



INSIDE DISH: King David Dogs nabs bigger digs

Mason King July 1, 2011

Welcome back to *IBJ's* video feature "Inside Dish: The Business of Running Restaurants."

Our subject this week is King David Dogs, the high-end downtown hot-dog spot created by the grandson of a local 1940s butchery entrepreneur. Fed up with his job selling commercial property insurance, Brent Joseph decided to gamble on resurrecting the family brand and opened the first King David Dogs location in November 2006.



Inside Dish: King David Dogs

Brent Joseph resurrected an old family recipe for a hearty, all-beef frank and created a high-end hot-dog spot. Now it needs bigger digs to grow.

The King David brand was originally developed by Indianapolis-based Hene Meat Co. Joseph's grandfather William Hene, and William's brother Paul, started the firm in the 1940s after emigrating from Germany. Located at 16th Street and Capitol Avenue, the company offered a wide array of meat products, but the most popular was the signature "King David" quarter-pound, all-beef hot dog that also sold in area grocery stores. Hene Meat Co. ceased operations in the 1990s.

"I'd always regretted not being able to do something with the meat company and the King David brand," said Joseph, 36. "And my wife said, 'Let's do it. Let's get the hot dogs made and open a

restaurant.””

After excavating the original recipe for the franks from a family attic—written in the original German, no less—Joseph cut a deal with Milwaukee-based Usinger’s Famous Sausage to produce the hot dogs. He then spent about \$180,000 of his personal savings on startup expenses for King David Dogs, which opened in a small downtown storefront at 15 N. Pennsylvania St.

“I basically took everything I had and took some savings that were left to me from my grandfather. I was able to take money that he left me and put it toward something he created,” Joseph said.

Joseph initially liked the downtown spot, hoping to capitalize on office workers looking for a quick lunch. But the 24-seat locale proved to be challenging: It wasn’t on any of the obvious foot-traffic routes for Circle Centre mall or the city’s convention facilities, and it wasn’t connected to a major office complex, which drove down sales during winter and other periods of inclement weather.

The location started turning a profit in 2009. (Joseph estimates that he has invested about \$230,000 total in the restaurant so far, including funds to keep it afloat in the early days.) In late 2008, a King David Dogs outpost opened in Concourse B of the Indianapolis International Airport. Airport concessions firm HMSHost Corp. worked out a licensing agreement with Joseph to take charge of and operate the restaurant. (Joseph declined to provide details on revenue related to the deal.)

“We weren’t sure if we’d be able to staff it and handle that,” Joseph said of the airport location. “The build-out was quite costly. It wasn’t something we’d be able to take on ourselves. We thought we should leave that to someone who is more professional and has experience operating in airports.

“The negative about it is, I can’t put my employees out there, and I don’t have as much control over the employees there as I do here. But the exposure, I think, makes up for that.”

Gross sales at the downtown location hit about \$250,000 in 2010, Joseph said. Concerned that the spot was close to maxing out its sales potential, Joseph started looking at options for expanding. He landed on a 3,700-square-foot space at 135 N. Pennsylvania St. in M&I Plaza.

The much larger restaurant with room for as many as 70 seats is slated to open in mid-September, replacing the current location. Joseph has high hopes for the new restaurant, which will be located across the street from both the Chase Tower and Regions Bank Tower.

“We’re hoping to close to double our sales, with catering opportunities that are located in that building alone, as well as buildings across the street,” Joseph said. “And having triple the seating, I think, will help us tremendously.”

Joseph estimates that he’ll invest \$80,000 to \$100,000 in the new location, with the landlord covering some related costs. He has secured a small-business loan to finance a chunk of his expenses.

“I would have to say that my stress level is not near what it was when we opened this location originally—making the investment that I did and wondering if it was going to work,” he said. “I’m a little more confident in what we’re doing, in the brand and in the product.”

In the **video at top**, Joseph recounts the origins of the King David brand and his own extension of the family business. He also discusses the importance of location in attracting lunch customers and his hopes for the new eatery. In the **video below**, Joseph reflects on other elements of running the business, such as finding reliable employees and justifying \$4-plus prices for an item that can be found at convenience stores for pocket change.

King David Dogs
15 N. Pennsylvania St.
(317) 632-3647
www.kingdaviddogs.com



Concept: Hot-dog shop using family recipe for quarter-pound, all-beef franks dating back to the 1940s.

Founded: November 2006

Owners: Husband-and-wife Brent and Hannah Joseph

Startup costs: \$180,000

Gross sales: \$250,000 (2010)

Employees: 4

Seating: 24

Goals: To open a new location at 135 N. Pennsylvania St. that will allow seating for 65-70 guests. The Josephs expect that annual sales could double at the new location, which would replace the current eatery, through increased seating, catering opportunities and its stone's-throw proximity to some of downtown's largest office complexes.

Good to know: The King David Dogs eatery located in Concourse B of the Indianapolis International Airport is operated by HMSHost Corp., a world-wide specialist in airport concessions, which has a licensing agreement to run the King David Dogs location.