

Sandwich heroes

Blimpie boosts coffers for a Texas nonprofit



Robert Calvillo turned to Blimpie to drive revenue for Affordable Homes of South Texas.

People generally buy franchises for a little financial security—and maybe a new boat or other extravagance. So when a nonprofit approached Blimpie about opening a unit in the vacant space next to its Weslaco, Texas, office, the sandwich franchise was skeptical. But Robert Calvillo—executive director of Affordable Homes of South Texas Inc. (AHSTI), a 38-year-old 501(c)(3) that builds housing for low-income families—convinced Blimpie that a shop would create a stable source of revenue for the nonprofit and provide jobs in downtown Weslaco.

“I think Blimpie wasn’t too excited when we first approached them,” Calvillo says. “I’m not sure they liked our location and thought working with a nonprofit was too complicated. I don’t think they thought we had the management skills to run a franchise. On the other hand, they saw it as an opportunity to do something different and to possibly attract other organizations with excess capacity.”

It also helped when Blimpie realized that AHSTI has \$70 million, 45 employees, a volunteer board of directors full of business pros and five accountants. AHSTI opened its Blimpie in June 2013. We caught up with Calvillo to find out how his organization’s franchise is turning sandwiches into siding for families across the Rio Grande Valley. —Jason Daley

HOW DID YOU COME UP WITH THIS PLAN?

As federal grants have been reduced over the past few years, we needed to be creative in generating revenue. We also wanted to do some economic development in downtown Weslaco, and we owned the building next to us. We had tenants in that building, a T-shirt shop and beauty salon, mom-and-pop operations that had moved on. I visited the space to make sure it was ready to be re-rented and thought, *There must be something we can do here to gen-*

erate revenue and help the community.

There was a nursing school around the corner with 400 students. At lunchtime they would all get into their cars and drive away. I thought that a lunch place with healthful food would really attract people. So I got on the phone and called some sandwich places. Blimpie was the only company to call me back.

YOU HAVE AN ORGANIZATION TO RUN. HOW DO YOU MANAGE A BLIMPIE, TOO? We have a store manager and an assistant manager who are both wonderful people and have taken this on as if it’s their own store. The manager was unemployed and she was taking care of a sick mom who died right before we opened the store. The assistant manager had previously worked at Blimpie and came in knowing the procedures. It’s a neat team—one is really good at store operations and marketing, and the other really knows how Blimpie works.

I was initially spending most of my days over there, but now I spend about 30 minutes or an hour on store business and go and visit once a week. Now I just treat it like one of the divisions of our company, like construction or accounting.

HAS IT BEEN WORTH IT?

I think so. We’re building momentum, and sales are increasing. Word is getting out.

We have regular customers and catering clients. We’re not going to solve all our funding problems with this one store, but it’s a good base to build upon. If all goes well, we might look at another store or different franchise. The crazy idea is working.

HOW ARE CUSTOMERS RESPONDING?

The community has really rallied behind us. Our tagline is “Great food for a great cause.” People come specifically to us because they know they’re helping their community. We had a senior-citizen center that was having a meeting and called other sandwich stores and us for catering prices. They said they chose us because the prices were similar, but they wanted to support our mission.

COULD OTHER NONPROFITS DO THIS?

What people don’t understand about a nonprofit is that we can make a profit—we just invest it in our mission. We have great capacity: We have marketing people, software people, IT, accounting, maintenance people—all the things a regular franchisee might have access to. We even have in-house legal and real-estate departments. Blimpie was excited once they realized this. We knew how to operate a business, not just a restaurant. I think there are probably lots of other nonprofits out there with a similar capacity.