

## It's time to shake those winter performance blues

**Don't let the "slow season" drag you down without a fight. Taking charge of the bottom line now is critical for success.**

**G**ood operators know that quality is never an accident. It's the result of high intention, sincere effort and skillful execution. Nowhere is this more evident than in foodservice. Retailers need to take advantage of every opportunity to get their foodservice operations in order, and it all starts in the cold and dreary winter months. What retailers do now sets the tone for the rest of the year and helps them hit the ground running in the spring to achieve those 20% net profit goals.

Some proven strategies to stimulate profits and boost bottom-line results:

**Promotions.** Focus promotions on increasing average purchases, not straight price reductions. Spice up menus with a new introduction for 30 days. Create a triple-threat promo, driving throughput volume which reduces shrink and increases labor productivity.

**Penny profit matrix.** Know the profit killers. Plot menu items on a "Stars-Dogs Matrix" analysis, with daily quantity sold vs. penny profit per item. Drive dogs into the star quartile or drop them. Promote stars, reset your benchmarks, re-plot the matrix and repeat for spring.

**Menu engineering.** The key is high variety, low complexity. Scrutinize every item with more than 10 ingredients, five production steps or 10-minute prep times. Complex menus eat your profits alive. Don't wait until spring: drop "dog" items now to benefit from increased labor productivity and reduced waste. Turn held-hot programs into no-waste vehicles. Introduce unique, quality and longer shelf life items.

**Trashcan audits.** Know where all your profits going. Deploy waste tracking daily in each prep area. Use waste

containers, weigh them daily—and watch your food costs shrink.

**Five storage rules.** Without fail, practice the five cardinal rules of label, date, initial, cover and rotate. Use "thaw & discard" or "use by" labels and follow HACCP compliance 100%.

**Pre-portioning.** Don't get hung up on the labor and packaging cost to pre-portion. Focus on high-cost items and short-holding-time items like side dishes, soups and pastas to reduce waste and labor by more efficient opening/closings, cleanup and cost control.

**Waste reduction.** Be ruthless about reaching 28% food costs. Build strong portioning habits, use scales and constantly spot audit weights. Make menu prep a no-brainer with color-coded portion utensils, and planogram prep tables with specific measurements. Track waste on top commodities religiously and formalize production schedules. Every inventory item in storage should have at least three to five uses, with every prepped item having second and third use cycles. Waste nothing.

**Activity-based costing.** Turn waste into cash. Consider investing in costing and inventory software if you don't already have it, because it provides immediate dividends. True profit is measured on a fully loaded P&L statement, with each menu item including labor, waste factor, packaging and direct facility expenses. Know the facts.

**Labor productivity.** Manage labor hourly by daypart—not by day or week—to achieve targets of 22% to 26%. Invest in just-in-time productivity time-clock applications and post productivity hourly.

### Product Source Reference List

**CompuTrition** ([compuTrition.com](http://compuTrition.com), 800-222-4488). Leading inventory recipe cost management software.

**Doran** ([doranscales.com](http://doranscales.com), 800-262-6844). Compact portion control scales.

**Food-Trak**. ([foodtrak.com](http://foodtrak.com), 480-951-8011). User-friendly, affordable recipe and inventory management software.

**Hubert** ([hubert.com](http://hubert.com), 800-543-7374). Leading provider of smallwares and merchandising equipment.

**Lettieri's Authentic Foods** (952-707-8466). High quality case-ready pizza, sandwich and stuffed baguette products for breakfast, lunch and dinner, long holding times for cold and held-hot program displays.

**N. Wasserstrom & Sons** ([wasserstrom.com](http://wasserstrom.com), 614-737-8515). Smallwares and prep equipment.

**Robot Coupe** ([robotcoupeusa.com](http://robotcoupeusa.com), 601-898-8411). The best quick slicer for vegetables and other prep needs, in all sizes and styles.

**Rubbermaid** ([rubbermaid.com](http://rubbermaid.com), 888-895-2110). A leader in food storage equipment and waste containers.

**Sara Lee Foodservice/State Fair** ([saraaleefoodservice.com](http://saraaleefoodservice.com), 800-682-7272). High-quality foodservice products for roller grill or held-hot products for breakfast and lunch.

Formalize production schedules and checklists. Implement an incentive program.

Setting high standards and building strong habits now enables new performance highs year-round. Do that, and those 20% net profit goals are within reach. **CSD**

---

*Coming in January's Food for Thought: Spring make-overs—hot profit drivers, and the skinny on fat.*

**Deborah Holand** is president of Food Sense, Inc., a strategic foodservice consultancy specializing in new concept development. Her client list includes Store 24, ChevronTexaco and Family Express. She can be reached at 219-462-4777 or via e-mail at [dh@food-sense.com](mailto:dh@food-sense.com).

