

Qdoba fast casual brand moving to San Diego



Qdoba expects to open new restaurants in San Diego but isn't ready to say exactly how many, although the first ones would be ready by next year, the company says. (Courtesy of Qdoba)



By **Lori Weisberg** . Contact Reporter

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Jack in the Box's fast-casual brand, Qdoba Mexican Eats, is relocating its offices from the Denver area to San Diego, where it will begin sharing space early next year at its parent firm's Kearny Mesa headquarters.

The move comes with a bonus: 50 new hires and a gradual rollout of Qdoba eateries in San Diego, potentially setting the stage for a rivalry with competitor Chipotle Mexican Grill.

While Jack in the Box is based in San Diego and has numerous fast-food outlets here, Qdoba didn't have a presence in the county until it recently opened a location at San Diego International Airport.

Jack in the Box acquired Qdoba more than a decade ago but the subsidiary remained headquartered in Denver. Now, it sees the financial wisdom of sharing resources, said Keith Guilbault, the brand president.

“The brands grew up separately, but over the years, we started to share resources in functions that make sense like IT, accounting, legal, some of the support services,” he said. “So as we looked for efficiencies, we took a hard look at it and realize there were some of these efficiencies and made the decision over a month ago to move.”

Guilbault said the company will be scouting for new restaurant locations throughout the county, with the goal of opening some by next year. There are six Qdoba outlets in the Los Angeles area.

“We believe there is room for more fast-casual Mexican,” Guilbault said. “We pride ourselves on coming into the market as a different fast-casual Mexican chain. We have great variety. We don’t nickel and dime our guests when they add on things like guacamole or queso, which we’ve seen was a frustration with people at other chains. Our restaurants are definitely designed as a place where people can come in and have a great meal with comfortable seating, as opposed to getting people in and out.”

San Diego restaurant consultant John Gordon is surprised that the chain’s relocation to San Diego didn’t happen earlier. The sharing of resources, he said, makes financial sense and opening some Qdoba restaurants here could serve as a convenient proving ground for future store and menu development.

The expected expansion effort comes three years after Qdoba moved to close more than 60 stores in ill-performing locations.

“Qdoba is more important to Jack in the Box now because they’ve identified it as their major growth brand and they want it in a place where they can watch it,” Gordon said. “Qdoba closed stores, made some menu changes and brought in a new CEO, so it’s been on a recovery road ever since.

“And Qdoba will be a direct competitor with Chipotle, whose market share and sales are down.”

Roughly half of Qdoba’s 95 corporate-level employees will remain with the company as it relocates, although some will work remotely, Guilbault said. The remainder either are in positions that are being eliminated or they opted not to move to San Diego, he said.

The chain has more than 650 restaurants in 47 states, the District of Columbia and Canada.

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