Franchisee Jeff Kelsey has grown Penn Station in the Tri-State with good food and great service

BY THERESA SCHELLER

Jeff Kelsey is the franchisee owner of eight Penn Station East Coast Subs restaurants: three in Evansville, one in Newburgh, Ind., one each in Henderson, Elizabethtown, Ky., Radcliff, Ky., and in Owensboro, Ky. Another restaurant also is being built in Owensboro, Ky. The Olney, Ill., native employs 100 people who sell about 200-300 sandwiches per day per store every day except Easter, Thanksgiving, and Christmas. Yet Kelsey still doesn’t consider himself to be the most important person in his franchise.

That designation, he says, goes to the customer who is greeted warmly at the service counter before placing an order for a grilled sandwich that is then prepared just several feet away. Maybe that customer orders the crispy hand-cut fries that are layered with the perfect amount of salt. He or she could select a hand-squeezed lemonade, or that customer could interact with the manager and employees.

“Whether we are selling coffee, tea, sandwiches, or burgers, we have to realize that the most important thing is the customer,” Kelsey, 40 and a resident of Evansville, says. “No job is ever just about you. It’s about your people and your customers.” That’s how this franchise has been structured, he says. Based on that philosophy, Kelsey has learned the food and franchise success will take care of itself.

Kelsey and his wife, Kendra, live in Evansville with their two children, 6-year-old Amelia, and 4-year-old William. Kelsey began working in food service when he was 16, starting in fast food and continuing onto fine dining and bar and grill management. He was a consultant for Sysco, a global leader in food service, before becoming a Penn Station franchisee. He also earned an associate’s degree in biomedical electronics from Vincennes University in 1994. When first approached by a business associate about opening a Penn Station franchise, Kelsey was skeptical but interested. He was sold once he tried the food and then became familiar with the company’s process. “There is very little waste, and everything is made fresh to order twice a day,” Kelsey says.

This was a very important part of his initial decision to become a Penn Station franchisee in 2006, when there were three Penn Station locations in the Tri-State. Kelsey says the franchise’s culture to value people and customers has been vital to the growth and expansion of the business over the past seven years. This culture is emphasized to employees from the very start, often during the interview process. General and assistant managers, for instance, may ask new hires who are the most important people in the company, or who is responsible for the paychecks? Kelsey states it sometimes takes
some thinking, but employees will eventually answer: the customers. Then, it all clicks. Kelsey encourages all employees to create a welcoming and friendly environment for every customer who walks through the doors. He hopes people will want to eat at Penn Station not only because they enjoy the food, but because they genuinely enjoy the experience and want to visit there. Whether it’s the newest employee or the general manager who worked his or her way up through the ranks, seeing these people develop and learn how to be successful at each individual store is one of Kelsey’s priorities.

“My job satisfaction is based on the relationships I develop, not only with the customers, but with the people who run our stores,” Kelsey says, adding that he hopes his employees will recognize customers by name, striving to know them on a personal level. He adds the stores’ general managers are important to the company’s success.

Kelsey says he works closely with his general managers and encourages them to take ownership of their restaurants and full responsibility for their successes. His general managers benefit from a shared profit bonus system, meaning they earn an additional incentive for helping their store do well. “Don’t thank me, thank yourself,” Kelsey says he is frequently telling his general managers. Kelsey says that although he put the system in place, his managers earned the money and success for their specific store location. As long as his employees are doing their job and are being successful, Kelsey knows everything else will fall into place.

This is all in addition to the sandwich shop’s wide selection of fresh foods and breads. “Genuine freshness is the uniqueness we have to offer,” Kelsey says. All meats, cheeses, and vegetables in sandwich orders are hand sliced, grilled, assembled, and cooked to order right in front of the customers. Kelsey says customers are enthusiastic about eating Penn Station sandwiches. “If you are in denial of it, you haven’t tried it,” says Kelsey.

“We utilize this ‘display’ cooking
with national name brand quality ingredients so the guest knows we’re using some of the best products available,” says Craig Dunaway, president of Penn Station Inc. Kelsey is an elected representative on the Penn Station Franchise Advisory Council, which allows him to bring ideas from the field for discussion and debate while focusing on the core values to enhance this guest experience. “Jeff believes in the great products we serve and is a true ambassador to the system,” Dunaway says.

Kendra is the marketing director for the eight — soon to be nine — Penn Station restaurants. She coordinates, manifests, and creates all advertisements and works with all media outlets in accordance with Penn Station Inc. “She’s the creative mind behind what we do,” Kelsey says. Greg Hardt, the franchise accountant, is the third member of this team. Kelsey says he, Kendra, and Greg provide the perfect balance between the operations, accounting, and marketing aspects of the franchise.

Kelsey never dreamed he would own nine restaurants overall, but the time and effort displayed over the years has proved him worthy of the ownership. Penn Station’s new catering program, available to all customers, is a large focus for future growth. “The hardest thing to understand in restaurants is there is a lot more that goes into it than people realize,” he says. It all comes down to the employees and team members he has on board. “The more successfully I can teach the people we have on our team, the more that they buy into what we are doing and buy into the culture, realizing the customer is the most important thing,” he says. “There is no more rewarding feeling than to provide that enjoyment to customers.” With these values in mind, guests will continue to invest in Penn Station, and Kelsey hopes to give them all they are expecting and more.