

# Acquiring four star pizza case study sample

[Business](#), [Marketing](#)



## **Article Summary: Four Star Parachute by Nick Mulcahy**

### Introduction

Changing careers is a challenge many professionals find refreshing and challenging at the same time. For one, a professional that undergoes career change faces the prospect of arriving at a forked road that may lead to either success or failure. Success could bring great fulfillment while failure may entail disappointments. The comfort zone of a professional provided by his current endeavor could also provide a challenging front to the objective of changing careers, especially if fear of failure is part of the equation.

Notwithstanding the costs and benefits, career change provides professionals with the opportunity to realize their potentials in settings other than what they are currently experiencing. Such is the story of Jason Sheehy, whose stint as a successful accountant in a major accountancy firm has taken a major turnaround when he became the owner of one of the leading pizza chains in Ireland, Four Star Pizza. Sheehy demonstrated success in changing his career from being an accountant to becoming an owner of Four Star Pizza through devoting adequate focus and dedication, particularly during the transition phase.

Sheehy made his intention of retiring as an accountant of BDO Simpson Xavier by the time he reaches the age of 40 clear. At the same time, however, Sheehy was worried over having to build a watershed plan in case he pushes through with his plan to retire. Noting that accountancy provides a satisfactory lifestyle, Sheehy stressed that “ he didn’t have a parachute” when he decided to “ jump” off his accountancy career. The opportunity to

own Four Star Pizza came as a welcome opportunity for him, given that he found promising prospects in it (Mulcahy, 2009).

Promising to “ only work with [enjoyable] people”, Sheehy entertained the proposal of his former boss in BDO, Anthuan Xavier, to become the owner of Four Star Pizza. Xavier took over the ownership of Four Star Pizza from its original franchise holder in Ireland, Ann O’Leary, at a time when the pizza chain was doing well in terms of business. Picking Sheehy in a partnership deal seemed like an easy choice for Xavier. The proven record of accomplishment of Sheehy at BDO impressed Xavier well enough to pick him as his partner. Furthermore, Sheehy found being an owner of Four Star Pizza highly exciting, since it proved different from his previous stint as an accountant. Although much of the legwork in owning Four Star Pizza greatly derives from the discipline imparted by accountancy, Sheehy nevertheless saw greater opportunities to expand his horizons in business, particularly with the target of the pizza chain to expand its presence across Ireland (Mulcahy, 2009).

## **Expanding Four Star Pizza**

The challenge to expand Four Star Pizza across Ireland proved daunting for new owners Sheehy and Xavier at first. Whereas Four Star Pizza served as the original pizza delivery service that existed in Ireland, the market for it has nevertheless expanded to at least three other major competitors – Apache, Pizza Hut/Godfather’s and Domino’s. What Sheehy saw from such a challenge is the potency of the market for the consumption of pizza. With due consideration of regulatory and market factors, Sheehy and Xavier has recorded a steady rate of success in expanding the presence of Four Star

Pizza from 29 branches to 37 as of 2009, both within Ireland and Northern Ireland (Mulcahy, 2009).

In running Four Star Pizza, Sheehy also introduced a new scheme involving franchise distribution. Traditionally, furnishing franchise deals, particularly for food chains, involved recruiting people interested in franchising first before building actual stores for franchise. Said scheme has caused many potential franchisers to lose interest over time, especially because building a fully functional store usually had to take a window period of 12 months due to the need to look for suitable locations, acquiring the necessary permits and establishing equipment. Yet, Sheehy managed the franchising process the other way around by building stores first before finalizing deals with potential franchisers. Such move enabled Sheehy and Xavier and to grow the number of Four Star Pizza stores since the latter acquired the business from O'Leary in 2005. Furthermore, Sheehy grew increasingly confident with the power the Four Star Pizza brand brought, considering that he does not see the possibility that franchisers might establish their own pizza brands a threat to his business (Mulcahy, 2009).

### **Four Star Pizza in the Face of Competition**

Shaping the Four Star Pizza brand also urged Sheehy to expand his paradigms. Whereas Four Star Pizza already has a solid reputation prior to the takeover by Xavier, the growing challenges posed by its competitors gave Sheehy the motivation to shape the pizza chain towards better profitability. Domino's, for instance, has grown its network to 42 stores within Ireland alone thanks to its sponsorship deal with Sky on the popular animated show The Simpsons. The owner of Godfather's, Raja and Sundeep

Tuli, also acquired the rights to franchise global pizza brand Pizza Hut. That has enabled the Tuli siblings to rename most of their Godfather's stores into Pizza Hut, enabling them to have considerable coverage in the Irish market. Apache is another competitor whose stores are increasingly growing in numbers across Ireland, with 43 as of 2009. Sheehy responded to such mounting competition by signing up a sponsorship deal that involves sponsoring FA Cup Games as shown in the popular Irish sports channel Setanta Sports. The deal proved lucrative that in such a short span of time since the 2005 acquisition, Four Star Pizza was able to keep itself afloat as a competitive pizza chain brand. Moreover, the 2008 economic recession that affected several nations in Europe proved to be a difficult time for Sheehy, Xavier and the rest of the people running Four Star Pizza. Sales slightly plummeted below normal levels due to lesser orders coming from customers and peak days in stores narrowed from Thursday to Sunday to Friday to Saturday. Nevertheless, Sheehy recognized that such period is a time when people felt fearful of spending much of their money, although he did not lose the drive to expand operations. Prices of food ingredients also affected the prices of Four Star Pizza, causing Sheehy and company to lose substantial portions of sales. Yet, that did not stop Sheehy from investing in further improvements. Under the leadership of Sheehy and Xavier, Four Star Pizza invested €300, 000 for store rebranding and IT developments (Mulcahy, 2009).

## **Conclusion**

No one could possibly deny the fact that Sheehy has successfully reached his goal in changing his career. Although it is agreeable that Sheehy, alongside

his partner Xavier, have not gone through the process in an entirely smooth manner, it is nevertheless noteworthy to state that they both overcame the challenges that confronted them in a painstaking manner. Such has led Sheehy and Xavier to become highly successful in expanding their branches within a short period since their acquisition in 2005. Thus, the case of Sheehy is one in which he was able to realize new paradigms aside from his comfort zone of accountancy, as he bravely embarked on a mission to change his career.

## **References**

Mulcahy, N. (2009, May). Four Star parachute. *Business Plus*, 1-2; 29; 32-33.