Fast Food Vs. Independent Restaurants

Maplewood, N.J., looks pretty much like it sounds. Just 19 miles outside New York City, this retro, hip commuter hub of 24,000 people has a picture-postcard downtown. It’s a family friendly town, and so many of those families are gay and interracial that Maplewood’s diversity has made front-page national news more than once.

Like most small towns, it has also had its fair share of controversy. In 1970 a Burger King moved onto Springfield Avenue, one of the town’s business zones located right near one of its tidy neighborhoods with street names like Yale, Harvard, Bowdoin, and Colgate. It wasn’t long before traffic and litter increased as hamburger junkies traveled into the area, and a teeming dumpster wafted odors, attracted rodents, and required frequent, and often noisy, collection. Homeowners were furious and, after stewing for several years, in the early 1980s the town passed a vague ban on fast-food establishments.

Then in 2003, when one entrepreneur wanted to open up a KFC, sparks began to fly. Maplewood’s push to keep out fast-food restaurants is a fascinating look at a town trying to maintain its quaint character, even when, as critics are quick to point out, it comes at the expense of new economic opportunity and charges of racism.

Maplewood is not alone. Nationwide, nearly a dozen other municipalities have adopted or are considering similar fast-food restaurant bans, including Baldwin Park, Calif., home of the first drive-through burger place, and Sister Bay, Wis., according to Alisa Harrison, spokesperson for the International Franchise Association.

In Maplewood, the town was in the midst of a multimillion dollar revitalization project for Springfield Avenue, a historic roadway that once chauffeured well-heeled New Yorkers to their country homes but now connects the struggling city of Newark to the wealthier world beyond. KFC was eyeing property occupied by an abandoned gas station. Residents who objected to KFC said it was the antithesis of the town’s pledge to promote small business and increase pedestrian traffic in the zone. KFC supporters charged that the argument masked the real objection to the fried chicken chain -- that it would attract a predominantly low-income, black crowd.

In a town that prides itself on racial harmony, the undercurrent of suspicion stirred during the fight over KFC left such raw feelings that there was an immediate push to clearly define fast food and prevent similar battles in the future. But despite the move toward clarity, the definition still has people scratching their heads. Especially since Subway was allowed to set up shop in 2009 as an “eat-in restaurant,” with seating for 10 but no drive-through window. Under the new definitions and rules, Subway was required to undergo an extra review by the Maplewood Planning Board, says Robert Mittermaier, town construction official.

While increased vehicle traffic may have been a legitimate concern for banning fast-food restaurants, the decision to later allow Subway as an “eat-in restaurant” makes so little sense that it ends up smacking of racism, says Dr. dt ogilvie, associate professor of business strategy at Rutgers Business School.

She pointed out that fast-food restaurants generally help lower tax rates, provide jobs for hometown youth, allow local dollars to stay put, and bring in outsider cash.

Kurt W. Rotthoff, a finance professor at Seton Hall University’s Stillman School of Business, located in neighboring South Orange, N.J., agrees. “The only argument that makes sense is that it keeps traffic down. However, if that is the argument, any store that is willing to be built without a drive-through window should be allowed.”

But this type of ban can often go beyond the practical to the emotional. Sister Bay, Wis., is in the midst of its own debate about whether to allow “formula” restaurants, in reaction to a proposed Subway restaurant in the town.
Indeed, in Maplewood, the flip side of the ban is that it has accomplished a zone of locally owned, independent eateries in the tiny storefronts that characterize Maplewood. There's Health, Love, Soul (HLS), a wrap and juice café; Crane’s Deli, with cheese from around the world; St. James’s Gate, an Irish pub; Indigo Smoke, a trendy barbecue joint and cocktail lounge; and Maplewood Deli and Grille, with its gluten-free options -- all owned by people who live in or grew up in Maplewood or its sister town, South Orange.

“With the fast-food ban, the competition is a little more balanced,” says Maplewood Mayor Victor DeLuca. “These businesses now are up against another independent operator rather than a bigger operation with deeper pockets.”

Julie Doran, who leads the Maplewood Village Alliance, a downtown development group, says banning fast-food restaurants has leveled the playing field for all newcomers. Rents remain affordable for the small business owner, she says, and everyone shares the same economy of scale when it comes to purchasing supplies.

“Independents most often don’t have the same buying power as fast-food restaurants, making it difficult to compete on pricing,” Doran says.

The ban has been successful at helping Maplewood maintain that small-town feel, with walkable streets and an eclectic mix of shops. And for many of the local restaurateurs, there is a sense of local pride in serving up the special of the day to people they know from PTA meetings and local soccer games.

“We do good food fast,” says Steve Crane, who lives in Maplewood and sells gourmet sandwiches and international cheeses at Crane’s Deli, a sliver of a shop in downtown Maplewood. He’s able to greet most customers by name, and they often inquire about his kids’ athletic activities.

And if, in these days of concern over childhood obesity, it helps to keep the fast-food consumption of residents at a minimum, perhaps that’s a good thing, too.

Devon Good, 17, laments having to drive two towns over to get his beloved McDonald’s. “It’s my favorite cheap meal. But you have to figure the cost of gas into it.”