



# Lomi King: Savoring the Taste of Royalty

Fatima To, the young, petite owner of the popular Lomi King restaurant was back at work. She had been to the public market, which she visited every day to procure the needed supply of fresh meat that was machine-processed at the family-owned business in the heart of Lipa City, Philippines. As she arrived, she saw the long line of customers waiting to place their orders. More and more, customer demand was outstripping what the single location could handle. Indeed, customers were clamoring for the establishment of a Lomi King in nearby Metro Manila. She sighed as she put down the fresh meat. Was she passing up an opportunity by not expanding? But how would she be able to maintain the restaurant's high quality if she did open another branch? She had her hands full just operating this restaurant, with its staff of ten.

## **Company Background**

Lomi King was located on JP Laurel National Highway in the community of Paninsingin just across from the campus of De La Salle Lipa. This restaurant offered *lomi*<sup>1</sup> as its principal attraction, but along with this, the outlet offered other recipes of this noodle and a variety of sandwiches and rice toppings. This eatery catered to a wide array of customers — students, professionals, public and private sector employees, working class people, jeepney and tricycle drivers as well as domestic and foreign tourists.<sup>1</sup>

i This is a type of noodle soup that makes use of thick egg noodles.



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Lomi King was a second-generation restaurant that was established by Fatima's husband, Gary To. Gary was the eldest son of To Kim Eng, a Chinese immigrant from mainland Southern China. Kim, who just like the adventurous compatriots his age, was forced by circumstances to seek greener pastures in the then premier city in Batangas, the historic Lipa.<sup>2</sup> The elder To had the hobby of playing *mah-jong*<sup>ii</sup> with friends and in between games, he loved to serve a noodle-based snack that was so good that its reputation started to grow around the city by word-of-mouth alone. The original lomi recipe was known for its fine homemade noodles and was topped with *kikiam*,<sup>iii</sup> meatballs, and slices of meat and liver. In his authentic Chinese accent, he called it *merlenda* (a corruption of the Spanish, *merienda*<sup>iv</sup>).<sup>3</sup>

Before long, Kim was starting to get orders for not only lomi, but also other noodle-based dishes. It was in 1968 when the patriarch, along with his wife, Natalia, decided to establish a modest *panciteria* at the heart of the city, close to the public market.<sup>4</sup>

Many lomi houses were later established to compete directly with Kim's Lipa Panciteria. Many of them were makeshift operations that had sprouted up garages in adjacent cities and municipalities. Soon the vegetable-less lomi became an icon in Lipa City in the tradition of the much revered *barakong kape*vi of Batangas.<sup>5</sup>

In 1989, Gary finished a medical technology degree from a well-known university in Manila. Seven years later, instead of engaging in the practice of this profession, Gary decided to establish an independent business in Marawouy, the village where City Hall was located. This was aptly named Lomi King. After two more years, he and Fatima put up another branch in Banay-banay, a major village noted for the famous San Vicente Ferrer Parish. Nevertheless, the couple soon found that the building rentals each month were just too expensive. After much consideration and environmental analysis, the couple decided to phase out these two branches in favor of a more permanent and stable location. This was the location in Paninsingin, just 100 meters away from De La Salle Lipa.<sup>6</sup>

#### Lipa City and its Lomi

Lipa was a first class city of the premier province of Batangas in the Southern Tagalog Region of the Philippines. The city was bounded by the municipalities of Sto. Tomas to the northeast, Padre Garcia and Rosario to the southeast, Ibaan and San Jose in the southwest; Cuenca, Mataas na Kahoy, and Taal Lake to the west; Balete and Malvar in the northwest; and to the east by San Pablo City in Laguna and the municipality of San Antonio in Quezon Province. This city was 78 kilometers from Manila and could be reached in approximately 90 minutes via the South Luzon Expressway and the Southern Tagalog Access Road Tollway (STAR Tollway).<sup>7</sup>

ii A Chinese game in which players pick up and put down small painted pieces of wood and other material until they have the combination to win.

iii A popular Chinese dish adopted into Filipino cuisine, made of ground pork and vegetable wrapped in bean curd sheets.

iv Snack.

v Food establishment specializing in noodles.

vi A variety of coffee that is grown in the province of Batangas, known for its strong flavor.

An agricultural city with the Batangas coffee bean as one of its major products, Lipa had gradually evolved into an industrial economy with the presence of important industrial centers, which provided employment to many in the province.<sup>8</sup>

Lomi or pancit lomi is a type of noodle soup that has as its main ingredient thick egg noodles. This dish originated in China, but the creativity and ingenuity of the Batanguenos had made lomi a popular snack among residents.<sup>9</sup>

The ingredients of lomi included the following: fresh thick egg noodle or miki noodle, pork liver, pork belly, kikiam or Chinese sausage, eggs, garlic, onion, pepper, and small chopped vegetable servings of cabbage and carrot. To spice up the taste of lomi, depending on one's preference, a mixture of soy sauce and crushed fresh red chili peppers were added to the dish as a condiment. Each lomi serving cost 76 cents to \$1.1 for regular orders, and \$1.20 to \$1.40 for special orders.<sup>10</sup>

Although lomi was a great snack-cum-meal, vii what ultimately guaranteed its success in Lipa City was that it appealed to the Batanguenos' "aremuhanan" culture — the culture of frugality. This meant that an ordinary resident would maximize his or her peso, and derive great satisfaction from it. 11

The price — and the fact that Lomi is rather heavy — have always been its greatest attractions. Despite this the lomi house had always been the great equalizer where tricycle and jeepney drivers sat elbow-to-elbow with owners of SUVs.<sup>12</sup>

## Structure of Lomi King

As an independent business entity, Lomi King was headed by its owner-manager, Fatima. Fatima then coordinated with her husband Gary, who headed up the structure of Lipa Panciteria. Under Fatima there were three cooks and seven crew members who were in charge of serving customers and maintaining the safety and cleanliness of the restaurant. It must be understood that the supplies and materials were all sourced from the parent company, the Lipa Panciteria, which had a crew that was engaged in the manufacture of the noodles and processed meat ingredients. Fatima was also the chief purchaser for the firm.<sup>13</sup>

#### **Product Lines**

Aside from the lomi (both regular and special recipes), the restaurant also served *miki; bihon; canton; sotanghon; miki guisado* with *liempo*, chicken, or fish fillets; *toasted canton; canton-sotanghon, miki bihon* with liempo; *bihon* with chicken, with liempo, or with fish fillet; *guisado* with liempo; and *palabok.*<sup>viii</sup> It also offered chop suey with pork or seafood as its toppings. The restaurant additionally served *tapsilog* (rice topped with beef tapa and fried egg), a variety of sandwiches, and, of course, various concoctions of Lipa coffee.<sup>14</sup>

vii This means that since the food taken as a snack is heavy, it could be regarded as a full meal. viii Miki, bihon, canton, sotanghon are all variants of noodles that differ mainly in texture and flavor. Liempo refers to a choice cut of meat or tenderloin. Guisado means frying the noodles without any soup. Pancit palabok is a noodle dish with shrimp sauce, topped with several ingredients such as cooked shrimp, boiled pork, crushed chicharon, tinapa flakes, fried tofu, scallions, and fried garlic.

#### **Target Market**

Since Lomi King was located in a more upscale community compared with its parent organization, which was located in the more folksy public market area, its customers were mainly middle class, and to a certain extent, upper class. Most of the restaurant's daytime customers were students of nearby colleges, employees of banks and private establishments, government employees, and tourists who had previous knowledge of the restaurant. Its ambience — it was air-conditioned and its tables and chairs were high end — meant that few members of the lower classes would patronize the restaurant. Its prices were also higher by 50%-100% on average. The eatery was open from 9 a.m. to 9 p.m., thereby enabling its captive market to partake of its flavorful offerings whenever they had the free time. 15

## The Lomi Industry in Lipa City

The lomi industry in Lipa City had been around since 1970. The top three players in the lomi industry of Lipa were Lomi King and its parent company, Lipa Panciteria, Renfel Fastfood, consisting of four branches, and Benok's Lomi House, consisting of two branches, having annual gross sales of about \$217,391, \$104,347, and \$86,773 respectively. It is worth mentioning that these top three lomi restaurants had branches in the public market. This is remarkable because such a location would be frequented by the common tao, who could afford 76 cents for the cost of a regular lomi. On the other hand, regular lomi at Lomi King would fetch a price of a little less than \$1, and the special serving, \$1.40. Since its inception in the late 1960s, Lipa Panciteria offered its regular lomi at prices ranging from 76 cents to \$1. It had been getting the biggest slice of the customers, probably because it was first to introduce the noodle recipe. 16

Marawouy was one of the 72 villages in Lipa, which was located close to industrial factories as well as government offices such as City Hall, the Home Development and Mutual Fund, the Land Transportation Office, and the Department of Agriculture. The sheer volume of employees coming from these organizations who would be having lunch or merienda provided for a lively customer base in this part of the city.

Other locations of lomi outlets were Banaybanay and Sabang, two villages in the southwestern part of Lipa as well as Antipolo del Norte, a village in the northeastern part of the city. Another busy place was Sico, a village where the famed Fernando Air Force Base was located, just next to the village of Tambo.<sup>17</sup> (See **Appendix A**).

#### Lomi King's Challenges

As the market leader in the lomi industry in Lipa City, Lomi King was faced with the formidable challenge of sustaining its position. It had to satisfy constantly changing customer needs and wants amid the technological innovations of an increasingly globalized business environment. But it first had

ix In the Tagalog vernacular, this translates to the masses of poor people.

to address some of the most pressing operational issues that it was confronted with on a day-to-day basis.

At the production floor, Fatima often faced a seeming shortage of flour (which is a basic raw material in the manufacture of noodles) due to the lack of suppliers who could provide high quality flour at a reasonable cost. Lomi King's suppliers were from Laguna, a province adjacent to Batangas.

One distinguishing quality of Lomi King, according to Fatima, was that all of the materials/ingredients needed in the lomi recipe, from the noodles to the kikiam to the meat balls and pork liver, were fresh. This meant that Lomi King did not make it a practice to store the raw ingredients in the refrigerator or freezer (like many of their competitors did). Fatima found this requirement taxing since she had to procure these raw materials on a daily basis, after which she would oversee her crew members. Fatima spent long hours at the restaurant. The very nature of the business demanded hands-on management to maintain smooth operations and the quality of service that customers had come to expect. Delegating this task to somebody else could have led to an inferior quality of service.<sup>18</sup>

There had also been a clamor from their increasing number of loyal customers to make ready-to-cook lomi available in the market. In order to cope with the increasing demand for packaged lomi (similar to the "Lucky Me Noodles" sold in the market), Fatima thought that it would be necessary to acquire the latest technology that would make it possible to dry the manufactured noodles in bulk volume. They were doing the air-drying manually. They would have to invest a substantial amount of capital to procure the equipment. Lomi King had also been gradually getting orders from customers who lived abroad (North America, Europe, Canada, and the Middle East). These orders were also for packaged lomi, which international customers could savor in an instant. Lomi King needed a better way to package the ingredients. Fatima looked forward to the day when Lomi King would be recognized as an international brand.<sup>19</sup>

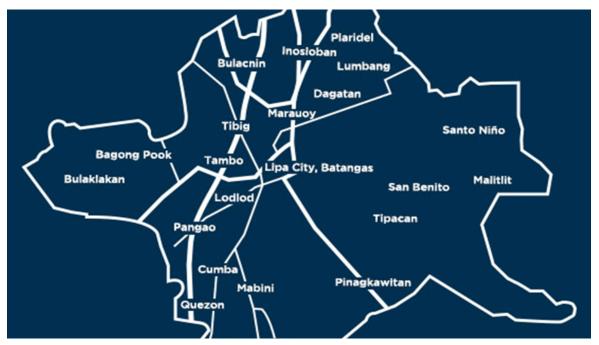
#### **Expanding the Kingdom?**

Lomi King had to first satisfy the demands of local customers. As Fatima was contemplating how to address the increasing multitude of customers at Lomi King, Gary arrived and intimated to her that it was about time they really mapped out a plan for expanding the business. They were partial to the idea of simply opening up new branches in Metropolitan Manila, particularly at shopping malls, but this decision had to be made with much caution; they would have to cater to the needs of urban dwellers. This might not be the same as serving Batangueno customers. On the other hand, should they offer the business for franchising, it will be a lot easier on their part since they would no longer have to worry about supervising the outlets personally.

Fatima and Gary mulled over the thought of opening up a new branch in the biggest shopping mall chain in Metropolitan Manila. But Fatima asked Gary: "What strategic innovation can we adopt so that the city dwellers would develop a liking for the locally originated lomi?"

Appendix A

Map of Areas Surrounding Lipa City



Source: Lipa City archives

#### **Endnotes**

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16 City Permits and Licenses Office, Lipa City.
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18 To.
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