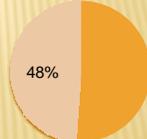


Overview

- Currently over **1 million** restaurants
- Share of food dollar = 48%



1955

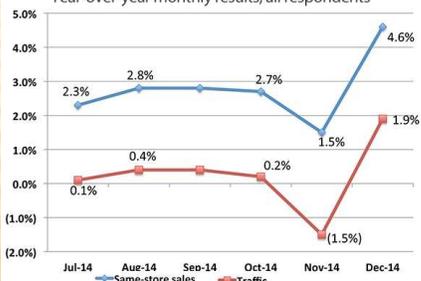


2014

3

December Restaurant Sales Reach 8-Yr. High

Restaurant industry same-store sales, traffic
Year-over-year monthly results, all respondents



Source: MillerPulse, December 2014

4

Healthier Economy Means Tight Labor Market

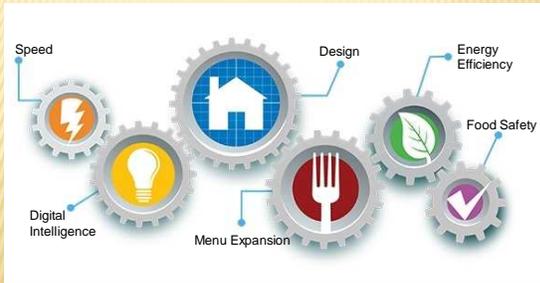
Double-edged sword

New jobs and a low unemployment rate bode well for the economy, but lead to a more competitive labor environment for employers.

- **321,000** net jobs added in November, followed by net **252,000** in December.
- Average of **224,000** jobs added each month during 2014.

5

Smarter, Smaller, Faster



Trends



Customer Expectations



Who's Hot!



Chicken Salad Chick



Chicken Salad Chick offers 15 types of chicken salad, served on bread or lettuce, as well deli sandwiches and side dishes.



10

Cream



Cream is built on the beloved combination of premium ice cream pressed between two freshly baked cookies.



11

Dog Haus



Celebrity chef and Food Network star Adam Gertler takes the humble hot dog up a notch by making it all-beef, skinless, served on grilled King's Hawaiian rolls, and topped with a choice of about 50 exotic ingredients.



12

Lemonade

lemonade

Lemonade offers a "choose-your-own adventure" cafeteria experience. The Southern-inspired menu includes such dishes as the "Not So Trashy Green Bean Casserole."



13

Rocks & Brews

ROCK & BREWS

Rock & Brews aims to create the experience of relaxing backstage at a rock concert venue. Its founders include Gene Simmons and Paul Stanley of the rock band Kiss.



14

Rusty Taco



Rusty Taco's menu offers breakfast and traditional tacos, as well as sides such as guacamole, salsa, queso and black beans.



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Operating Profitably



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Operating Successfully

Service Sells

- Guest Relations
- Managing Comments



Service Sells

- Convenience Stores
- Airlines



- Banks



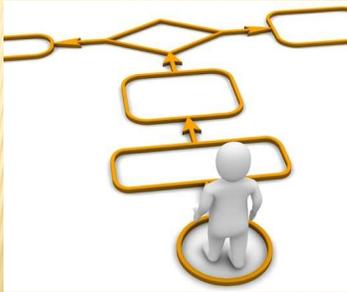
- Grocery



18

Operating Successfully

When Shift Happens...



19

Operating Systems in Place

- Opening & Closing Checklist
- Inventory Procedure



- Facility Maintenance



- Customer Handling



20

Manager's Have a Plan



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Weekly Manager's Meeting



22

Financial Reporting

- Accounting and reporting principles maintained



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What things costs*

	Full-Service	Limited Service
Cost of Sales	32%	31%
Salaries-Wages	33%	34%
Direct Operating	15%	12%
G&A	5%	5%
Occupancy	8%	10%
Pre-Tax Profit	7%	8%
	100%	100%

*National Restaurant Association

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Menu Guidelines

- Learning from the items that sell most.
- Managing variety (sometimes less is more).
- Proper layout and design.
- An effective price structure marketability.



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Menu Item Plate Cost

Menu Item: Tampico Shrimp Cocktail				
Item Description: Starters				
Recipe Unit	Quantity	Ingredient	Unit Cost	Extension
OZ-f	2	Seafood Stock	0.02	0.04
OZ-f	2	Cocktail Sauce	0.05	0.10
EA	7	Cooked Shrimp for Coteletes, Etc.	0.45	3.15
EA	0.5	Avocado Halves	0.62	0.31
OZ-f	1	Xnipec	0.21	0.21
EA	0.186	Chili Powder	0.18	0.03
EA	1	Chips & Pica for Tables (per person)	0.21	0.21
EA	0.083	Black Pepper Regular Grind	0.31	0.03
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
EA	1	Plate cost (Q-cost)	0.00	0.00
			0.00	0.00
			Total Cost	4.07
			Menu Price	14.50
			Gross Profit	10.43
			Food Cost %	28.09%

Legend:

- Enter the quantities of each ingredient used in the menu item. (Do not forget to include surround cost items or ingredients like frying oil, seasonings, condiments, etc.)
- Calculate the extension of each unit cost and calculate the total of all the ingredients for a total food cost.
- Calculate plate profit (gross profit) by subtracting total cost from menu price.
- Calculate food cost by dividing the total cost by the menu price.

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Menu Layout Sample

ITALIAN MENU		
	<u>Starters</u>	Beef
<u>Soups</u>	<u>Salads</u>	_____
_____	_____	Seafood
_____	Pasta	_____
_____	_____	Chicken
_____	Pizza	_____
		Veal

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Menu Economics

Food Cost Reduction Tactics

Percent respondents planning to employ each method



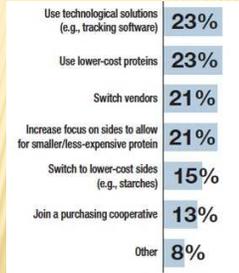
Source: Idahoan Plate Economics Report 2013

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Menu Economics

Food Cost Reduction Tactics

Percent respondents planning to employ each method



Source: Idahoan Plate Economics Report 2013

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Managing the Menu

“Never underestimate the importance of the taste.”
Jared Estus, Cook & Collins, Houston

- Line checks before each shift.
- Review item sales reports daily.
- Preparation lists to par levels.
- Plan daily specials on a weekly basis.
- Review menu seasonally.

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Marketing Plan

```

graph TD
    Marketing[Marketing] --- LSM[L.S.M.]
    Marketing --- Media[Media]
    Marketing --- Image[Image]
    
```

A Three Step Process

34

Marketing Plan L.S.M.

- Frequent Diners
- E-Newsletter
- Menu Inserts
- Take-out Packaging
- Quality Assurance

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Marketing Plan Media

- Print
- Radio
- TV
- Directional (Brochure)
- Reinforcement (Billboards)
- Social Media



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Marketing Plan Image

- Public Relations
- Community Involvement
- Seasonal Promotions



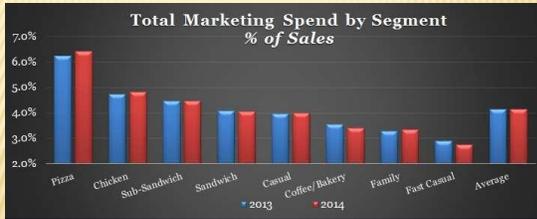
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Good Marketing is an Ongoing Process



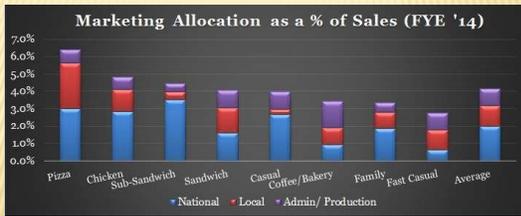
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Total Marketing Spend by Segment



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Marketing Allocation



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Expanding Successfully



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Growth Strategies

Increase Revenue Without Adding Units

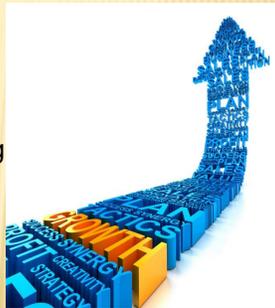
- Broaden day part with breakfast, late nite, weekend brunch menu.
- Catering-delivery.
- To-go, curbside pickup, online ordering.
- Private parties facility.
- Retail your products.



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Growth Strategies

- Expansion
- Merger-Acquisition
- Franchising
- Succession Planning



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Expansion-Acquisition



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Expansion-Franchising



45

Expansion-Company Owned



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Expansion-Non-Traditional



YELLOW HOUSE CAFE

EVELYN'S PARK CONSERVANCY

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Expansion-Non-Traditional



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Succession Planning



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Succession Planning



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How To Get There From Here

Q & A



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