

IFDA Sales & Marketing Conference

Understanding Your Customer's P&L Statement

A photograph of a sandwich with lettuce, tomatoes, and meat, next to a yellow measuring tape and a coin. The measuring tape is marked with prices from \$1.99 to \$6.99. The coin is a gold-colored coin.

***Do Your Prices
Measure Up?***

J. KINGS
Food Service Professionals, Inc.

IFDA Sales & Marketing Conference

Presented by:
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J. Kings
Foodservice
Professionals

Do your prices measure up?
Are you aware of what's going on
in the marketplace?
J.Kings Retail Culinary Showcase

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Stony Brook University Research

*Independent Researchers interviewed small chains, national chains
& J. Kings independent customers.*

Their Findings:

- The difference between the independents and the chains is that the chains market themselves better and train better.
- They understand “true food cost”.

Food Cost Factors

Raise Prices.

- Cost out the menu and price the high cost percentage items accordingly.
- Control portion sizes.
- Minimize waste in the kitchen. Track waste as well.
- Spot check prep staff. Make sure the pre-cut portions weigh what they are supposed to.
- Link the chef's pay to a pre-set food cost percentage. Set up an incentive deal for the chef.
- Set up a purchase order system.
- Negotiate prices with vendors for bulk buying. Take vendor discounts when offered.
- Organize the storage room and keep inventory to a minimum.
- Purchase based on budget.
- Keep order guides and inventory sheets current.
- Keep recipe books current.
- Have the proper equipment available, i.e., scoops, ladles, etc.
- Order meat, poultry and seafood taking into consideration weather and season.

Are you priced right?

...Pricing survey results: Coffee

Industry leaders	<u>Small</u>	<u>Medium</u>	<u>Large</u>
7-11	1.40	1.51	1.62
Panera Bread	1.49	1.59	1.69
Starbuck's	1.69	1.99	2.19
Dunkin Donuts	1.65	1.85	1.95
McDonalds	1.09	1.39	1.49
Independents	1.26	1.51	1.76

Long Island Starbucks: Location Growth

2003	42 locations	2007	74 locations
2006	63 locations	2008	79 locations

Are you priced right?

Pricing survey results: Caesar Salad with Chicken

<u>Industry Leaders</u>	<u>Price</u>
Panera Bread	6.99
Quizno's	8.49
Chili's	6.29
Applebees	8.99
Independents	7.16



Are you priced right?

Pricing survey results: Specialty Sandwiches

Industry Leaders Price

Panera Bread	6.49
Quizno's	6.99
Chili's	7.69
Ruby Tuesday	8.99
Applebees	7.99
Starbucks	5.75
Independents	6.57



Are you priced right?

Pricing survey results: Soups

Industry Leaders Price

Panera Bread	3.39
Quizno's	2.99
Chili's	4.79
Ruby Tuesday	2.99
Applebee's	3.49



Independents Small Large

Clear	3.12	4.26
Cream	3.45	4.32

Are you priced right?

Pricing survey results: Miscellaneous

	<u>Small</u>	<u>Medium</u>	<u>Large</u>		
Iced Tea	1.50	1.88	2.27		
Tea	1.30	1.49	1.74		
Latte	1.71	2.29	2.25		
Muffins		1.78	Chef Salad		6.47
Egg Sandwich		3.50	Cole Slaw (per pound)		4.56
Yogurt Parfait		3.36	Potato Salad (per pound)		4.85
Garden Salad		5.31	Pasta Salad per pound		5.96

In Conclusion

- After many years of conducting this survey, most of our platinum customers have adjusted their prices to be competitive to what is going on in the industry.
- Every year our customers request the results to the survey, and use it as a tool to measure where they are with the competition.
- Many have adjusted their menus to include “city-style sandwiches”, “combos”, “value-added” items, etc., to stay competitive and help them with the ongoing challenges of rising food costs.

ChefTec™ Overview

- **Saves you money** - Inventory control helps you track fluctuating food costs and compare vendor prices - at the simple touch of a button.
- **Lets you do more in less time** - Analyze recipe and menu costs, instantly, by portion or yield.
- **Generates orders automatically based on templates or pars** (or shopping lists with ChefTec Plus) - ChefTec's purchasing & ordering features help you quickly convert orders into invoices and modify for changes on receipt of goods.
- **Calculates nutritional values for your recipes and menu items.** You can also obtain the appropriate information needed to meet both health requirements and the demands of your health-conscious customers.

ChefTec™

St. Charles Hospital Case Study

- **Overview:**

- o Rehabilitation Hospital
- o 220 Beds
- o Average Stay 3.4 days
- o Initiated Room Service 6/10/08

- **Challenges:**

- o Preparing and presenting consistent quality for breakfast, lunch, and dinner; seven days a week
- o Ensuring consistent quality from cooks with different skill levels
- o Need current cost
- o Need a program with nutritional information that is easily accessible

ChefTec™

St. Charles Hospital Case Study

- **Why Food Cost Analysis:**
 - o Need current cost for all patient dining
 - o Gain the ability to forecast increases in product cost
 - o Track product cost over time
 - o Reporting budgets and forecasting future budgets
 - o Separating cost centers for: employee dining, patient dining, catering, and café
- **Overview of Software with Thoughts:**
 - o Import invoices directly from online ordering through J Kings Powernet (Streamlining input of items into inventory)
 - o Easily convert total units per case for food cost, recipe writing and costing
 - o Expansive built-in nutritional information database
 - o Easily copy existing nutritional information from standard items to J. Kings inventory items
 - o Clear and easy-to-read recipe reports, recipe cost, nutritional information, yields, and conversions

ChefTec™

St. Charles Hospital Case Study

- **Overview of Software with Thoughts (continued):**
 - o Convert a recipe to different amounts of people, ex: recipe for 50 people to 200 people
 - o Create a shopping list from listing of recipes
 - o Attach pictures and video of your finished recipe or individual items along with instructional material
 - o Clear and concise recipe cards with an easy to use editor
 - o Create nutritional labels for finished recipes for takeout in the café
 - o Keep track of inventory and purchases and create order lists based on recipes

- **Quotes:** “ChefTec is the most effective comprehensive recipe, inventory food cost management, and nutritional computer programs on the market. It’s easy to use.”

What You Can Do With ChefTec™

- **Recipe & Menu Costing**

- o Store, scale, and size an unlimited number of recipes.
- o Instantly analyze recipe and menu costs by portion or yield.
- o Update prices, change ingredients in every recipe, with the touch of a button.
- o Cost an entire function or catering job in minutes. Generate accurate catering bids.
- o Add videos for preparation and training.
- o Add pictures of plate turnout, or plate layout, for consistency.
- o Inventory Control

What You Can Do With ChefTec™

- **Track rising food costs automatically.**

- o Compare vendor pricing at the touch of a button - from purchases or bids.
- o Enter Invoices quickly using the "auto-populate" feature.
- o Generate customized reports on purchases, price variances, bids, credits.
- o Use a Personal Digital Assistant (PDA) for inventory taking.
- o Take the pain out of physical inventory, ordering and maintenance of par levels.
- o Preloaded database of over 1900 ingredients with unlimited capacity for additional inventory items.
- o Lists of ingredients in different languages (such as, Spanish, French, and German) are available with unlimited capacity for adding additional ingredients.

What You Can Do With ChefTec™

- **Purchasing & Ordering**

- o Generate orders based on Par levels.
- o Order based on lowest price/lowest bid.
- o Generate orders for multi-vendors or single vendor.
- o Use a Personal Digital Assistant (PDA) for ordering.
- o Convert orders into invoices instantaneously and modify for changes on receipt of goods.
- o Track purchasing in detail and summary.
- o Ability to analyze by inventory category, account category, profit center, location, etc.
- o Instant flag on price increases and decreases.
- o Compares vendor bids and actual purchases between vendors.
- o Transfer invoices to accounting system.
- o Nutritional Analysis

What You Can Do With ChefTec™

- **Get a quick and accurate analysis of nutritional values for up to 5000 most commonly used ingredients.**
 - o Add your own specialty items.
 - o Calculate nutritional values for your recipes and menu items.
 - o See at a glance which menu items are low fat, low calorie etc.
 - o Print a "Nutritional Facts" label
- We can also download invoices from the Pownet system directly into ChefTec. There's an option in Pownet to export the invoice information as ChefTec information, then import it into ChefTec.