

Mr. Pita Gets a New Papa, Two Home-Grown Detroit-Area Businesses Partner for Growth

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In a move that will better position both companies for expansion, two metro-Detroit based fast food franchises have joined forces. Papa Romano's Pizza, headquartered in Commerce Township, Mich., has merged its operations with Mr. Pita restaurants, a 35-unit Sterling Heights, Mich.-based chain.

Casey Askar, chairman and chief executive officer of Papa Romano's, has assumed the role of chairman and CEO of Mr. Pita. Frank Lombardo, president and founder of Mr. Pita, has been named president of Papa Romano's while continuing to serve as president of Mr. Pita, overseeing day-to-day operations of both chains.

A veteran of the pizza industry, Askar quietly purchased the 50-plus store Papa Romano's chain from former owner and founder Ronald Hancock in February this year. Since acquiring the chain, he has renovated and updated the stores, opened three new locations, including a new prototype in Ann Arbor, Mich., and purchased seven formerly franchised Papa Romano's locations that now operate as company-owned stores. He also relocated the company's corporate headquarters from Farmington Hills, Mich. to Commerce Township.

"The partnership with Mr. Pita was a logical next step for us," said Askar. "We believe it presents tremendous opportunity for both brands going forward and postures us for national expansion," said Askar. "We're excited and very optimistic about the potential."

Added Lombardo, "Mr. Pita had long been contemplating a partnership and has found in Papa Romano's a partner that provides just the right fit. We are two strong, locally-originated businesses, and we expect to build on each other's strengths, as well as benefit from cost savings and economies of scale that come from combining our purchasing, advertising, corporate staffing and other internal operations."

Lombardo also noted that the partnership offered ample opportunity for co-branded venues. "Mr. Pita is a highly co-brandable chain that works well with other brands. We anticipate aggressive expansion of the Mr. Pita and Papa Romano's brands, both individually and in co-branded format," said Lombardo. "As a co-brand, our concept offers a rare opportunity for franchisees to be able to combine two complementary brands under one roof with the benefit of shared overhead. That's very unusual in this marketplace."

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