

Italian Animal

Red Rabbit has less protein but just as much potential as its sister restaurant, Red Cow



**Dennis
Monroe**

IT'S IRONIC THAT "RED" WOULD BE in the name of both of Luke Shimp's restaurant offerings since Red Cow, and now Red Rabbit, aren't in the red, but smartly in the black.

Shimp understands his customers and the ways to meet their dining needs, along with making money. His Red Cow restaurants have been a great revenue success with strong sales far above what I'd normally see for a casual-dining concept. His newest concept, Red Rabbit, located on Washington Avenue in the trendy North Loop of Minneapolis, is Red Cow's answer to Italian. With all of the Italian restaurant failures last year, Shimp seems to have hit upon a concept the consumer will venture out in the cold to dine at.

Red Rabbit's targeted menu sports a selection of four pastas priced in the \$13-\$15 range for lunch and nine for dinner (same price range), seven to nine pizzas (\$9 to \$13), Food to Share, Rabbit Food (salads) and, unexpectedly, fresh and wood-grilled oysters. The bar menu, or "Social Lubricants" as it's called, is more extensive, a nod to the expectations of the North Loopers and millennials.

The restaurant is smartly designed and not pretentious; lots of exposed brick, dark wood and big booths. The money has been spent in the right places—the bar area. The dining room



Red Rabbit's selection of pizzas includes the Yukon Gold.

is sparser (and a bit plain, at least in the timeframe when I visited), but very functional. There are around 160 seats, with 30 spots at the bar and 36 seats at high and low tops in the bar area. There's also ample standing room around the bar, a great energy provider for people coming into the restaurant.

Shimp, who worked with sister Stephanie Shimp and ex-brother-in-law David Burley at Blue Plate Restaurant Company before venturing out on his own, did not take on investors. It is all his money or money from the bank. His company is quickly becoming a family operation. His wife and two sons, who have hospitality backgrounds, recently joined the business.

Red Rabbit is not attempting to be a Bar La Grassa, nor is it trying to mimic the upscale pasta restaurants that couldn't attract enough of clientele to succeed. It's good, solid Italian food at a price consumers equate with weeknight dinners out. And its craft

cocktails, local beer and wine selection are a draw for the neighborhood it serves.

Revenue

I believe Shimp has the right revenue model. He's able to get two to three table turns a night, and check averages are in the mid-\$20s, from what I can tell. Check averages for lunch are similar, probably closer to \$13 or \$14 (unless office workers are able to have a beer or glass of wine with their lunch). The evening crowd will be adding appetizers and drinks to its bill.

The only thing I would suggest would be to have two prices on the pasta—a large portion for sharing and a smaller portion to accompany another entrée. In terms of revenue, they are a little light on the high-end entrées. Currently, it appears the pastas, pizza and drinks drive the menu. What will bring up that check average, however, is the alcohol portion of the check.

A walled-off outdoor patio (on Second Avenue North) that seats 60 will be a boon once the weather warms up.

Rating: 4 out of 4 stars.

Investment and ROI

Shimp had architectural help, but in conjunction with his opinions as to what Red Rabbit should look like. It has the modern-day industrial minimalist look with some flair in the bar. The investment appears reasonable, especially since it was funded out of Shimp's pockets, along with bank loans. But Shimp wasn't comfortable sharing what that investment number was. Given what he will be doing with volumes, the ROI should be strong.

Rating: 3.5 out of 4 stars (since we don't have the all the numbers).

Food Costs

Keeping food costs in line is helped tremendously by low protein usage and having a menu with a 70 percent food/30 percent alcohol ratio. Since the bulk of the food is pasta and pizza, the protein costs aren't prohibitive to making

a healthy bottom line. Entrées, such as the steak at \$29 and salmon at \$19, are priced appropriately. Food costs should be in the high 20 percent range. The only issue could be waste; however, knowing how Shimp runs restaurants, I don't think that will be a problem. There are enough safe harbor foods on the menu to have something for everyone.

Rating: 4 out of 4 stars.

Labor

It is difficult to tell if staffing levels are spot on, as there were a large number of servers to accommodate the opening rush. But, the back of the house is well staffed, and the kitchen is a nice size, not oversized. It looks to me that the labor will come in line. This will always be a challenge because of the lunch daypart and not taking reservations. You almost have to overstaff to deal with these challenges.

Rating: 3.5 out of 4 stars.

Overall Rating

With its sister restaurant, Red Cow, just a block and a half away, this will be a

dynamic duo in the North Loop. If you want burgers, TV and beers in one spot, Red Cow is it. If you want pasta and pizza, you have Red Rabbit. If you think you have had too many carbs or cholesterol at Red Rabbit, there is a Whole Foods just a hop away from both restaurants for the trifecta.

Red Rabbit is what we need for Italian. It reminds me of what Tim Niver did in St. Paul with Mucci's. I bet Niver wishes he had the 5,000 square feet that Shimp has. Let's hope we finally have an Italian restaurant in Minneapolis that has little danger of not being around for 10 years, which has been a rarity lately.

Rating: 3.5 out of 4 stars. [FSN](#)

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