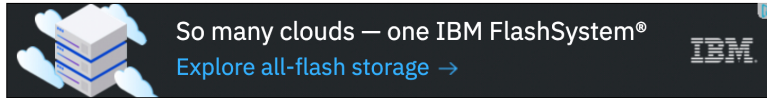


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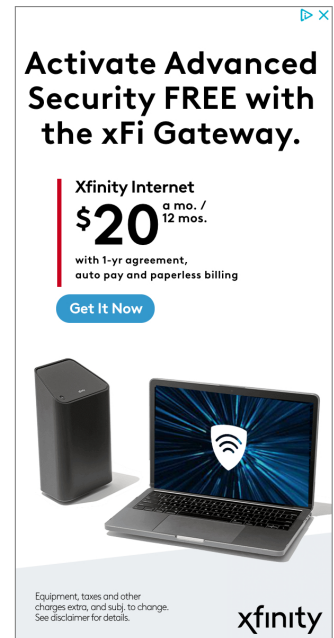
# This high-end burger joint has Martha Stewart on its board, just went public, and is projecting 30% unit growth this year — here's how BurgerFi plans to use its war chest to compete against Shake Shack

Nancy Luna Mar 6, 2021, 8:00 AM



BurgerFi uses clean ingredients. BurgerFi


- **BurgerFi is out to change the traditional fast-food burger model.**
- **The Florida-based grass-fed beef burger chain went public in late 2020 through the SPAC process.**
- **Stewart plans to "create menu choices of highest quality ingredients for discriminating diners."**
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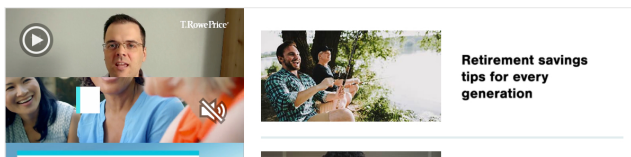
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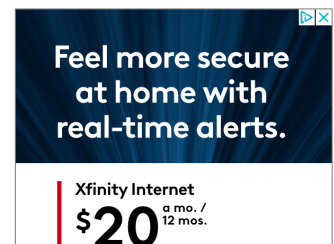
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Perhaps it's fitting that the very first BurgerFi restaurant replaced a shuttered Burger King in Florida.

When the first grass-fed burger outlet opened in 2011, the co-founders set out to build a fast food burger brand of the future – a modern concept where everything from the food to the furniture would be made from sustainable products.

The old Burger King was transformed. Chairs were made of recycled Coke bottles. Grass-fed burgers were topped with clean ingredients. Walls were finished with planks of sustainable softwood – a stark contrast to the primary colors of a standard burger joint.

Thus, it was aptly named, BurgerFi, short for "burgerfication."

"We tried to redefine the whole burger experience at a higher level," CEO Julio Ramirez told Insider.

Ramirez and his growing executive team are now leading the brand's next chapter as the newly minted Wall Street company looks to compete with better burger leader Shake Shack. The chain, now with more than 120 locations and ghost kitchens in 23 states, went public in late 2020 after combining with the SPAC, or shell company, Opes Acquisition.

As it plans to conquer the East Coast, BurgerFi has a new cheerleader on its side: Martha Stewart.

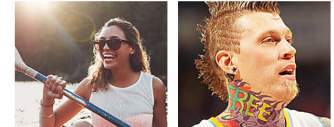
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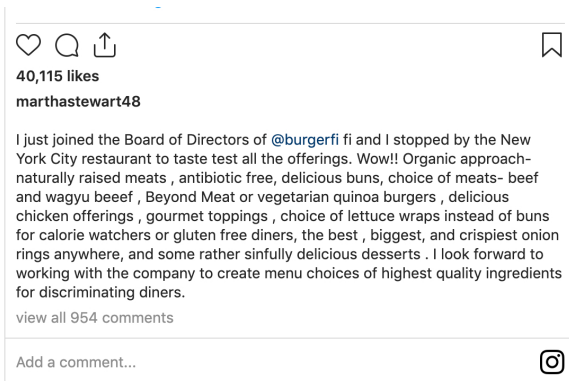
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In late February, America's original influencer joined BurgerFi's newly formed board, whose executive chairman is Ophir Sternberg.

[Sternberg](#), founder and CEO of Lionheart Capital, told Insider that he and Stewart "forged a friendship" after meeting a few years ago at a food festival in Florida. They both share an admiration for Friesian horses. Sternberg's favorite Friesian horse, "Bond," is currently at Stewart's farm for the winter.

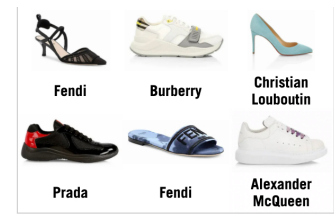
Sternberg said "it was only natural to reach out" to Stewart about playing a strategic culinary role in the company after it went public.

Ramirez, a former Burger King executive who became BurgerFi's CEO in late 2020, said Stewart will "lead our product and culinary efforts with our chef Paul Griffin."

Will we see a Martha Stewart burger on the menu?

Ramirez declined to discuss the public company's future plans.

But, one thing's for sure: Stewart won't likely touch the onion ring recipe, which she raved about during a recent menu sampling at a BurgerFi in New York.



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Martha Stewart took a liking to BurgerFi's onion rings. BurgerFi

"Wow!," she told her 1.3 million Instagram followers.

"I look forward to working with the company to create menu choices of highest quality ingredients for discriminating diners," she concluded in the post, which generated more than 39,000 comments.



BurgerFi furniture and fixtures are made from sustainable materials. BurgerFi

Since going public, BurgerFi has been full steam ahead building its burger brand of the future and shoring up its leadership. The company recently named Michael Rabinovitch as its chief financial officer and hired former Burger King and Panera Bread executive, Jim Esposito, as its chief operating officer.



The appointments are crucial if BurgerFi wants to play in the same league as Shake Shack. The roadside burger brand started by Danny Meyer has more than 310 units worldwide, had been growing at a rapid rate prior to the pandemic.

Both Shake Shack and BurgerFi are going after large US markets, as well as international locations and airports.

In 2021, BurgerFi plans to increase its footprint by 30% through a mix of company-operated stores and franchise locations. By 2022, the company is projecting to have 225 to 255 units, according to its investor presentation.

Growth will be centered primarily in the Southeast, where it already has 50 restaurants in Florida. The chain plans to blanket urban markets such as Atlanta; Nashville; Charlotte, North Carolina; and

Richmond, Virginia.

Beyond 2021, the company will focus on the mid-Atlantic and Northeastern regions of the US.

"We want to create what we're calling cluster cities, where we build a couple of company restaurants to help seed the market," Ramirez said.

While drive-thru lanes weren't part of BurgerFi's original business strategy, Ramirez said the pandemic forced the fast-casual brand to shift its thinking. The company recently opened its first restaurant with a drive-thru and more are on the way.

Other fast-casual brands like Chipotle Mexican Grill and The Habit Burger Grill have added drive-thru lanes over the years. But Ramirez is quick to note that BurgerFi beat its main better burger competitor Shake Shack when it opened its first drive-thru restaurant in Kentucky.

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Shake Shack, whose urban locations have been clobbered during the pandemic, said it plans to open its first drive-thru later this year. It will be in BurgerFi territory – Orlando, Florida.

Ramirez said BurgerFi's smaller footprint makes it nimbler than its rivals. As such, it can more easily accelerate its drive-thru plans.

"In the next 30 sites that we have planned, we've peppered some drive-thru locations out there," Ramirez said. "That's a very real viable option for us."

The company is also ramping up its non-traditional operations with ghost kitchens and expanding its presence on military bases.

BurgerFi was an early adopter in the burgeoning space, partnering with [REEF Technology](#) in May 2020 during the first wave of the coronavirus pandemic.

Unlike other ghost kitchens, REEF makes licensing agreements with restaurants to sell their food as a delivery only or pickup product within their network of Neighborhood Kitchens.

REEF is selling BurgerFi's food in a handful of locations including Miami and Austin. BurgerFi recently launched a similar licensing agreement with ghost kitchen operator Epic Kitchens in Chicago.

Ramirez called these partnerships "low-risk learning" because they don't have to build brick-and-mortar stores or pay employees to make food inside a commissary.

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"We get a percentage royalty on the sale. So it's a good way to see how strong our brand is digitally," he said.

But, if BurgerFi is to compete with Shake Shake, will it march out West where Shake Shack has already planted its flag in top markets like Los Angeles and Las Vegas?

"That could be the biggest opportunity down the road. But I just want to make sure we continue to perform well in the areas where we're dominant," Ramirez said.

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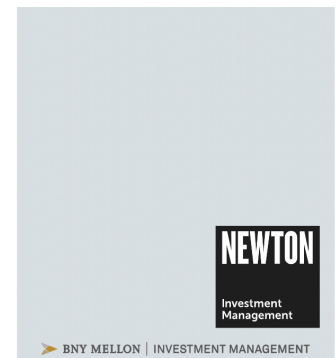
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