

2024
ANNUAL
FRANCHISE
DEVELOPMENT
REPORT



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Andrew Pudalov

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THE RUSH OF SUCCESS

Former finance executive invests heavily in health

Written by **KERRY PIPES**



ANDREW PUDALOV
Founder & CEO

Company: **Rush Bowls**

Units: **48**

Years in Franchising: **7**

Years in Current Position: **19**

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“Health food and general wellness products continue to grow in demand, reflecting the consumers’ increasing focus on their well-being,” Pudalov says.

The business model’s smaller footprint helps increase profitability and enhances the customer experience, he says. The fast-casual concept allows guests to dine in, but most prefer to take their orders to-go.

A number of Rush Bowls ingredients are made in-house with a focus on nutrition, taste, and texture, he says. Customers can create their own bowls or choose from the brand’s popular bowls, smoothies, and peanut butter ball bites. Everything is made to order.

“The demand we are experiencing for Rush Bowls has been incredible, so we’re going to continue targeting new development deals that make our brand’s healthy menu items as widely available as possible,” he says.

Pudalov says he’s committed to spreading the joys of pure, honest nutrition and making Rush Bowls the best possible company it can be.

LEADERSHIP

What is your role as CEO? As the CEO, my role is multifaceted. I provide direction and vision for the company, foster a collaborative environment for innovation, ensure clear communication both internally and externally, address complex issues with solution-oriented thinking, and actively drive business growth across all avenues.

How has Covid-19 affected the way you have led your brand? Covid-19 has reshaped my approach to brand leadership in several ways. It necessitated swift responses to challenges, fostered more open communication internally and externally, and encouraged a culture of experimentation to adapt to the evolving business landscape.

Describe your leadership style. My leadership style is characterized by open communication and active listening. I believe in giving individuals the autonomy to run their divisions, intervening only when necessary or requested. I provide opportunities

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for success while offering guidance along the way. I'm willing to take calculated risks and, when needed, involve myself on a granular level although I try to delegate more as the team gains experience and confidence.

What has inspired your leadership style? My leadership style is inspired by my experiences working in various large corporations, which has allowed me to observe what practices are effective and which ones are not. This has helped me develop a leadership approach that I find most comfortable and effective.

What is your biggest leadership challenge? My biggest leadership challenge is maintaining a focus on the big picture and preventing the team from getting too consumed by day-to-day challenges.

How do you transmit your culture from your office to frontline employees? I believe in maintaining consistency and fairness, ensuring that everyone is treated equitably regardless of their level of responsibilities within the organization.

How can a CEO help their CMO develop and grow? A CEO should foster collaboration to create a unified brand vision, nurture a culture of innovation and experimentation, provide clear expectations and goals, and emphasize the importance of understanding the roles of various marketing systems. By working together, the CEO and CMO can drive marketing success and contribute to the company's overall growth and success.

Where is the best place to prepare for leadership: an MBA school or OTJ? I don't think it's one or the other. Both are beneficial to prepare for leadership. I got my MBA a while ago, which was helpful on an overview basis, but OTJ gives you day-to-day, real-life experiences. Both are invaluable to me.

Are tough decisions best taken by one person? How do you make tough decisions? I believe it is good to have extensive input from leaders in any organization on tough decisions, but ultimately the decision should be made by the CEO. That way, the CEO can take responsibility. The team should be given credit while the CEO bears the risk of failure.

Do you want to be liked or respected? That one is easy: respected. We want what is

“The interesting part of building a company is there are a lot of different inputs and factors in the company's success. The economy is one of them that you can't control, so within those issues, the economy generally presents opportunities. Opportunities happen mostly when there is an event of difficulty, so we all seek solutions and benefit from those experiences.”

good for the company. It's not about being liked. While that is nice, it is much more important to be respected.

Advice to CEO wannabes: Being a CEO is a big responsibility. It's important to understand that nothing is ever perfect. Lead by example, maintain consistency and fairness, and strive to create an environment where everyone is continually learning and improving.

MANAGEMENT

Describe your management style: My management style can be characterized as hands-on and candid. I believe in open communication and sharing extensively with the team despite the challenges that may arise because I value a collaborative and cohesive working environment where everyone contributes to our collective success.

What does your management team look like? My management team consists of the key division heads who have been long-standing members of the company. They possess a deep understanding of the company culture and are well-versed in the expectations and values that guide our organization.

How does your management team help you lead? My management team plays a crucial role in my leadership by fostering open and fearless communication and working together to identify solutions that drive the company's growth. Their diverse experiences allow for a well-rounded perspective that helps us approach challenges from multiple angles, enhancing our decision-making and problem-solving capabilities.

Favorite management gurus: Do you read management books? My favorite management gurus are Howard Shultz and Richard Branson. Both have a few books—all great reads!

What makes you say, “Yes, now that's why I do what I do!”? Seeing success with the team and our partners makes it all worth it. I also enjoy teaching and learning along the way.

OPERATIONS

What trends are you seeing with consumer spending habits in your stores? We're lucky to see a positive trend in consumer spending habits in our stores. Health food and general wellness products continue to grow in demand. Additionally, customers

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are looking for enhanced value in their purchases, such as personalized interactions, coupons, and friendly customer service, which we're committed to providing to meet their expectations.

How is the economy driving consumer behavior in your system? The lack of clarity and stability in the economy has led to consumer concerns and a sense of ambiguity, which can create challenges for businesses. It's essential for us to adapt and provide a sense of security and value to address these consumer concerns.

What are you expecting from your market in the next 12 months? We anticipate a complex and challenging market, especially with the upcoming election year and the potential for increased fear-mongering. While the demand for healthy food remains promising, we are closely monitoring various undercurrents, such as inflation, debt, legislation, labor issues, supply shortages, and manufacturing challenges, which all contribute to the overall market uncertainty.

Are your franchisees bullish or bearish about growth and adding additional units? Our franchisees typically maintain a bullish perspective on growth and adding additional units, given that the support remains strong. We believe in fostering a supportive environment for franchisees to ensure their confidence in expanding their units. While concerns about drop-in support

or competition may arise, we view these as challenges that can be overcome with the right strategies and support in place.

Are commodity/supplies costs any cause for concern in your system? Yes, I am concerned about this. With my previous experience, I am very aware of the potential challenges and have successfully managed similar issues in the past. It's crucial for everyone to be observant and ensure that we can support our partners across various aspects, including supplies and commodities. While there are current shortages, I'm optimistic that over the next two years these issues will gradually diminish.

In what ways are political/global issues impacting the market and your brand? Political and global issues have a direct impact on our market and brand by affecting our supply chain dynamics. We have to learn to be flexible in our operations, such as keeping alternative suppliers in mind if certain options become unavailable or exceed our budget. While these issues are most often out of our control, it's important to focus on keeping your business adaptable to maintain as much stability as possible.

PERSONAL

What time do you like to be at your desk? Generally, 8 a.m.

Exercise in the morning? Wine with lunch? No morning exercise or wine with lunch, but exercise in the evening.

Do you socialize with your team after work/outside the office? Yes, I enjoy socializing with the team, inside and outside of work. It is a family environment as much as it can be.

Last two books read: The last two books I read were *Astrophysics for People in a Hurry* by Neil deGrasse Tyson and *Shadow Divers* by Robert Kurson.

What technology do you take on the road? I take my phone, laptop, and headphones everywhere I go.

How do you relax/balance life and work? Not enough time to relax as building a company from scratch is a large endeavor.

Favorite vacation destination(s): It depends on my mood, but I love international travel, especially European and Caribbean beach vacations.

Favorite occasions to send employees notes: Birthdays and holidays.

Favorite company product/service: My favorite bowl that we offer is the Summit Bowl. It's acai, strawberries, and cherries, but I like to add raspberries.

BOTTOM LINE

What are your long-term goals for the company? My ultimate long-term goal is to establish Rush Bowls as a prominent player in the health arena. We aim to expand our brand's presence in the broader health and wellness industry. This includes becoming a recognized name for health-conscious consumers, offering a range of products and services that support overall well-being.

How has the economy changed your goals for your company? The interesting part of building a company is there are a lot of different inputs and factors in the company's success. The economy is one of them that you can't control, so within those issues, the economy generally presents opportunities. Opportunities happen mostly when there is an event of difficulty, so we all seek solutions and benefit from those experiences.

Where can capital be found these days? We are self-funded and don't have debt, which allows us the freedom to make decisions in the best interests of our partners.

How do you measure success? I measure success through the monetary and personal achievements of our clients with their stores, the happiness and financial well-being of our employees, and the satisfaction of our customers who find value, investment in their health, and delight in our products.

What has been your greatest success? My greatest success has been creating a brand and product that didn't really exist at the time of inception and growing it to now 23 states.

Any regrets? I have a ton of regrets, but I don't focus on that. I try to learn from them, move forward, and hopefully don't make the same mistakes again. Hindsight is 20/20, but learning, growing, and adapting our philosophy can enhance and make us more successful. We shouldn't dwell on regrets.

What can we expect from your company in the next 12 to 18 months? Expect a lot of growth, expansion, new menus, and a new loyalty program. We are so excited for the next year. ■