Matt Wagner

Bienvenido and welcome to another episode of the Main Street Business Inside podcast. Roberto, my friend here is laughing, of course, because my Spanish is pretty weak. Yeah, yeah. You know, I'm trying. I'm trying. I'm going to try my English. But so glad to be here in San German, Puerto Rico with my new amigo, Roberto Melendez. He's the owner of Portico's restaurant here along the plaza in downtown San Hermon.

And I'm here as part of a project that really my amazing colleagues have been working on at Main Street America, where we've been engaged in community planning efforts in support of disaster mitigation in five cities in the southern part of Puerto Rico. You've got your geography hats on. I want to really extend a special thanks to our partners and friends and really supporters of this at Vivienda.

and Foundation Puerto Rico and Atkins. They've been great partners for us and we can do this without obviously their support. As many of you know, we are seeing and experiencing really more tragic events all across the globe with national disasters and weather activity like no other time. And there are a few places, I think, around the world that have experienced

more tragic events in a short period of time than Puerto Rico. And I thought we would use this podcast while I was here with my colleague, is really a great opportunity for our listeners, our small business owners out there, our community leaders, to really learn firsthand about how to perhaps prepare, how to think about both from the community and the small business side, really around this preparation to recovery that every business and community leader must go through. And so I'm sitting with one of the leaders of that. Whether he knows it or not, he certainly is and is really a central role in thinking through and working on issues. So it's with great pleasure that I welcome Roberto to the show.

Thanks a lot. My name is Roberto Melendez. I'm an architect, also study marketing and human resources. I have a love for history as my preparation as architect. So what better place to be in San German. San German is full of architecture, the roads, the museum, the churches.

So this is the place. If you want to do something as I dream of to do a business, this is the place. People ask me about why you as the architect are you doing this? And two answers for that. The place was available. brand number one. Number one. It's been like four years close. And then there was a challenge. The challenge maybe in October 2019, I was talking with my wife, time with her, and she just asked me a question, And you're like, when what? When what? Really, Matt, that was when what? And she just answered, just like, truly, when are you going to do your business? Your restaurant, you always have been cooking with your friends, you always have been attending bars, so this is the time for you to design your own business plan.

as an architect, with a scope of marketing. So that started to ignite a fire on my mind maybe. So I went to my table. I always have a table growing inside my bed. You're always doing sketches, I can imagine. Grab the table, grab some papers, and just start growing. I got the carpet here.

Is this the first evolution? This is the first process of developing. But it's 40 because 60. You don't see a lot of drawing. You see a lot of work. Those are designing ideas, sketches. And after that, I presented this to my wife. Was this like your version of a business plan? No, no, no. She was like, OK, that's fine.

And what you're gonna give to someone to the community.

Oh, that's interesting. Another curve to draw me. So I can see this relationship right now. So then I grab my computer, put it on the side, start searching, start reading, looking for historic moments in San Hermano because if I want to base something in this historic building has to be attached to the history of the building, maybe the year.

or the next 50 years. With some connection either from the past but also with the thought of looking to the future. So if you go to San Hermano, search San Hermano, which is the first picture that you get in the search. I'm going to guess the church. The church or the celly.

And I got it. I already got Porticos. Porticos means entrance, access. Porta Seli is Portar del Ciel, la entrada al cielo. So I got this link, but I cannot use the name of the church to the name of the business. name and second name. Porticos 1606. So that's how it started.

That's how I was inspired to gather the concept to develop what is already today of five years of experience for TIGOS 1606. When you were going through this process, I mean, you're an architect, you're professional, like you've done work for the university or continue to, I mean, you're big.

whether you know it or not, in the architectural field. And so now, like to switch, it sort of uses a different part of your brain to think business. What was that like for you to kind of switch or did it not, did it seem natural for you? It's not because I started marketing first. okay. And then your preparation as an architect, you can design everything.

from a key change to a share, what we see already in our background here. So it's easy. Now you're designing for serving and hospitality. That's what you're... I like how you made that connection on the design front. Yes. If you go to the meeting of porticos, it means access and entrance. It's the access to the Caribbean. It's the access to the...

flavors of the Caribbean. And if you see the first row in here, I draw the little flags and it's a gallery of the pillars of the Caribbean islands, the big islands. Puerto Rico, Cuba, Dominican Republic and Jamaica. That's the easy part and the connection that you're asking me, Matt. Yes.

Now know on the videocast, obviously you can see this for those on the podcast on the audio only, the interesting thing that Roberto doesn't probably doesn't know is, know, and for you mainstream readers out there is the four point approach. Roberto worked in the four point approach in some ways with the business concept. I, I, I'm always fascinated because obviously we travel around a lot, talk to many small businesses and communities and they're always different.

you know, as much as we think things might be similar, there's always unique challenges and opportunities. And I wonder when you think about doing business and running a business in Puerto Rico, what are some of the biggest hurdles you've had to overcome? Hurdles here? hurdles. Overman, permits. Maybe things are very similar. Infrastructure.

Those are the biggest order. Power shortage, water shortage. Those are the biggest orders. Me as an architect, I know about maybe the permits. That is an advantage. I did my own permits. I know a little bit about the rules and how much time that I have to make.

the process and inspection. If they don't come, have to give me the permit. So I know that those shortcuts maybe, and that's an advantage for me. But the people that don't know, the government will delay everything. Maybe they don't want to, but it's the natural process. Did you feel that there was, if you took off your architect hat and you didn't have that

background. Do you feel like is there an adequate support system for other small business owners, entrepreneurs that might want to do something similar? You just kind of got to figure it out. Well, here in the municipality of San Hermano, they have an office for that. Okay. There's all the restaurants that started for me. They have problems with maybe a professional they had in contract. And they went to the municipality and the problems were

So that's an advantage that here in San Juan they have that in the office. Now you mentioned infrastructure from utilities, maybe water, stormwater, sewer. How have you thought about how you could mitigate some of that? What have you done in response? Well, can I go?

maybe to the disaster. Yes. And then go to the healthy. please. So everybody knows about Maria. Yeah. 2017. But this business started at 2020. It began designing in 2019. And when we got I was in California, I got here to Puerto Rico in January already started the air points.

From one to another. From one to another, you got the airquakes so people are afraid to get out. People are staying at home. And not short after that, COVID. So we have a shutdown in March. The whole island, was painting here with my business partner. We both work at the university. OK. So we're painting the building. We get a message.

You have to pick up your computers. You go remotely. But it's COVID-19, and you have to stay at your home. So the meetings is closed. So now you have the pandemic to deal with. We reparations on the road, buildings adding up. So we took advantage of that time. We set meetings at night.

we studied the menu, we practiced the menu with the chip. We, after the time was more flexible with the COVID rules, so we had meetings here in the restaurant with friends, private lunches. And that was an advantage on COVID. June 10 or June 8, we opened the doors for Portugal, but it was only to pick up.

Okay, you just had pick up service. you go to upstairs, you can still see the stickers. I left them on purpose on the floor because I want to remember. For the distance. The distance says here's your order line. This is your pick up line. Yeah. And it's on the floor right now. If you go upstairs Matt, you will see that. that's the to remember where we were only maybe my daughter was at the phone. I was at the line.

packaging and my business partner was in the kitchen. Three employees managed to open port because there were ADA orders the first day. So that's a good start. After that, after COVID, we did open the business for full assistance and within the booths. We drive two years. So now we are in 2022. Yes.

Hurricane Fiona. So we got earthquake, we got COVID. And now, as the times sell, we were more thankful. It's almost like you felt like maybe I've got a new norm here. Yeah. Settle in. Let me go to the wave. This is great. Business is good. The business was still changing because as you develop a business, it maybe takes you like five years.

really know where you're or the changes that you have to make. Yeah, what kind of shifts or adaptations do you need to make in business? Equipment, equipment. Then it came Fiona. Fiona was not hard as Maria in winds, but in rain.

It was hard. Okay. So we have this underground infrastructure here in the corner, which is where we're recording right now. So the infrastructure, electricity infrastructure goes underground. That was underwater as protection. Breakers went up because shut up. Yes. Those things. Nobody know where the breakers were. New municipality government, they don't know.

So when the electrical company came and started bringing up the breakers, that street turned on, the other street turned on with the hospital. And the two plazas stayed dark. So the whole plaza out in front of PortaCost was dark. Dark as the mouth of a wolf. Yes. It's a good way to put it. So that lasted for weeks. How long? For weeks.

Four weeks? Four weeks. With no generator. as I told you before, there was an event that we bent the knee. We were here down here. We got tripped. Yeah. We were here. Javier is the head cook. He was crying on that corner because we were discarding all the food. Yeah, because you had no refrigeration. So that make a decision.

You have to adapt. You have to adapt. You have to be flexible. have to make decisions quickly. So in that moment, I went home on my pickup or the generator of my home.

went to my neighbor. That's the networking that you have to be done. He's an electrical engineer. put a transformer. Like a temporary. Temporary to make the connection. And we managed to do times lapse for the air conditioner.

So that you wouldn't, so you could use the power corrector. Yeah. So we do maybe 10 hours for the fridge and the coolers. Then we manage to call all the community. We are going to be opening only a few hours. The menu is going to be two plates. Yeah. Simplify everything. We are going to be attending personally the owners, no employees. For a short period, we're to have air conditioning so you can feel.

comfortable. You have a place to relax, a place to be safe, a place to eat well. So the people responded. Maybe that was done as we, if I go back to the COVID data, we managed to put this as a vaccine center too. We vaccine every restaurant in the area in this restaurant. So this became almost like a community hub.

are things that you have to do to try to be ahead, maybe on top of the game. Start to do those networking with the community, your own business, other business, because there were all the restaurants didn't have any employees had the vaccine. So they couldn't start their open. Yeah, you couldn't get open. Yeah. So that was the law.

So we did the center here. And if I go back to the Fiona era, people responded because of that. Maybe they felt the connection between us, the restaurant, and the place. really important aspect of infrastructure is obviously communication. How did you communicate with your employees with, you know, once you were able to, you know,

put together a generator so you could start serving. How did the community know? How did you get the word out to? They saw the light. They what? They saw the light. That's right. Because it was dark. It was dark. It was dark. The generator was so loud. It running. It was running. It's the only light in the town right now. So that at times. And the word of mouth. Yes. Word of mouth. That's always it.

for communication. And do feel that in some ways and not to put words in your your mouth, but I'm sure obviously the food is great and they want to come for great food. But do you think there was a sort of a higher meaning for people to come and gather? They felt it because maybe I'm not a great talker, but I do write. So I went to the media.

And I sent a message, open message in the Facebook, in the Google, in the TripAdvisor. And it was an open message to the community. We're doing this. This is happening to us. Please support the restaurant. Yes. Please support the restaurant. We're going to be open a few hours. And it was great because you see the one who has the other business, painting business. He came with the family.

everybody and they spend maybe $300 that night. And then it came another, the owner of the pharmacy with the family and then spend $300. Then you lose $600, maybe $900 in night with four hours. Okay, this pays the expenses. Yes. We can stay open. We can stay open. We can go through this event. After this, we're to have to make serious decisions because this is going to continue.

And if you see the buildings and historic buildings, it's difficult to or arrange new scenes as technology to it because you've got your barriers. Luckily, after that, we managed to talk to a small business, SBA. And we got a loan. OK, so you worked through the Small Business Administration. We went through that. We got a loan. First thing we did.

That baby is down there. The generator. 56K. Yes. It runs the whole building. That seems to be a number one must-have is backup generation. If you have the financial support at the beginning, my recommendation is to have backup. If not, you have to pursue it, manage, and save some money because it's going to be an investment that maybe...

I don't want to talk about disaster as a good income.

It will help you to go through and your business will thrive. One of the hallmarks of Main Street businesses is the connection with community, obviously between the small business and the community out there. What was your sense of, I don't want to say obligation, but thinking

Okay, I'm here for the community, but also what can I give back to the community? Is there a sense like something you shoulder that's critical that you do as a business owner? You have to do it. It's part of the business. you don't do it, you have to hire customers or guests. You got the locals, the tourists, outside visitors. This is a small island.

So everybody can visit. It's a tourism economy. Within two hours of driving. But if you don't give to the rifle community, you don't give to the local baseball team, if you don't give with the basketball tradition that we have here in St. Helmand and whatever other

activities in regular activities that you want to have outside of your business. You have to be alert, pay attention maybe what is doing the other business to maybe learn from them. They're trying from mistakes too. You have to take both sides. So it's part of the formula to be alert, to be within the community. Yeah.

What have you learned over the last many years of experiencing natural events and having to shut down, reopen? What are some of the, like, if you could go back, what would you have done differently or how would you prepare? I will have the generator first. Generator number one. Check. We got maybe...

to so many tough times, but when it came to Hilo's heart, it did. So because maybe we spent our shortest of two days, one day, and you can manage that with eyes. If you got your freezer, that stays 72 hours, then you have to move your food or start cooking your food. So you got methods to go through that, but after the three, four, six,

one week to get worried. Yeah. You have to that you can't band-aid your way through that. No, no, no. So that's, and I remember the first, there's a Mexican restaurant here and he told me when you have the money, get the generator. So you have to listen to the other business too. Okay. Okay. There are people here that maybe have

I have five years, but there people here that have 10 years, 30 years of experience. So you have to visit those other restaurants maybe and establish those networks. Establish a networking with your suppliers too.

That's a really good point. Explain, talk about that one a little bit more. You throw the food away, but you owe it. You have to pay it. And then you need to be resupplied at some point. So are they going to hurt you a break? Yes. Are they going to be flexible? Because that's part of the... It's a two-way street. You have to be flexible in two ways. So they were good.

So relationship with vendors is huge. They were supportive. They gave us maybe 90 days. Okay, for terms. For terms. that give you that first month of recovery. Then the second month, you're ready open pool. And then you on the third month, you start paying the first 30 days. So and then you do a cash up every week. Yeah. So you work for that.

Yeah, those are nervous times. Yeah, those are when you have to have the support of your family, friends, your business partner. We have to be willing and willing and a strong will of decisions. Yeah. To stay maybe tall and focus. I'm sort of curious. Obviously, you're in the restaurant business and maybe this isn't is is critical, but I'm interested in your

your views, we see a lot of smaller businesses that maybe haven't fully transitioned or integrated technology into their business, whether it's just being online or the way that they communicate through social media. How has that played a role in your business, especially during perhaps some down times where you're able to leverage technology to communicate or what have you?

We haven't experienced that with the maybe the internet. Maybe a short time. Now I'm starting to boost every... I didn't want to that. I remain maybe four years organic. Okay. In terms of your marketing. In terms of my marketing, I develop maybe 11 followers.

thousand thousand thousand followers. I'm going to say eleven Roberto. We got work to do. Followers the organic way. Eleven thousand organically. OK. So that's impressive. After this, this is where we're standing is Barrio Pueblo. Yes. This is a product of Portico's. So if you are willing, you can do another baby. We're doing this in another baby right now. So.

This business is different than Portico's and that's what opened my eyes to start maybe boosting and paying some money. Someone told me that was here, I guess, you have to put money to make money. Yeah, you have to make an investment, right? Yes, have to make money. So again, you have to listen. You have to be.

It's around you. Everything. Yes. a lot of smart people around you. have a book like me. Start writing. Keep the ideas for... Tip number one, journal. Journal. Keep your ideas for later. And then you go back. Ah, I haven't do that. Then you do it now. Yeah, that's great. That's great advice. And I think I like to kind of, I always try to conclude the show with some advice because, you know, I can maybe talk...

business from an academic sense, but you're living it each and every day. And, you know, if we were sitting around the table with other business owners and we were all going around the table, like sharing, like, what would you suggest? What, what would be your advice? What have you learned, over the years that you think is, something you want to share? You have to plan for the worst in this kind of business. This is a roller coaster business. Your days are up, your days are down.

So every time, even if you don't have a disaster, you have to be planning for the worst. You have to develop a strong networking within the community and your suppliers. Have a financial If you don't have it, you have to build it. Yes. To kind of weather the colloquial storm. You have to adapt, be flexible.

diversify. Yes. You have to stay in this business, you cannot stay with the same courses. You have to be open. And here we got a space, a window that we call it is the BDKI. It's as far as the English as for what you want. Okay. So that's the window for the kitchen to be creative, to be innovative.

I just said that in 08, And diversify. And then you can go to, you cannot stay on the Caribbean. You can go maybe to Colombia, Apepaisa. And then go to Venezuela, go to Brazil, go to Argentina. Do different dishes. So you have to be all the time be, that's what I like about this, that's my career as an architect. me sharp.

because it keeps me all the time being creative. Yes. And it's like a dare to me and a dare to my employees. I like that crazy. There comes Roberto with another course. Here he comes again. He comes with another idea. He's not in the kitchen, but he always comes with another idea. It's great. Roberto, I can't thank you enough that this advice of, you know, kind of being nimble

Agile, get a generator if you can. Be prepared for the worst, I think is right. And hopefully you never have to break out that plan, but make sure you've got it. And adapt. And I think the other big thing that I come away with is the relational aspects that if you're just staying in your business and you're not engaging,

just with your customers, but the community and being a part of that community. When times do get tough, who's going to have your back? I can't thank you enough for joining me on the show and just really lending your advice and knowledge to our other small business owners out there. It's people like you that make a difference every day in your community, but also in the

sort of more macro small business community. So thank you so much, Roberto. Really appreciate you being on the show. Thank you Matt, really. Thank you everybody. Come to Puerto Rico. Come to Puerto Rico. Puerto Rico, 6006. Welcome up. It's good. Ciao.