality seems to have done very little in the way of advertising, but your restaurants still book up. Does word-of-mouth marketing really work that well?

I think our industry is a little bit funny when it comes to advertising. Rightly or wrongly, there’s a sense that restaurants that advertise must be in trouble. You don’t find that with major national brands of everything else. You know, ads are fine for movies, retail, supermarkets, wine stores, luxury items. But restaurants, for some reason, are deemed to be waving a white flag when they advertise.

One of your newer ventures is Union Square Events, which, given your scale, can cater some pretty massive gatherings.

Union Square Events just catered the Rob-in Hood Foundation benefit, the biggest party we’ve ever done. We served 4,200 people in the Javits Center, and it was good.

Obviously, catering is a growth opportunity in a revenue sense. But do you also see it as a way of marketing, making certain demographics aware of your other properties and hoping they might try one of them?

Absolutely. Right after Blue Smoke opened, we created the Big Apple Barbecue Block Party as a way to educate New Yorkers about barbecue. People here didn’t know what to do if you put a rib in front of them. They didn’t know if they were supposed to use a steak knife or their fingers. It began as a one-block party with three pit masters from around the country. It’s now an annual event with 140,000 attendees over two days ... [with] 17 pit masters.

CARPACCIO: ZOE SCHAEFFER; SAUSAGE: MELISSA HOM; BURGERS: WILLIAM BRINSON

What do they ask you specifically, these titans of other industries?

If there are 10 questions, two of them are always the same. The first is: “What’s your secret for hiring people? Because every time I go to one of your restaurants, your people just seem to be cut from a different cloth.” Or they want to know my secret for training. But the only thing I train is how to hire the right emotional skills. The second question is: “Aren’t you afraid that when you grow, you’re going to lose your culture? Or: “How do you keep your culture? How do you sustain or maintain your culture with all this growth?”

Well, it is a big problem, isn’t it? I mean, celebrity chefs face that all the time. They get famous for what they do in the kitchen, but the more famous they get, the less time they can spend in the kitchen.

Right, and that’s got to be a very tough thing for them.

Is it tough for you?

My answer for years and years and years was: “I don’t know.” It’s a million-dollar question: How can we sustain this culture while we grow? And I found myself for three years scratching my head, until finally this past year, I said maybe the question is being framed in the wrong way. I don’t believe in sustaining anything. If you’re in sustain mode, you’re probably going backwards. What if the question were: How can you use growth to advance your culture, as opposed to being afraid that growth will prevent you from sustaining it? So what we’re focused on right now is using growth as a way to feed our culture, and I find that fascinating.

In a city like this one, where there’s a perennial preoccupation with the latest trend in everything ...

The city’s first name is “New” ...

Your first two restaurants—Union Square Cafe and Gramercy Tavern—are now 27 and 19 years old, respectively. How can you account for why they continue to remain so popular?

Well, there does come a point when you’re so old you become new again.

Sure, but I don’t believe your success is that inadvertent.

People are so besieged with new information today that there is some comfort in at least having one or two anchors that are like a home base. Every now and then, you just want to go to what you know, what you can trust, what you can rely upon.

When people would ask [legendary chef and food writer] James Beard what his favorite restaurant was, he grew tired of naming names and finally said, “My favorite restaurant and your favorite restaurant should be the one that loves us the most.” And that’s the goal of all our places, to become that restaurant that remains on your shortlist of the places that you feel love you the most. That’s our role. —robert.klara@adweek.com; Twitter: @uppereastrob.