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Turning up the heat in the steakhouse kitchen

The people with "a taste for life" also have a taste for steak-eaters with thick wallets.

Spur Corporation is using its Hussar Grill franchise to muscle in on Gauteng, where it plans to open a string of the upmarket steakhouses in the next year.

Spur bought the Hussar Grill, a Cape Town chain that started in Rondebosch half a century ago, earlier this year for R35million.



Image: Hussar Grill - Facebook

It has since opened in Paarl and is doing so in Somerset West.

But the big money is up north.

Two Hussars are coming to Johannesburg, one to Klerksdorp and another to Pretoria, Spur Corporation CEO Pierre van Tonder told The Times.

But is there room on the grill? The upmarket space is already occupied by the likes of the Grillhouse, the Local Grill, Turn 'n Tender and a number of single-restaurant operations.

Van Tonder does not think the market is overtraded yet.

"There are a lot of serious operators up there so you need to be really careful about where you position your restaurants and who you choose as your franchisees," he said.

Spur said in a commentary with its financial results yesterday that economic pressures were likely to continue to dampen consumer demand in the restaurant sector in the short to medium term.

"Constrained spending is evident among lower- and middle-income families, with marked spikes in mid-month and monthend pay-day spending becoming the norm," the company said.

Working- to middle-class buying power is under pressure as the rising cost of living - notably paying for electricity, fuel and services - chisels away at the money available for burgers and chips.

But the company still plans to open 10 Spurs, 10 Panarottis, seven John Dory's and eight Captain DoRegos, apart from the six Hussar Grills.

And it wants to open eight restaurants abroad, bringing the total outside South Africa to 60.

Spur now gets a third of its revenue from outside South Africa. Namibia, Tanzania, Nigeria, Zambia and Australia will all get new Spur outlets in the coming year.

Internationally, its revenue was up by 20%.

Source: The Times

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