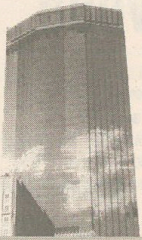


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Cooler menu, but hotter results

BY JOHN VOMHOF JR.
STAFF WRITER

Leeann Chin's sales are on the rise following a yearlong, seven-figure revitalization effort by the company's new owner.

Lorne Goldberg, the Los Angeles investment banker who bought Bloomington-based Leeann Chin in March 2007, has remodeled 80 percent of the chain's 35 stores and introduced six new menu items and Red Cherry, a frozen-yogurt dessert that has performed well during its initial rollout.

Same-store sales, which were down 3 to 4 percent when Goldberg bought the company, now are up 3 to 4 percent from a year ago.

The company will open four new stores this year, including a flagship store that debuted on City Center's skyway level this week. But the downtown Minneapolis store isn't just a restaurant, it's the company's latest marketing tool.

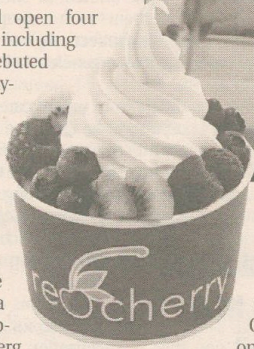
"City Center is a very important store for us because it is a major branding opportunity," Goldberg said. "There are so many people who pass that store each day, and we want them to see the new Leeann Chin and expose them to Red Cherry."

The new and remodeled stores feature an updated decor with bright red and lime green walls, glass mosaics and framed art. Guests have responded well to the updated look, Goldberg said, pointing to increased evening and dine-in sales.

The new menu items — many of which were borrowed from Mandarin



Lorne Goldberg, center, bought Leeann Chin in 2007 and introduced an Asian-style frozen yogurt. He's flanked by Leeann Chin executives Linda Nelson and Mike Loney.



Express, a mall-based Chinese takeout chain Goldberg owns and operates in the southeast United States — also have performed well. In fact, Leeann Chin's new Mongolian chicken has surpassed sesame chicken as the chain's top seller, and the new grilled bourbon chicken ranks third.

Goldberg, however, is most excited about the Red Cherry frozen yogurt, which he believes will become a destination play for Leeann Chin. The tart and tangy, Asian-style frozen yogurt — available in original or raspberry — can be topped with fresh fruit, candy and cereal.

Red Cherry, now available at 20 Leeann Chin locations, accounts for 4 percent of the company's sales, up from 1 percent just a few months ago. About a quarter of those sales come from customers who visit Leeann Chin exclusively for the frozen yogurt, Goldberg said. "We believe that number will increase to 40 percent as more people experience our product."

The City Center store will feature Red Cherry more prominently than other locations, dedicating a separate counter for the yogurt with a large display of fresh fruit.

The Asian-style frozen yogurt is a hot trend for 2008, said Michael Whiteman, president of Brooklyn,

N.Y.-based restaurant consulting firm Joseph Baum & Michael Whiteman Co. Frozen yogurt originally was tart before makers started to introduce new, sweeter flavors to imitate ice cream.

"We're coming full circle for those people who are now tired of the ubiquitous flavors of yogurt they see everywhere. ... Yeah, it's a fad, but it's not a fad that goes away."

Leeann Chin plans to open three more stores later this year — in Stillwater, Edina and Eagan — and Goldberg is targeting five more in 2009.

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Allina's Maple Grove clinic will shift to former Wickes site

BY NATASHA R. ORRICK
STAFF WRITER

Allina's Maple Grove clinic will move to the former 32,000-square-foot Wickes Furniture building by the end of the year.

The move will allow the clinic to open a 5,000-square-foot physical-therapy space and offer more orthopedics, cardiology and urology services.

The extra room also will allow Minneapolis-based Allina Hospitals & Clinics to increase the number of physicians at the clinic from 10 to 30 during the next three years.

"We've been successful [in Maple Grove]. What we don't have is enough room to bring in physicians and services that we do not provide there,"

said Thomas Holets, president of the Allina Medical Clinic medical group.

Allina signed a lease with KIR Maple Grove Limited Partnership that runs until 2014.

The clinic, which has 48 employees, has operated at its 20,000-square-foot location on Weaver Lake Road since the 1980s. Only 8,600 square feet was usable

space, and Holets said it can't accommodate the physicians or meet the needs of the patients.

For example, clinic staff often send

physical-therapy patients to the Sister Kenny Rehabilitation Institute for treatment, he said.

The clinic handles 45,000 patient visits a year.

Other health care providers are expanding in Maple Grove.

Park Nicollet Health Services is planning a \$20 million expansion of its 30,000-square-foot clinic to at least 90,000 square feet.

Fairview Health Services and North Memorial Health Care are building the Maple Grove Hospital, a 90-bed facility that will be able to expand to 300 beds if needed. The hospital is scheduled to open in 2009.



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