

On Long Beach's Menu: McDonald's Southern California Regional Office

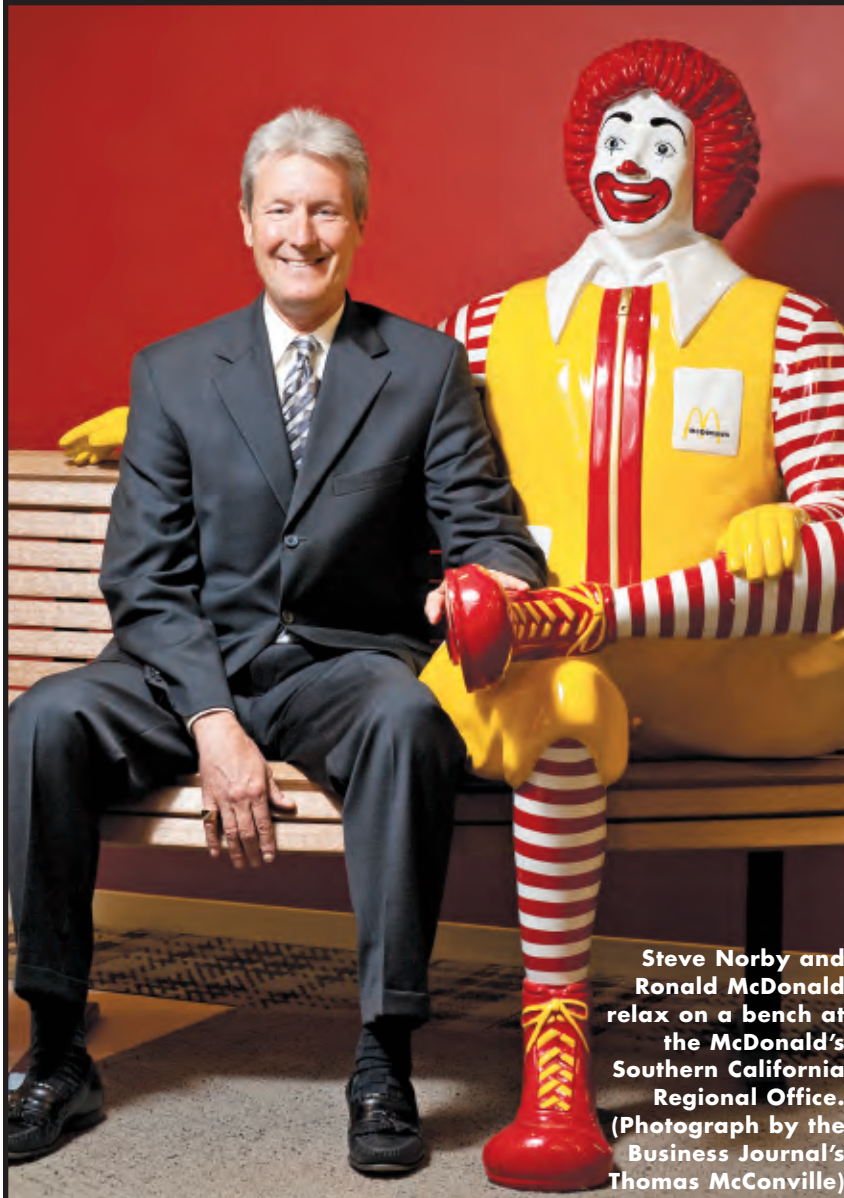
■ By **ASHLEIGH OLDLAND**
Staff Writer

While the recession has pinched many corporate pocket books, McDonald's reported a 5.4 percent increase in January's comparable sales in the United States. Sales were also up in Europe by 7.1 percent and up 10.2 percent in the Asia/Pacific, Middle East and Africa regions.

The Long Beach-based McDonald's Southern California Regional Office, which is a \$1.8 billion company overseeing 800 restaurants, is the largest of McDonald's 21 regions in the United States. Operations in the office include marketing, finance, development, operations, human resources, training and office services.

"We oversee and manage this business in totality," explains Steve

Norby, vice president and general manager of the McDonald's Southern California Region. That includes buying the property and building a restaurant; finding an owner/operator; helping an owner/operator staff the restaurant; advertising; and managing revenues. He says the 85-person corporate team in Long Beach "runs the whole show."



Steve Norby and Ronald McDonald relax on a bench at the McDonald's Southern California Regional Office. (Photograph by the Business Journal's Thomas McConville)

Here in Long Beach, McDonald's has 13 stores employing somewhere between 700 and 800 people – not including the 85 employees who work in the corporate office. Between 40,000 and 45,000 people are employed by the 800 McDonald's restaurants in Southern California.

And there may soon be more iconic golden arches marking the Long Beach skyline. Norby says the corporation is in the early planning stages of building more restaurants in the city, and has already begun meeting with city planners to help pinpoint the best locations for new McDonald's restaurants.

McDonald's has seen an increase in job applicants, and Norby assures prospective applicants that the company is always looking to hire good people.

"McDonald's is a great place to start, and for some of us, it is a great place to continue to grow your career," Norby says, noting that people are mistaken when they call McDonald's a dead-end job. "We provide the opportunity and a lot of learning and training for new people into the workforce."

The biggest misconception people have, Norby says, is



The McDonald's at 2707 E. Carson St. in Lakewood is one of the 800 stores overseen by the McDonald's Southern California Regional Office in Long Beach. (Photograph by the Business Journal's Thomas McConville)

that McDonald's is the cause of obesity. The truth, which he calls a "well-kept secret," is that McDonald's offers quality, healthy food.

"If people took the time to really understand what McDonald's offers, I think that they would have a change of heart," he says. "When you talk about McDonald's, people aren't apt to readily start talking about fresh-made salads with grilled chicken on top for \$3.99 to \$4.99. But when you think about that, where else can you go to get a salad with grilled chicken on top and the dressing for somewhere between \$3.99 to \$4.99? People don't talk about that; they want to talk about Big Macs and french fries and Quarter Pounders, which are our core products and the reason we are even sitting here talking today, but we have done a lot over the last few years to change up the menu."

The food at McDonald's is not any different from what you would make at home, Norby continues.

"When you go to McDonald's and you get breakfast, the Egg McMuffin has an English muffin, a real egg, a real piece of cheese, real Canadian bacon, real sausage. The scrambled eggs are two eggs cracked and scrambled. Pancakes – they

Steve Norby: From 'Backroom Boy' To VP

A 16-year-old Steve Norby started his career at a red-and-white McDonald's just three blocks from his Michigan home. He was the "backroom boy" for the restaurant, responsible for cleaning the meat pans, sweeping floors, picking up trash in the parking lot and cleaning the bathroom, among other things.

Norby – who still eats at the restaurant four times a week – has climbed the corporate ladder all the way to vice president and general manager of the McDonald's Southern California Region. Before his move to the Long Beach office in May 2008, Norby's career with McDonald's took him to Michigan, Indiana and Illinois as well as three years in Asia.

There have been a lot of changes in the last 20 years, Norby says. The addition of the drive-thru window has changed the restaurant significantly, now accounting for 65 percent of business. The menu has evolved significantly from hamburgers, french fries, shakes, coffee and soda. Today McDonald's offers a breakfast lineup, a wide range of desserts, healthier options and value sandwiches. And the restaurants – once red-and-white tile with open fronts so that customers could walk up, order and eat in their cars – now offer dining rooms that Norby calls "absolutely gorgeous."

Norby's favorite menu items are the southwest salad with grilled chicken, Quarter Pounder with cheese and the Big Mac. For breakfast, he prefers the sausage McMuffin with egg.

He lives with his wife, Lisa, whom he jokingly refers to as his "McBride." Lisa, too, spent more than 20 years working for McDonald's. The couple has a son, Brandon, 23, who recently graduated college. ■

are not mystery pancakes; they are real pancakes like you get anywhere else."

McDonald's is working this year to expand its menu options with "McCafé" specialty coffees such as espresso-based drinks like lattes, cappuccinos and iced mochas as well as drip beverages like iced coffees. Norby says the drinks should range between \$2 and \$3 and be available at most McDonald's in early May.

"We are hoping to get into this marketplace and take our fair share and give the customer something they have been asking for," he says regarding the additional drink options.

The Southern California Regional Office has been in Long Beach since 2007. The office moved from its Woodland Hills location and signed a 10-year lease agreement to be more centrally located between Los Angeles and Orange County.

"Long Beach has been a great friend and partner to us, and we are looking forward to expanding that friendship and that relationship," Norby says. "With the relationship we have with the customers and the townspeople in Long Beach, I don't have any reason to believe we are going anywhere else. We absolutely love it here." ■