

Search Results for Google

Print this Release



November 16, 2006 01:38 PM Eastern Time

Organic to Go™ Expands in Los Angeles, Acquires Capital

Acquisition of Los Angeles-Based Vinaigrettes Catering and \$5.6 Million in Bridge Financing Accelerates Café Chain's Drive toward Market Dominance

SEATTLE--(BUSINESS WIRE)--Organic To Go (O To Go), the nation's first certified organic café and corporate meal delivery service, announced today the purchase of Vinaigrettes Full Spectrum Catering of Los Angeles, Calif. Terms were not disclosed.

Vinaigrettes is a 10-year-old, 40-employee company with sales of approximately \$2.5 million per year. It provides business catering services, ranging from corporate box lunches to lavish Hollywood events.

"Acquiring Vinaigrettes gives us catering expertise and deep-seated relationships in Los Angeles, especially in the entertainment industry," O To Go Chief Executive Officer Jason Brown said. Vinaigrettes' clients include 20th Century Fox, Universal Studios, Boeing Corp., Cedars-Sinai Medical Center and the William Morris Agency. Dan Karzen, Vinaigrettes' CEO, is now managing O To Go's Southern California operations.

Brown also announced that the company closed \$4.2 million of a planned \$5.6 million convertible bridge financing Oct. 27. The funding round, raised from private equity investors, will enable O To Go to expand into new cities and open additional cafés in Washington and California.

O To Go combines the convenience of a walk-in specialty grocery and café with a full-service catering and prepared food delivery service. Sales in 2006 will exceed \$10 million, Brown said.

O To Go operates 11 cafés in Washington's Puget Sound region, and Los Angeles and Orange County, Calif. In addition, O To Go serves fresh, tasty organic and all-natural food to such corporate clients as Starbucks and Expedia. It also operates cafés at seven universities including the University of Washington Medical Center, the University of Southern California and UCLA, and provides sandwiches and other grab-and-go food to independent coffee vendors such as Java Java and Euro Coffee at Los Angeles International Airport. In 2005, it acquired the Briazz café chain for \$1.35 million.

O To Go's rocketing growth trajectory comes as consumers crave quick organic and healthy meals to fuel their fast-paced lives. Americans will eat more than \$16 billion in organic food this year. That is only 5 percent of food sales, but the organic industry is growing at a compound annual rate of 21 percent per year, and organic food service remains largely untapped, Brown said. In February 2006, O To Go became the first fast-casual restaurant and retailer to be certified by Quality Assurance International (QAI), the leading third-party certification agency in the organic foods industry.

The \$5.6 million in bridge financing brings total investment in O To Go to \$15.45 million since November 2004. Investors include Funk Ventures of Los Angeles; the Keiretsu Forum Seattle, a group of angel investors; David Smith of the Smith & Hawken retailer chain; and Brown, whose previous company, Custom Nutrition Services, sold to Drugstore.com in 2003 for \$5.6 million.

About Organic To Go

Based in Seattle, Wash., Organic To Go is the nation's first certified organic café and corporate meal delivery service. O To Go's mission is to become the leading branded provider of certified organic and natural soups, salads, sandwiches, entrees and other food products to corporate, university and other institutional customers in selected urban areas nationwide. All O To Go fare is made with organic ingredients whenever possible and is always natural, free of harmful chemicals and created with care. For more information, visit <u>www.organictogo.com</u>.

Contacts

The Fresh Ideas Group for Organic To Go Heidi Hattenbach, 303-449-2108, ext. 19 heidi@freshideasgroup.com

Print this Release

Terms of Use | © Business Wire 2006