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Dallas MAGAZINE®

A Winning Combination

Dan Garza knew he had a winner when he finished writing. And he was correct. The Dallas Press Club awarded Garza a Katie statuette for the Best Magazine Feature Story. His story, "Mariano Martinez Jr., The Story of a Man Who Made It," was published in the March 1975 issue of DALLAS Magazine.

"I worked one entire day on the lead," Garza explains. "It had to be perfect. This was an important story for me. I had an ethnic identity with Martinez, who used the fact that he is Mexican to his advantage."

Garza, who has been writing for DALLAS Magazine for three years, is in the public relations department of the American Heart Association. He was the press relations manager at Texas Instruments prior to joining the Heart Association. "That's how I make my living, but I have a great need to write as well. It's a creative outlet that's very necessary to me."

The Dallas Press Club awarded a Katie to DALLAS Magazine as the Best Corporate Magazine, an honor accepted by Editor Roger Pendleton and shared by all those who contribute to the magazine.

The Katie award, pictured with Garza above, has been given as a symbol of journalistic excellence for many years. The name was synergized from the words "communication award." The Katie Petroleum Company provides the trophies for the annual Press Club awards program.

Coming in March: *Using Daydreams and Fantasies to Solve Corporate Problems • How Stockbrokers Operate During Tough Times • Southern Methodist University's New President*

By DANIEL GARZA / Photographs by JACK CASPARY

The story of a man who made it
Mariano Martinez Jr.

For Martinez, it helps to be Mexican. But that's only one asset he's used to build his profitable restaurant.

Fast, twisty Mexican music in the late night thunders through the *cantina*, gushing out in torrents into the fancy shopping center, as a crowd of finely tailored and manicured *gringos* in the raucous, serape-draped *cantina* whoop and holler, occasionally sending a fist in the air and effecting as best they can, the classic Mexican *grito* or yell.

Then, a *gringo* — one who is completely engrossed in the frolic — says he'd like to hear *La Bamba*, and that gives Chucho and Renan and the other musicians the cue to further increase the feverish tempo and rattle the walls and windows more.

Chucho's fingers dance nimbly, rapidly across the guitar strings, reflecting glistening dart-like rays into his audience. Suddenly, all four musicians cut loose with the lyrics in Spanish.

Para bailar La Bamba, para bailar
La Bamba se necesita una poca de
gracia, una poca de gracia y otra
cosita y arriba y arriba . . .

After the initial frenzied stanzas, Chucho takes the lead, and being the rascal that he is, he weaves in his own lyrics which the *gringos* don't understand. But it's OK. They clap along with the music and laugh at Chucho's wisecracks about *gringos*.

Seated at a front table is the person most enjoying this merriment. He's not *gringo*, but a young Mexican-American. There's a continental look about him evidenced by his sporty goatee, moustache and natty attire. He smiles thoughtfully at Chucho's antics, all the while, absorbing the throbbing excitement with apparent satisfaction.

At that moment, as though he'd carefully weighed his thoughts, he turns to the others at the table, shaking a finger to emphasize the fact he's very proud of this musical group he calls *Musica Illimitada* because it has been so successful with his clientele.

But in the same breath, he adds, "You know, the guy I'm really proud of is Chucho — that stocky guy with the moustache over there." he nods towards his guitarist. "In just a short period, he's come on strong. He didn't used to be the entertainer he is today. He was sort of a quiet guy. But now, like you just saw him, he's dynamite. He makes people laugh and feel good. And that's what I want to give my customers — a good, fun feeling along with good Mexican food and drink."

Just as Chucho has grown in stature, so has his boss developed a mounting business through his Mexican restaurant/cantina complex in Old Town. Since its debut in May 1971, Mariano's has grown at a steady clip with sales tripling over the four-year period ending this month. At the outset, however, it wasn't all roses for the dapper, 30-year-old Mariano Martinez Jr. since a $16,000 debt hung over his head.

The happy noise blasting nightly from the cantina behind Mariano Martinez Jr. is the sound of success for this minority businessman.

But the daring Mexican with a flair for winning friends and influencing people convinced his contractor to whom he owed the money that it would be in the best interest of all for the business to open as planned.

Martinez recalls that in keeping with his policy of going to top decision-makers, he flew to Houston to confer with the top man at the construction company. "Man, I went directly to the heart of the matter. I explained to him we had three options. First, he could padlock my restaurant, and I'd remain indebted to him. Secondly, I said, 'you, Mr. Construction Man, can go into the restaurant business,' and thirdly, which is the most logical, is you can let me open up for business and I'll repay you out of all the profits I'm going to make.

"Well, he was a very understanding person, and he decided to let me pay him the $16,000 over a four-month period. I was really pleased with his offer. That was more than I expected, so I was very grateful for the break he gave me.

"With that ticklish problem solved, the next thing I faced was a way of promoting the business. There just weren't any advertising bucks in the kitty, so it was left up to my ingenuity on how well I could get exposure for my restaurant. I suppose this is the time I became good at promotion."

In earlier years when he was playing with musical groups around Dallas, he'd been exposed to press parties and sort of knew how they were organized. So with this elementary grasp for public relations, he set forth to launch one of Dallas' most memorable press parties for his grand opening.

In the true spirit of a public relations man, Martinez was primarily concerned with providing his press guests with a news hook, something unique they could write about. Creative juices began flowing with Madi-

son Avenue type ideas springing forth.

Plans called for the man bringing the furniture from Mexico to stop along the border for an ample supply of *cabrito*, the Mexican favorite. A Dallas wine merchant offered up champagne. And Martinez capped it all off by donning a *bandido* outfit complete with bandoliers, leather pants, and a big sombrero, the kind worn by Emiliano Zapata.

Word of the upcoming press *soiree* at the new Mexican restaurant got around. Friends said they knew somebody important at one of the newspapers. "Man, invite him," urged Martinez. A former college roommate offered to take Mariano's picture in his *bandido* outfit, so that he could have photos available for the press.

Even before the doors opened, the young restaurateur was getting ink in the newspapers with such comments as, ". . . . grand opening with an arresting menu of cabrito and champagne."

Noted columnists, entertainment writers, television personalities, sports writers, newspaper photographers, other members of the press, as well as local celebrities took notice of his bravura and began embracing him as a true *companiero*.

For Martinez, it helps to be Mexican. But really, being ethnic hasn't been all that essential since he has some other aces in the hole — like all those tangibles and intangibles it takes to be an entrepreneur.

The need to achieve and the paralleling drive to accomplish objectives quickly, effectively with a minimum of interruptions came to him at an early age. For example, his mother, Mrs. Mariano Martinez Sr., recalls that her son insisted on playing complete songs on the piano without having to practice the basics for too long a period of time.

An impatient teen-ager, he dropped out of school in the tenth grade because he found it "boring and meaningless." School was taking too much time away from his true interests, music and golf — two fields which would later have a direct influence on him and the success of his business.

Modeling himself after a teen-age musician friend, Martinez quickly learned to play, in his early teens, the electric bass guitar and began moving around in Dallas' entertainment circles with such names as Jesse Lopez and through the younger Lopez, grew to know Trini. Likewise, he befriended Lee Trevino at the Pitch 'n Putt driving range before the golfer began hitting the big time.

Eventually, he formed his own musical group serving as business manager and promoter. Only this was an intermediate step since his overpowering ambition was to excel at higher levels. He saw friends like Trini Lopez and Trevino succeed. At that point in his young career, Martinez became more determined that he'd fulfill his ambitions to become a "somebody."

"These guys (Trini Lopez and Lee Trevino) showed me that if you have ability and the willingness to work, you can be a success. It doesn't take wealth."

"When Trini and Lee hit the big time, all of a sudden new horizons opened up. Opportunities seemed more accessible," Martinez says. "These two guys showed me that if you have ability and the willingness to work, you can be a success. It doesn't take wealth. Both of those guys were poor. It doesn't require education because Trini and Lee had very little. What it does require is the desire, the ability, and the willingness to work at it. Armed with those thoughts, I decided that I was going to be great at whatever I did."

While his thoughts were sound in theory, Martinez was realistic enough to see that his liabilities offset his assets. "I knew what I wanted, but I didn't know which avenue to take," he says. "What I was sure of was that I'd reached a plateau in the music business and with golf."

Education seemed to provide an answer to a perplexed 21-year-old Martinez. After passing the GED battery of tests, qualifying him as a high school graduate, he moved on to North Texas State University where he found the going a bit tough. He regrouped at El Centro, and with two years of college credits under his belt, he undertook North Texas State again, only to discover that there was greater opportunity, not so much in the business courses he was taking, but in a potentially sound market for a Mexican restaurant in Denton.

"For the first time in my life, I was ecstatic about a possible business venture," he relates. "My enthusiasm overwhelmed everybody I came in contact with. My mind was buzzing with ideas — the theme of the restaurant, for instance, was 'leave Texas behind and enter the placid surroundings of Mexico.' I had an artist do a bunch of renderings for me, and I carried them in a big box wherever I went."

Financing posed a problem, but Martinez overcame it by forming an investment group that included his parents, his wife's parents, a kitchen equipment supplier, and friends. He raised $30,000 in collateral, enough to qualify for a $70,000 loan a Denton bank was willing to make.

The potential, yet maturing businessman began to develop more of a perspective toward his goals with the aid of business professors from El Centro and North Texas State University. "Since the time in grade school when I was a fledgling photojournalist with my Argus 35mm camera, I've been visualizing things that weren't, but could be. So now, here I was with this great opportunity; my mind was preoccupied with plans and ideas."

One thing he didn't foresee, however, was a snag in the construction schedule for the Denton shopping center that was to house his restaurant. Talk of building the shopping center continued, but for a year nothing concrete materialized. An impatient Martinez, still a student at North Texas, and his investors began thinking of an alternate plan.

About the same time, the chic Old Town Village Shopping Center was being built in Dallas, and it had strong appeal. Martinez could see a viable market for his restaurant/cantina complex.

"I decided Old Town was the place for Mariano's Restaurant, but I was afraid my shareholders would back out. When I discussed this new possibility with them, they were all in accord with 100 percent support," he says.

Getting a second wind, Martinez decided to drop out of college and concentrate on his venture full time. Packing his ideas along with him, he began negotiating financing in Dallas since his Denton banker wasn't all that interested in putting money in Dallas. What followed was round after round of involved and detailed discussion with the Small Business Administration and a number of banks.

He says, "All I heard from these people were negative things — that it was a bad time to start a business, that the dollar had shrunk considerably. Plus, there was lots of red tape, but I persisted, all along adjusting and improvising. Then, one day I walked into the First National Bank in Dallas carrying my box of drawings and plans . . . I carried that wherever I went in those days.

"I walked in cold and started talking to a receptionist about my plans," he recalls. "As luck would have it, an officer of that big bank strolled by and overheard my conversation, and he invited me and my box of drawings into his office. In short, what he told me was that he wanted to help me,

that he wasn't promising anything, but that he thought I had a 10 to 20 percent chance."

Subsequently, First National Bank in Dallas agreed to a $56,000 SBA guaranteed loan. That financing agreement was complemented by a $30,000 note endorsed by the Watson Kitchen Equipment Company, one of Martinez's original investors.

However, it wasn't quite as simple as that. Martinez recounts, "I found myself in a trap. Everybody was waiting on everybody else to commit. The SBA was waiting on the bank to sign the deal; First National was waiting on the SBA; and the equipment people were waiting on the other two, and no one wanted to be the first to commit."

As though these annoying situations weren't enough, he faced another hurdle with the SBA. Even though his loan had been approved, the SBA couldn't commit since it had reached a budget ceiling. It had to wait for Congress to pass a bill appropriating more funds.

"I tell him, 'well, let's call him and encourage him along' (to sign a bill). The SBA man says, 'call who?' 'President Nixon,' I said."

Red tape needed untangling. Martinez's future was at the mercy of Washington's bureaucracy. Meanwhile, back in Dallas, the landlord at Old Town was pressuring Martinez to commit; otherwise he'd have to give up his space to another merchant.

"Well, I've never been able to take no for an answer," he says. "So I go to the top man at the SBA here in Dallas and present my case. He's understanding and sympathetic, but says that the bill has to wait for President Nixon's signature. I tell him, 'well, let's call him and encourage him along.' The SBA man says, 'call who?' 'President Nixon,' I said. That guy got the biggest charge out of my suggestion. He said he wouldn't call President Nixon, but some other contacts he had in Washington in an effort to unclog the works.

"A week later, that bill was signed and passed and the bank, the SBA, and my kitchen equipment man and myself all got together to sign the formal papers to get my restaurant underway," he adds.

Years ago, he was faced with a similar situation. Only it didn't involve as many people — just a high school counselor who discouraged the spirit of entrepreneurship he was developing at the time.

Martinez relates the occasion. "I had a strong need to achieve when I was a teen-ager, but I wasn't known for anything. I wasn't a real bright student, or a cheerleader, or an athlete. So I was frustrated, because I wanted to succeed, be a somebody.

"The counselor gave me some tests and afterward told me that the results indicated I wanted to be the boss, the headman. But she said that wasn't possible, that I couldn't get there from the level I was at. She also said I'd have to finish school, go through college, and then work for somebody before I could achieve the level I wanted. Someday when you get to be 40 or 50 years old, you may become the headman, she told me. But she really didn't think I'd ever make the grade as an entrepreneur because she felt this type person was becoming extinct."

Disproving others' negativism has become a way with Martinez for the past 15 years since the time he launched his business career as the manager of a musical group. The experience he gained as an entertainer has served as a vital link in the sequence of events leading him to the pinnacle of success.

The promotion *savvy* gained through earlier musical days as well as his business acumen have been applied in yet another role he's played more recently — that of benefactor to El Centro Junior College and SMU's Caruth Institute of Owner-Managed Business.

At the Caruth Institute, Martinez fine-honed his business and management skills, and earlier, a number of economics and business professors at El Centro encouraged him with his business endeavors. To show his appreciation, he instituted Dallas' first Tortilla Eating Contest. The initial one in 1972 brought $675 that went toward El Centro's Mariano's Scholarship Fund.

Building on the first Tortilla Eating Contest, Martinez put his public relations talents to work and came up with what many considered his craziest idea. Donning his *bandido* outfit and looking like Alfonso Bedoya's twin, the bold and flamboyant Mariano staged a prearranged robbery of the Bank of Texas with the help of SMU's C. Jackson Grayson and Caruth's director, John Welsh.

The whole idea was to promote the 1973 Tortilla Eating Contest, and his publicity stunt proved successful, with local television and newspapers giving it considerable play.

Resulting from this contest was $8,000. With this money scholarships were awarded to 30 outstanding Junior Achievement students, allowing them to attend entrepreneurship study courses at the Caruth Institute.

Martinez moves in business circles around Dallas. When he isn't doing that, he's pondering the future of his business.

Lately, a tight business schedule has limited Martinez to few promotional projects, although he talks about getting back into the swing of things. But then, he isn't as physically close to his restaurant as he used to be. Taking charge of the day-to-day activities at the Old Town Mexican restaurant are three managers. Meanwhile, Martinez moves in business circles around Dallas, and when he isn't doing that, he's pondering the future of his business in his modern office on the eight floor of the 6060 Building on Central Expressway.

Currently, the action for Martinez isn't so much in his personal office, but in his mind and in an adjoining room containing walls of blueprints, floorplans, and an artist's renderings of future buildings.

Plans call for expansion to other cities in the United States. However, for competitive reasons, he hesitates to be specific about future markets in which he expects to engage. But what he does offer is that he and his planners have devised a 7000-square-foot prototype, free-standing restaurant building designed to be built anywhere.

"My initial plan wasn't to build only the Old Town restaurant and cantina," Martinez contends. "I wanted to build on the experience gained there and expand our business. Right now, we have available engineering specifications and drawings for the prototype restaurant building plus cost figures. But we don't have specific dates for setting up a business in another city because I think that today is the time to remain liquid. Interest rates are too high, and I think they'll be coming down. I don't want to be strapped at a higher interest rate for 20 years when I feel I can get a better deal by waiting."

The goateed Mexican in the finely tailored suit gazes out the window as if deep in thought. After a moment, he continues, deliberately choosing his words, "I'm sitting on *go* right now. I have my plans, my staff, and my cost figures for future expansion. When the time is right, we'll be ready to move." ■