

Long Island Business News

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Pastrami power

By: [Adina Genn](#) November 3, 2022

To the next 50 years, and then some. That's the sentiment at Ben's Kosher Delicatessen Restaurant & Caterers, with six locations – three on Long Island, and others in Queens, Manhattan and Boca Raton, Florida.

The iconic Jewish deli is known for its matzo ball soup, hot pastrami and corned beef, baked knishes and a serious variety of pickles. Celebrating its half-a-century in business, Ben's recently offered a 50% discount at its dining rooms. It was a way to thank the folks who counted on Ben's over the years, whether dining in-house or catering their most meaningful family events (brisses, graduations, anniversaries, reunions and shiva calls.)

"Customers were coming up to me, congratulating me," said Ronnie Dragoon, Ben's owner and CEO. "It's a very warm, fuzzy feeling knowing I've taken care of three generations of families on Long Island – it's very rewarding."

But at age 74, Dragoon, who has been known to put in 100-plus-hour weeks, has comprehensive plans to carry the business forward at a time when people's eating habits have changed, and the number of Jewish delis is dwindling.

"When I was 66 or 67, it finally dawned on me that I couldn't do what I used to do – I can do it in spurts, and I have to start grooming people," Dragoon said.

Owners of family-owned businesses have a host of exit-strategy options, including the sale of the company, private-equity investment, ESOPs (employee stock option plans) and next-generation plans, said [Lou Biscotti, the national leader of Marcum's Food and Beverage Services Group.](#)

For those going the next-generation route, challenges loom. Statistics show that only "50% percent are successful and in the third generation, it goes down from there," Biscotti said. "Not that it can't be done. As long as the family is qualified, worked in the business and has the skills, then it can work."

At Ben's, which bears the name of Dragoon's father, the succession strategy starts with leadership that knows the business from the ground up. It includes Chief Operating Officer Todd Silverstein, who's been with Ben's for 32 years. And it includes Vice President Gilah Salzano. She started at Ben's as a teen and then embarked on a banking and accounting career. Still, until age 28, she said she worked at the restaurant one weekend day a week because she "liked being around people." And now Salzano is full-time at Ben's.

Most recently, Digital Content Creator Jaime Passy, Dragoon's daughter, rejoined the firm part-time while her young children are at school. A former New York City teacher, Passy is now gaining insights into management, having worked as a hostess at the restaurants in Greenvale, Baldwin and Manhattan, where her mom, Cindy, ran the floor. Meanwhile, Dragoon's son Joshua, who worked in

the business through high school, is a published author with advanced academic degrees, has an interest in the business, with a door open if he wants to get more involved, Dragoon said.

Grooming the next generation requires a certain mindset.

“In the restaurant industry, you have to work with people in the trenches and see [how they do] when they’re stressed and pushed to the brink,” Dragoon said.

Silverstein and Salzano, he said, “came through with flying colors. Through the pandemic, everyone was tested, including myself. The fact that we’ve survived tells you a lot about the operation and the people who work here.”

Silverstein, since 1990, has worked at Ben’s, first at an express, before moving into the dedicated restaurants.

“I’ve worked all the positions,” Silverstein said. And during COVID, Ben’s partnered with Steve Israel and the United Way in a program to feed healthcare workers, with Silverstein personally delivering up to 150 meals a day.

“Ronnie’s been grooming me for many years,” he said. They are to the point now where “98% of the time we are on the same page on everything – we’ve worked together side-by-side for so long.”

There are valuable lessons in the family approach taken by Ben’s.

Estate planning for family businesses can be “the most challenging estate planning there is,” said Mary O’Reilly, a partner at Meltzer, Lippe, Goldstein & Breitstone.

That can include in-fighting among siblings, especially if they feel the inheritance or subsequent workload is inequitable, she said.

“It’s all a matter of perspective,” O’Reilly said. “I see this all the time.”

Friction can occur even in families where everyone historically got along. There can be tension in instances where it was the “parents that held the family together,” she said, where siblings find themselves, once the parents are gone, “in situations that have never been stress-tested.”

Estate taxes, too, can be “a big strain financially,” which is why “the time to do the planning is in the beginning,” in the growing phase, she said.

And in instances where one child is interested in the business, and the other is not, there may be ways to split assets equitably, or to the extent possible, flexibility so that it is “possible for the kids to have the ability to walk away financially from each other,” O’Reilly said.

It’s important that key employees “stay in the business,” and they may need to be financially incentivized, she said.

In instances where there is more than one restaurant, parents can have equity stakes for “different restaurants with different children,” O’Reilly said. “I’ve seen this done very well.”

And “rather than letting them fight it out, the more mom and dad can dictate, the better chances of minimizing conflict,” O’Reilly said. It’s best to have those conversations “while the parents are alive, so it’s not up to the kids to figure out.”

Appraisals help owners understand the value of their assets.

And there is a lot owners can do to increase that value, Biscotti said.

Proactive steps include “having a strong supply chain” to navigate around shortages, he said. “It’s always good to have at least one backup for the major products.”

Also important is strong technology where systems integrate, including point of sales, pricing, inventory and tax calculation. Also essential: standard operating procedures, which include documentation of who does what in the company.

Accounting records should be current, and include accurate information with regards to cash.



LOU BISCOTTI: ‘Good strong management is critical.’ Courtesy of Marcum

“Good, strong management is critical,” Biscotti said. “Today’s skilled labor is hard to find.” Increasingly, owners plan to boost compensation and wages, and improve life-work balance. “As a result of the pandemic, many more are cognizant of good policies,” Biscotti said.

Salzano said that Ben’s has a “unique business model with how we staff and pay our staff – they get overtime, benefits, and they stay. It creates loyalty and engenders good feelings. I see us here for the long haul.”

And innovation and compassion remain top-of-mind.

“Society is changing, and we need to change with it,” said Salzano.

“I did every job here, and always empathize with any situation,” she added, noting that this helps team members “create better habits.”

The company welcomes customer feedback, including on available comment cards, and Salzano responds to any negative ones, while Passy, for now, handles the positive ones. And every comment is addressed.

“I come up with resolutions, and try to train people on what to do better so that the customer can leave happy and [Ben’s does] not give away the house,” Salzano said. “Takeout has changed how we have to think because it’s different when we have customers in front of us than on the phone.”

Silverstein said that upon learning about this year’s turkey shortage, Ben’s secured kosher turkeys for Thanksgiving, thanks to the company’s vendor relationships. This comes on the heels of the

pandemic where leadership had to respond when someone got COVID, and the surrounding team had to quarantine.

“I personally love a challenge,” he said. “And I like to come out ahead.”

Meanwhile, new menu items include plant-based options and gluten-free breads. And Passy said chopped salads with such toppings as pastrami, quinoa and kasha are becoming a new focus.

Passy said Ben’s is finding new audiences, including at the Manhattan store, where Batsheva Hey, an Israeli designer, showcased her latest line during Fashion Week.

Upcoming events include latke demonstrations and a Jewish singles meet-and-greet. And Ben’s will be featured in the upcoming New York Historical Society’s “I’ll Have What She’s Having” exhibit on Jewish delis.

All of this is how Ben’s stays authentic and relevant at once, an energy Dragoon seems to appreciate.

“It’s been an interesting journey,” Dragoon said.