

Foodservice Updates

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Tech is transforming fine dining – and blurring the lines between restaurant categories

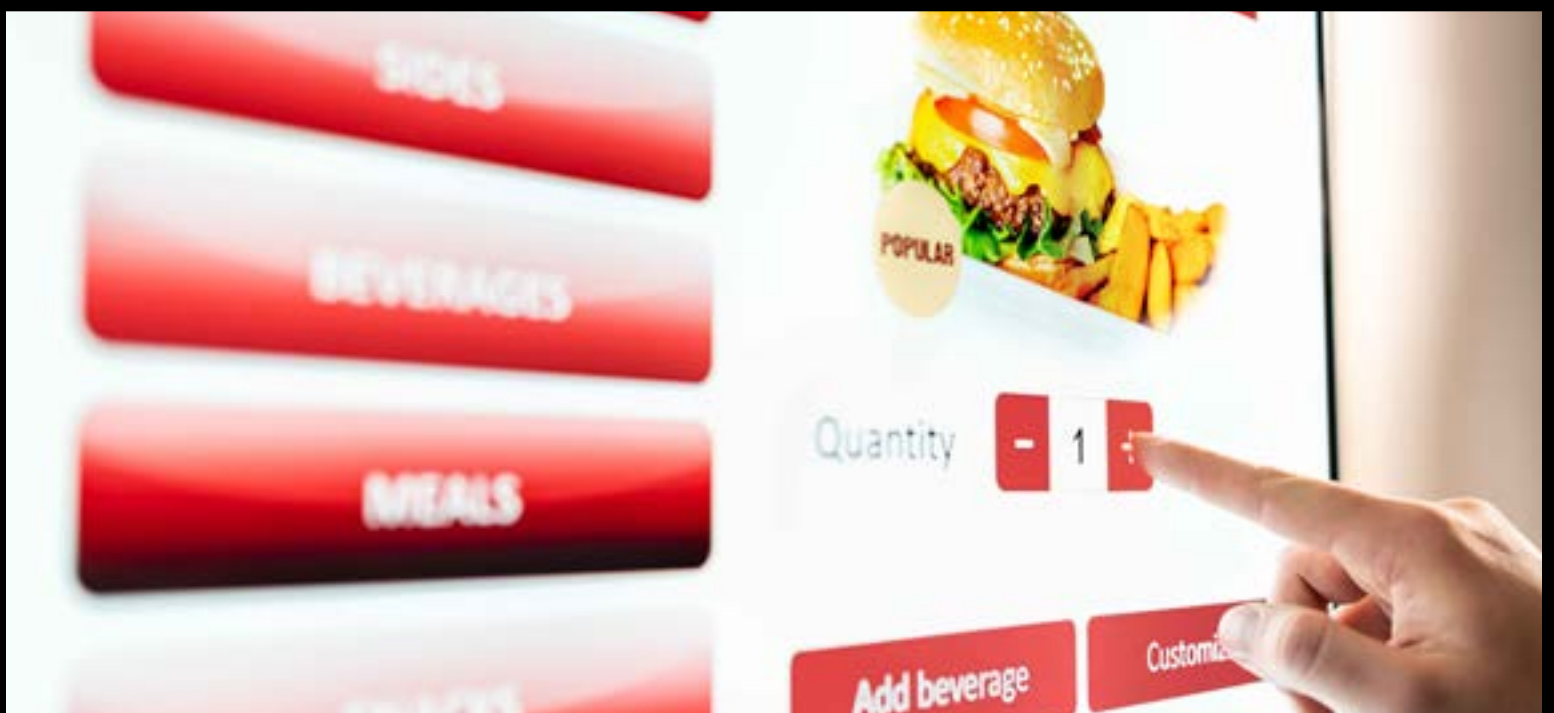
Whether you call it fast-fine or fine-casual, technology is making fine dining look different now. As Food & Wine reports, there are a number of high-end restaurants around the country where guests are asked to order via QR code or line up at a counter to place their order, then take their seats, at which point the experience begins to feel more like a traditional fine dining experience. Service in these restaurants feels a bit different than it once did: There might be a sommelier on hand who is cross-trained as a server, bartender, cashier and host. If guests go for the changes, they could well be signs of what's to come in the fine-dining space. When Nation's Restaurant News surveyed 600 operators for their second annual Restaurant Technology Outlook this year, they found several business areas where restaurant operators are looking to tech to improve their operations – and all have the potential to improve the sustainability of the fine dining segment. Nearly one-third of respondents said that they already get the best return on investment when they adopt tech in the front of the house – other parts of the business scored lower. Further, when asked about their desired potential return on investment for restaurant tech, most respondents mentioned increased productivity and efficiency, as well as time savings for staff and managers. These are all changes on plain display in this new breed of fine dining restaurants, which is likely cutting waste in a range of ways.



Tech Talk

Don't leave upselling opportunities on the table

Shake Shack recently made headlines with a tech-related success story: Its kiosks are now the brand's largest and most profitable ordering channel – and by a long shot. During the company's Q1 earnings call, Shake Shack CFO Katie Forgerty said guest orders made via kiosk are “a high teens percentage” larger than orders made in other in-store channels. Restaurant Dive reports that the brand had made enhancements to set the stage for stronger upsells – like being able to add an extra burger patty or bacon while ordering. At the same time, they managed to use their tech to reduce wait times, effectively generating larger checks in a smaller window of time. In your restaurant, is there opportunity for you to use your tech – whether it be kiosk, website, mobile app or something else – to deliver a more customized, premium experience to your guests? What does your data say about the ingredients and options your guests crave? Where might you insert options that not only appeal to guests, but which also boost the profitability of each check?



How the FDA's Food Traceability Rule may affect you

Businesses across the foodservice industry's supply chain face some changes under the FDA's Food Traceability Rule (also known as Food Safety Modernization Act Section 204). The new regulation is intended to help businesses quickly identify and remove potentially contaminated foods from the food supply chain. While the change tends to focus more on food processors, distributors and other businesses operating higher up in the supply chain, restaurant operators should also be aware of any actions they will have to take between now and the January 2026 implementation deadline to ensure compliance. Specifically, restaurants that carry foods from the traceability list – food items ranging from cheeses to leafy greens that are more often implicated in food illness outbreaks – will have to meet specific record-keeping requirements. The National Restaurant Association's website offers some resources to help operators determine if they will have to follow the traceability rule once it goes into effect, and what steps they should take in the coming months to prepare their businesses to comply if so.



#FoodSafety

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How restaurants can find funds

This spring, a bipartisan group of senators proposed legislation aimed at directing an additional \$60 billion into the Restaurant Revitalization Fund, underlining the notion that while pandemic-era strains may feel like a distant memory for much of the general public, the restaurant industry continues to feel them. The renewed funding, if passed, would help support the more than 200,000 funding applicants who were unable to receive relief during the fund's first round of disbursements in 2021. But well beyond that group of 200,000 restaurant operators, there are a host of additional restaurants looking for a safety net – or a means of making critical investments in their business – and many are finding a range of creative solutions. In a recent article from Eater, for example, restaurant operators report leaning on such funding approaches as Small Business Administration loans, private investors, crowdfunding, and just living lean and paying in cash. While the examples are varied, there are a couple of common threads running through them: Operators are trying to maintain as much control over their businesses as they can – so not giving others such a large stake that they change the direction of the business – but also involving others where possible to make them feel as if they have a role in the success of the business. One example of this is the Baltimore restaurant Candela, which is scheduled to open this summer with funding from both an SBA loan and Crowd Fund Baltimore, through which people can make a minimum \$100 investment, with 6 percent simple interest over six years, paid back to investors quarterly. Candela's owners say the crowdfunding approach is building a sense of belonging among its supporters in the community – before the restaurant has even opened its doors.



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