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Morton's Savors Its Success At State House Square *Site Chain Chose Proves Prime Spot*

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When Morton's Steakhouse opened six years ago at State House Square, the pricey restaurant took a chance on a city that appeared to be making a comeback.

Even the spot it chose was not in the hub of dining out in downtown Hartford.

Today, Morton's gamble has paid off, landing the restaurant right in the middle of what's new in the city: the convention center, a Marriott hotel, two condominium projects and a newly opened 36-story apartment tower.

Convention business has given the Chicago-based chain a 25 percent bump in revenue since January at its downtown location, making Morton's increasingly optimistic about the city's future. And more foot traffic has been encouraging enough for Morton's to hire engineers to consider the possibility of outdoor dining on a raised plaza outside the restaurant.

"I'd love to have a patio out there," Thomas J. Baldwin, chief executive of Morton's Restaurant Group, said during a recent visit to Hartford to meet with employees and talk about the latest additions to the menu, including its first-ever offering of french fries. "We'd love to open this up."

If plans for the patio go well, passersby also will get their first peek from the street into the restaurant, where a 48-ounce prime Porterhouse steak carved tableside for two or more goes for \$84, and that's without the potato.

Even though there is now a wall of windows facing the plaza, the view in or out has been blocked because the restaurant's interior walls were built right up against the windows.

Upscale Morton's boasts a uniform décor throughout all of its restaurants, which now number 71 - most of which are

in the United States, although some are in Canada, Hong Kong and Singapore.

Morton's, which touts choice cuts of beef on its menu, also has plans to keep expanding, planning to open between five and seven new restaurants next year.

In Connecticut, Morton's also operates in Stamford, and Baldwin sees more expansion in the state, by probably two restaurants. He wouldn't say where the company was looking, except that the potential sites are in "populated areas."

Baldwin, 51, has seen much of the growth in his 17 years with the company. He joined as chief financial officer when there were just nine Morton's. He rose through the ranks, and was named chief executive in 2005.

He led the company through its initial public offering in February. The stock went public at \$17, but has since retreated by \$2.48, or 15 percent, to \$14.52, as of Monday.

In 2000, Morton's was wooed by Aetna Inc., then the owner of State House Square, because the insurer wanted a top-flight restaurant for the office and retail complex, one of the city's largest.

Morton's, Baldwin said, saw a city with a strong base of financial and professional services surrounded by affluent suburbs - and it was attracted by the cheap rent Aetna offered. Morton's agreed to lease 7,500 square feet for 15 years, with options for two five-year extensions. Its initial investment was about \$3 million.

"We were a little early," Baldwin said. "But business has been strong since day one."

Since it opened, annual revenue generated at Morton's downtown Hartford restaurant has risen by about \$1 million, and is now about \$4.4 million, or 75 percent higher than when Morton's arrived.

Its wine lockers, across from the bar, are all spoken for. Regulars can store their favorite cabernets and merlots in them. There is a \$20 "corkage fee" per bottle if you bring your own wine.

The lockers were filled gradually after Morton's opened, at the discretion of the general manager, who got to know the frequent diners. But patrons who have lockers need to remain regulars to keep them. Letters go out if the lockers haven't been ventured into in six months or more because there is a modest waiting list.

Once the wine has been uncorked, the average tab per person is \$87, about \$20 higher than when Morton's opened here.

Baldwin, who lives in New Canaan, says bringing a major league hockey team back to the city would be "huge," although those efforts now appear to be a long shot.

"We get a ton of business on the nights there are UConn games in town," Baldwin said.

There still is not enough foot traffic for Morton's to open for lunch in Hartford, Baldwin says. Morton's does that in only six locations, all in busier urban areas, such as Washington, D.C.

In Hartford, the emphasis is on longer-running dinners and corporate functions in its banquet rooms.

Baldwin says downtown - and Morton's - would benefit from more high-end dining establishments.

"They would become a magnet for high-end guests," Baldwin said. "The success feeds on itself."

Baldwin says Morton's remains committed to the city, but he tempers his enthusiasm, noting that Hartford is still in the early stages of its revitalization.

"We've been investing in the city for six years," Baldwin said. "Things don't happen overnight."