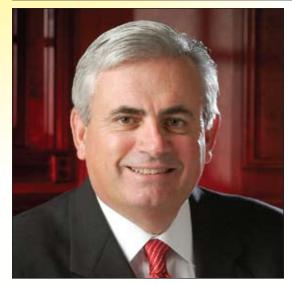


# A High-End Experience

An Interview with Craig S. Miller, Chairman,
President, and Chief Executive Officer, Ruth's Chris Steak House, Inc.



Craig S. Miller

**EDITORS' NOTE** Craig Miller joined Ruth's Chris in 2004 with more than 40 years of full-service restaurant experience. After 11 years with Darden Restaurants, he joined Uno Corporation, ultimately serving as its President and CEO, before becoming President and CEO of Furr's Restaurant Group. He also owns, in partnership with his brother, three Uno Chicago Bar and Grill franchise restaurants in Southern California and a sports bar concept called Miller's Field. He is a member of the board of directors of the National Restaurant Association, a past trustee of the National Restaurant Association Educational Foundation, and a member of the Florida Tourism Commission and University of Central Florida Foundation Board of Trustees. He was a member of the U.S. Air Force from 1967 to 1971 and earned a BS in business from the University of Central Florida.

COMPANY BRIEF Founded in 1965 in New Orleans, Louisiana, Ruth's Chris Steak House (www.ruthschris.com) went public on the Nasdaq in August 2005 under the symbol RUTH in honor of founder Ruth Fertel. It is the largest publicly owned upscale steak house group in the world. With 119 locations worldwide, Ruth's Chris serves more than 20,000 entrees daily, generating annual system sales in excess of \$519 million. In September 1999, Madison Dearborn Partners, Inc., a Chicago-based private equity investment firm, became the majority shareholder in Ruth's Chris Steak House.

### Are you pleased with the penetration Ruth's Chris Steak House has achieved in the market to date?

We're a leader among high-end dining chains. We're in 32 states and five foreign countries, so we have a more expansive geographic distribution than anyone else. Despite the fact that, with 119 restaurants, we're still a relatively small chain, our brand awareness is very compelling. We have a wide range of awareness, not only in our current markets but also across the country.

### Will you add more restaurants to the chain?

We're absolutely growing. We're going to add 15 or so new restaurants this year. Of those, 12 will be in the U.S., including additional units in California and Florida, where we have the deepest penetration. Our system has restaurants in most major markets today. Some of our new units will be additions to our presence in those big markets, and others will bring the Ruth's Chris concept to new medium-sized markets.

#### Do you anticipate strong international growth for the brand as well?

Absolutely. There's a big demand for highend American restaurants internationally. We have been operating internationally for more than 15 years, with units in Canada, Taiwan, and Hong Kong, and we recently opened two additional restaurants in Canada, as well as a restaurant in Tokyo. We now have franchise agreements in place for several Caribbean markets, as well as for the Middle East.

### What is it that sets Ruth's Chris apart from its competitors?

Ruth's Chris is known for its southern hospitality and its high-end experience, offered in a very approachable way. We've been successful in sophisticated dining markets like New York, Los Angeles, and Las Vegas. One of our biggest advantages is that we are universally viewed as offering a very consistent, high-end experience.

### You have an extensive Web site. Does it drive reservations, or is it still primarily informational?

We offer online reservations, and it's a growing part of our business, but many people still like to have personal contact with our associates. More Internet-driven areas like San Francisco have a higher percentage of people taking advantage of our online reservation system, but a significant majority still like that one-on-one contact with our restaurants.

## This industry is known for its high employee turnover rates. How challenging is it not only to find but also to retain talent?

We're very focused on all workforce issues, because in the high-touch, service-oriented business we're in, anything related to workforce issues has to be on our radar screen. Whether it's about compensation, benefits, turnover, or training, we pay attention, because a big part of what we do is service. Having said that, the high-end segment of the industry is less severely impacted than its other segments. Our turnover levels are significantly lower, at both the management and the employee levels, than the industry-wide standards.

## Your restaurants are fixtures in the communities in which you operate. How important is it to be involved in the community on a philanthropic level?

Community involvement was something that was important to Ruth Fertel when she had one restaurant in New Orleans. We've carried that tradition on. Not only is it the right thing to do but it's also good for our business. Many of our guests, particularly our more affluent consumers, are philanthropic in their own right and are involved in the community, whether it's with the hospitals, charities, performing arts, or sports, and so on. So we are active in all of the markets in which we operate, on both a local level and, in some cases, regional and national levels.

#### How has Ruth's Chris' Florida headquarters benefited the company?

Number one, Florida has, over many, many years, proved itself a pro-business environment, in terms of both its infrastructure and its state and local governments, which promote the business community. The business community is very active in the social communities. Aside from that, for a restaurant business like ours, a headquarters in central Florida - which is really the hospitality capital of the world, with Universal Studios, Sea World, and Disney – puts us in a position to take advantage of the international visitors to our restaurants and the abundance of high-quality service-oriented employees we need to grow our company. Access to an international airport is also very important. Orlando happens to now be the busiest airport in the state of Florida, with daily flights to both domestic and international markets. So central Florida is a good place for an international hospitality business like Ruth's Chris. •