

New York Vegan Chain Battles Identity Crisis

By Chloe has 'terminated' ties with namesake chef Chloe Coscarelli after an arbitrator ruled this month in favor of former partner ESquared Hospitality By **CHARLES PASSY** – March 26, 2017



Since the opening of its first restaurant in mid 2015, the vegan fast-casual chain By Chloe has become a growing presence, with five locations in Manhattan and Brooklyn. There is, however, no longer a Chloe connected to By Chloe.

ESquared Hospitality, the New York restaurant company that established the chain with vegan chef and cookbook author Chloe Coscarelli, said it has “terminated” all ties with Ms. Coscarelli and will operate By Chloe without her.

The move follows months of legal battling between the two sides over the control and future of the company.

Mr. Haber said the arbitration followed a lawsuit that Ms. Coscarelli filed in the middle of last year.

In the suit, Ms. Coscarelli’s attorney claimed that ESquared and its executives were “improperly seizing control” of the company and “forcing out the very chef whose name, likeness and culinary techniques represent all of the company’s value.”

Restaurant consultant Arlene Spiegel says the legal battling shows why it is important for chefs to have a full understanding of partnership particulars before they ink a deal.

She notes, however, that a financial partner may face difficulties forging ahead without the namesake chef and the passion and attention to detail the chef typically brings.

The financial partner “can go on, but at some point they really do lose their way,” Ms. Spiegel said. ●