Playboy Club returning to Chicago after two-decade hiatus
By Kate MacArthur and Lynne Marek
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Plans are in the works for a new Chicago Playboy Club just blocks away from where the original opened 51 years ago.

Playboy Enterprises Inc. has signed a licensing deal for a Playboy Club on the Near North Side. The licensee, Boston-based real estate capital and advisory firm Tremont Realty Capital LLC, is eyeing the mansion at 1150 N. Dearborn St., now the site of Il Mulino restaurant, Crain's has learned.

Playboy CEO Scott Flanders confirms that the company has a deal for a Chicago club with a partner who is “in the final stages of selecting a site,” adding that the club is expected to open by the first quarter of next year.

Playboy is resurrecting the clubs through licensees some two decades after closing down the last of its company-owned clubs. Since 2006, clubs have opened in Las Vegas, London, Macau, and Cancun, Mexico. Each is attached to a hotel or casino that attracts a steady stream of potential customers.

The Chicago location, however, would stand alone, making it a tougher test of the viability of the 1960s-era concept today. Success here would bolster the licensing business Playboy executives are counting on as a growth engine for the struggling company. Clubs are expected to be a major source of licensing deals.

The Playboy Clubs' revival comes at a time when the country is enamored with 1960s pre-feminist culture, as epitomized by the TV show “Mad Men.” Playboy hopes to capitalize on that appeal with the fall debut of an NBC television series about the original Chicago Playboy Club.
“Clearly, this is a totally different moment than the ‘60s,” says Elizabeth Fraterrigo, associate professor of history at Loyola University Chicago and author of “Playboy and the Making of the Good Life in Modern America.” “There's a retro appeal of Playboy that's still tied to the brand that could attract a young audience. But will it be able to set itself apart in a way where people will make a return visit?”

**NOT-SO-SKIMPY COMPETITION**

Playboy may have pioneered the concept, but today there's no shortage of nightclubs and bars with waitresses in skimpy costumes. The new clubs will have to compete with the likes of Hooters, Twin Peaks, Tilted Kilt and a new breed of upscale hangouts where the outfits make Playboy Bunnies look tame.

While the Las Vegas location ranks 30th among the nation's top independent clubs, its estimated $10-million to $15-million revenue is paltry compared to Vegas hot spots XS Nightclub and Tao, which gross $60 million to $70 million annually, according to Chicago-based food industry consultant Technomic Inc.

“To be relevant today, you have to attract that 21- to 30-year-old patron. Is that going to be relevant to somebody that doesn't know what the Playboy Club is or has never seen a *Playboy* magazine even today?” says Rocky Wirtz, 58, chairman of Wirtz Beverage Group, whose father rented the building at 116 E. Walton to Mr. Hefner for the flagship club. “In Las Vegas, is it attracting that 25-year-old person? I don't think so. You don't want to open a place that would attract my age group.”

While Playboy's Mr. Flanders won't confirm the Chicago location, sources say Tremont is negotiating with Fred Latsko, owner of the 1150 N. Dearborn mansion and most of the other properties on that block. A Tremont executive referred calls to Playboy.

Mr. Latsko says he's working on a plan to move Il Mulino next door in January, after he creates space for the restaurant by knocking down part of a wall separating buildings he owns at 1154 and 1156 N. Dearborn. Managers at the local outpost of New York-based Il Mulino say they're unaware of any plans to move.

Another potential obstacle for the new club is opposition from neighbors who might not cotton to the opening of a high-profile nightspot on one of the quieter side streets of Chicago's nightlife corridor. Alderman Brendan Reilly (42nd), whose ward includes the proposed Playboy club location, has blocked other projects based on neighborhood objections. Mr. Reilly says he's heard nothing about Playboy's plans.