

Fresh name on Pizza Hut menu

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Pizza Hut is looking to double its Australian sales over the next five years and manoeuvre back into the market-leader position by testing a co-branding of its fast-food franchise as Pasta Hut and vamping up its menu.

Pizza Hut chief executive Albert Baladi is hoping that a \$4 million media blitz will get the word out about the new pasta dishes on offer and the fresh direction of brand.

"The launch of Tuscani Pasta, along with testing the Pasta Hut brand, is the first step in Pizza Hut reinventing itself. The company is investing in significant changes in every area of the business in an effort to double the business within five years," he told journalists at a briefing.

KEY POINTS

- Pizza Hut is aiming for a larger slice of the market with a pasta menu.
- The company will test a new name, Pasta Hut, in Sydney next week.
- Sales are up so far this fiscal year.

"We want to be as well known for our pasta as we are for our pizza."

Mr Baladi said the company, which starts its financial year on December 1, had its best start to a new year since 2002 as people preferred a more affordable option during tough economic times.

"In the last six or seven weeks we have seen some great numbers. I hope 2009 will be a strong year," he said.

Mr Baladi, who has been in the top job in Sydney for a year after

spending 13 years at PepsiCo in the United States, expected the group to trade well over the next 12 months.

"We have weathered whatever storm has come. We should be less affected than other industries over the next 12 months," he said, revealing that sales in some parts of the country are up by double digits.

"[The customer] is looking for quality, speed and value; and as long as we can do well on those things we will continue to do well this fiscal year."

Next week Pizza Hut for the first time in nearly 40 years will rebrand stores at Sydney's Martin Place and Surry Hills to trial the new name. Consumers can vote online for their preference over the next six weeks.

Group marketing manager of Pizza Hut, Valerie Kubinziak, was confident that Australians would

embrace the pasta menu as did consumers in the United Kingdom and the US, where the offering is now part of the regular menu.

Pizza Hut is a subsidiary of Yum! Restaurants International, which is listed on the New York Stock Exchange and also owns fast-food giant KFC.

According to business information company IBISWorld, Yum! holds about 16 per cent of the overall fast-food market, but Pizza Hut is still the No. 2 player behind Domino's Pizza Enterprises.

Pizza Hut is estimated to turn over about \$818 million in annual sales and is looking to get a bigger slice of the \$11.6 billion fast-food market.

Mr Baladi said Pizza Hut was planning on expanding retail outlets, focusing on Western Australia, and refreshing the look of its stores.