



# Restaurant Profit Opportunities

How to make more money in Foodservice



**Martin Bros.**  
DISTRIBUTING CO INC

# Introductions

- Don Wallace – Culinary & Retail Consultant
- Martin Bros. Distributing – Family-Owned for 80 Years!





## Restaurant Profitability Nationally – N.P.M.

- Averages 3-5% after expenses or a nickel on every dollar but can range from zero to 15%
- QSR's (Quick Serve Restaurants) or Fast Food run from 6-9%
- Full-Service Restaurants generally run lower because of the number of employees it takes to service the customer
- Bars, ice cream and pizza shops etc. should be higher





# Gross Profit Margin vs. Net Profit Margin

- **Gross Profit Margin** is what you have left after deducting all Costs of Good Sold. (Retail Minus Food Costs) in my examples I include napkins, condiments etc. anything a customer touches in the process of serving them food.
- **Net Profit Margin** is when you deduct all the costs of running your business from your Gross Profit. Administrative, Payroll, utilities, rent or mortgage, maintenance, taxes, insurance etc. So if you are spending \$.93 of every dollar you bring in, you are making \$.07 Net Profit.





# Begin with your Menu

- Costs change constantly – update your pricing regularly – at least annually.
- Utilize your Point of Sale capabilities – know what is selling, delete what isn't doing well or causing the majority of your spoilage.
- When you do introduce a new item, don't be afraid to make it one of your most profitable items...
- Don't try to be too much to too many – be good at what you do make, keep it fresh and better than everyone else.
- Raising prices is not a bad thing! Everyone in business does it, and needs to!
- **Avoid these 2 numbers: .89 and .09**



 Keep an eye on QSRs and items trending up







### Sandwiches & Panini

Frontega Chicken Whole	\$7.69
Frontega Chicken Half	\$5.69
Steak & White Cheddar Whole	\$8.79
Steak & White Cheddar Half	\$6.19
Roasted Turkey & Avocado BLT Whole	\$8.79
Roasted Turkey & Avocado BLT Half	\$6.19
Roasted Turkey, Apple & Cheddar Whole	\$9.29
Roasted Turkey, Apple & Cheddar Half	\$6.59
Bacon Turkey Bravo Whole	\$7.69
Bacon Turkey Bravo Half	\$5.69
Napa Almond Chicken Salad Whole	\$7.19
Napa Almond Chicken Salad Half	\$5.29
Italian Combo Whole	\$8.29
Italian Combo Half	\$5.99
Asiago Steak Whole	\$8.29
Asiago Steak Half	\$5.99
Sierra Turkey Whole	\$7.19
Sierra Turkey Half	\$5.29
Smoked Turkey Breast Whole	\$6.39

OOD	PRICE
Smoked Turkey Breast Half	\$4.69
Mediterranean Veggie Whole	\$6.39
Mediterranean Veggie Half	\$4.69
Classic Grilled Cheese Whole	\$6.39
Classic Grilled Cheese Half	\$4.69
Tuna Salad Whole	\$6.39
Tuna Salad Half	\$4.69
Smoked Ham & Swiss Whole	\$6.39
Smoked Ham & Swiss Half	\$4.69
Broth Bowls & Soups	
Soba Noodle Bowl with Chicken	\$8.69
Soba Noodle Bowl with Edamame	\$8.19
Lentil Quinoa Bowl with Chicken	\$8.69
Lentil Quinoa Bowl with Cage-Free Egg	\$8.19
Soba Noodle Bowl with Edamame or Lentil Quinoa Bowl with Cage-Free Egg - Meal	\$11.18
Soba Noodle Bowl with Chicken or Lentil Quinoa Bowl with Chicken - Meal	\$11.68
Vegetarian Creamy Tomato Soup	Cup \$4.29, Bowl \$5.29, Bread Bowl \$5.29
Broccoli Cheddar Soup	Cup \$4.29, Bowl \$5.29, Bread Bowl \$5.29
All Natural Low-Fat Chicken Noodle Soup	Cup \$4.29, Bowl \$5.29, Bread Bowl \$5.29
All-Natural Turkey Chili	Cup \$4.99, Bowl \$5.99, Bread Bowl \$6.19



# What is trending up right now?

- Gluten – Free/Friendly
- Low-Carb
- Sustainable Foods
- Organic
- Local
- Plant-Based Meats
- Ancient Grains
- Dairy-Free Milk
- Vegetarian Items
- Vegan Items
- Probiotic
- Seacuterie





# What is the enemy of Profitability?

- Over-portioning
- Bad plating or prep
- Low quality
- Undertraining staff
- Turnover
- Not using leftovers on time
- Never changing anything
- Poor service
- Spoilage
- Which of these are Controllable Expenses?





# What are friends of Profitability?

- ✓ Free product! – 100% profit
- ✓ Making retail changes as the cost changes on menu items
- ✓ Pre-portioning expensive ingredients and appetizers with a scale
- ✓ Pricing new items and LTOs at 20% food cost or 80% profit
- ✓ Using the same fresh ingredients in multiple items
- ✓ Retaining good people – treating them well, caring about them





## Questions for me?

- What one thing will you do differently because you attended this seminar today?



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Thank You!



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