

*IFDA Sales & Marketing Conference*

# *An Operator's Perspective of DSR Effectiveness*

*Speaker:*

**Steve Runkle**

**Owner, Pier 41 Seafood**



## **Background in Food Distribution**

- Grew up in fresh produce business
- Joined Pate Derby Company in 1976
- Absorbed by Pate Dawson Company in 2000

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# Pier 41 Seafood Lumberton, NC



## **What is Pier 41 Seafood?**

- Independently owned Calabash Style Seafood House
- Seafood Restaurant for over 25 years (although Pier 41 is only 1 ½ yrs. Old)
- Open 5 days a week (Wed. – Sun.)
- 70% Fried Seafood
- 23% Takeout Business



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- Serve approximately 3000 meals weekly
- Average meal \$10.00
- 28 Employees
- 2007 sales up 10% from previous owner with 2008 sales tracking at over 35% increase over 2007

## **What does Pier 41 look like to a Distributor?**

- Approx. \$600,00 in annual purchases
- Purchase 200 line items
- Purchase from Single Source  
(exception: Coke and Fresh Fish)
- One delivery a week
- Consistent usage, few special items
- Low Margin, High GP per delivery

# **A look at life through this Independent Restaurateur's eyes**

- Long days (14-15 hrs)
- Busy – always things to do
- Plenty of challenges – the buck stops here
  - Employee issues
  - Food cost management
  - Building & Equipment maintenance

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- No paid Holidays or Vacations
- We work while others play, we play while others work
- Tough on family life
- Open hours focus in dining room  
SELLING
- Tremendous sense of accomplishment
- Major “Whoosh” factor!

# **So, what can my Distributor do to help me run my business?**

- **DON'T WASTE MY TIME!** I'm not looking for a new best friend but a business partner. There's no need to visit just to visit.
- **Accept responsibility for my business.** If you are going to have 100%, you must take care of me.

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- KNOW MY BUSINESS from the inside out
- Spend a Friday or Saturday evening in my business watching the activity in the kitchen.
- Spend time in my dining room learning who my customers are.
- Know what equipment I have and how we use it.
- Know my key products intimately...put your fingers in it.

- Understand my restaurant economics
  - Know my food cost
  - Understand issues with price and menu adjustments

## **Keep me informed, bring outside information in**

- Distribution information
- Competitive Information
- Fresh set of eyes – Tell me what you see inside my business
- Ideas – What are you seeing elsewhere that can help me run my business

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Hole drilled out of the top of a condiment container.



7. 28. 2000

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This is how the staff used to put condiments into the individual serving cups.



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Thanks to an idea from their distributor, this is what the staff does now: condiments pour easily from the hole drilled in the top of the container.



## **Help me manage my costs**

- **FOOD COST**
  - Know my key items and help me manage their costs
  - Make sure I am using the best product for my specific applications
  - Introduce me to new high margin opportunities for my menu
  - Help me maximize any deals or rebates available in the marketplace – sell Pier 41 Seafood to the manufacturers

- **LABOR COST**
  - Through value-added, labor saving products
  - Introduce more efficient ways of doing business

# **REMOVE MY IRRITANTS!!!**

## **Manage my Distributor issues**

- Review orders to resolve problems prior to delivery – NO surprises
- Understand the urgency of product issues and resolve them quickly
- Handle credits quickly and efficiently
- Resolve any delivery issues

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## **Pier 41 Seafood Staff**

