**Product Display:**

Displaying your products on the food service counter or merchandising is very important at the stage of business you're at right now, without a full kitchen, you really want to focus on displaying your different food items and making them very visibly present to the customer to entice them into buying. As you grow and add a larger kitchen, which will also wall off a lot of your counter space, you will lose the ability to do that. But you will compensate through TV screens and menus and printed placeholders on tables in other in store advertising.

Now you don't need all that because you can advertise your items on the calendar through displays your pencil display should always be full of pretzels, salt in cinnamon France's and what we recommend doing here is to cook those pretzels and then shellacked them. You can buy poly your things spray cans. Take those spray them down, let them drive two or three days and then you can display them in your display cabinet and they will never, never what go back. It is important that if you decide to do that you put a sticker or a label on your food cabinet that says does not serve or not for human consumption and then your display cabinet always has pretzels rotating in looking nice.

Whenever a customer orders a pretzel, you simply pick it on to me and it takes about nine minutes in the oven. However we would also recommend switching over to a microwave for your pretzels as opposed to the oven. The microwave cooks them in about a minute 15 and the super brand of pretzels you honestly cannot tell the difference between a microwave and the same goes with nachos, you want to make sure those nachos are visibly displayed where people know that you have them and that you they can order them candy chips, any items you sell like that, the more of that you can move to the cabinet on top, out of a display case the better. Ship racks, items like that are fairly inexpensive and really move products a lot better.

Based on your current product offerings, we would definitely recommend adding cotton candy. Typically most people get that through gold metal and at least in our area. You can't get that in the bags anymore but you can get that in plastic containers. Those stack very well on the counter and make for great point of sale purchases. You can sell those for about $3 each and make about $2 per sale. The mini doughnuts are another great item that you could sell in store. The equipment cost is about $1,000. The real issue with the mini donuts is they ship the donuts to you free name. In order to save on shipping costs you really need a lot of freezer storage space to make that work.

However deep freezers are fairly inexpensive, you can put one of those in the back. Other items that you could sell up front without a food service permit that would be very visible and good sellers or you can sell cookies. Otis spunkMeyer will give you a free cookie oven. So long as you buy so many cases of cookie have fun. Again, you need freezer storage space for this though but a deep freezer which is fairly inexpensive like a chest deep freezer. You can buy those fairly cheaply, and that will house this good just fine. There are other items people had experimented with up front from doing different flavored popcorns, candy apples, fresh cotton candy. These aren't bad ideas and we definitely would encourage people to experiment with them. The biggest issue with those is, is there is a higher labor cost associated with anything that kind of has to be made on demand there and you get into a situation where, for example, the cotton candy, it might take 20 or 30 minutes for the machine to warm up. You don't really want to have that machine going all week long. Now, people come in on Monday, Tuesday expecting time candy you don't have the machine on, we really recommend that you focus on items that you can sell kind of on demand all week long at any time of day without a large labor cost or a large food place cost. So the cookies are great items, the mini doughnuts are great items.

We also recommend pucker powder. The investment in that is about $1200 to $1300 up front and then you can sell the pepper powder tubes for a man an 80% markup; they tend to do very very well. Then your menu board is the next item, you will want to switch to a big screen TV for your menu board.

Right now I would recommend actually putting the menu board right where you're currently in your board is when you go to a larger kitchen and you wall in that area, that'll create a lot more space for additional TVs maybe to hang up top and I think painting a TV right where your existing the new board is working just fine.

**That Menu Board**

If you don't have access to a graphic designer, you can use Fiverr to have graphic logos designed and that can be done fairly inexpensively and you can do some pretty fancy new boards that way. Just always make sure that the menu board itself is very readable mistake people make when designing their menu board if they try to cram too much information on it and make it too hard for the customer to read.

The next thing you'll want to look at is currently you have a lot of chips, candies and different items like that and sometimes those items can be very good sellers, but you really want to look at your profit margin and make sure they're worth it. For example, if you're selling an arrowhead, maybe you're even selling it for 100% markup but the profit on that is only 50 cents per airhead or you can sell 100 arrowheads and only make $50. Whereas popcorn, it may have a lower markup. But the profit is actually higher because maybe you're making $2 per bucket of popcorn. So you really want to focus in on those, those items that have a higher profit margin and the problem with some of the smaller cheaper stuff is it takes away from your larger items. Based on your sales of nachos and popcorns I tend to believe that the reason why those items don't do very well in your stores because you sell so many smaller chips and candies, which is fine, so long as you're making a decent profit on each of those items. But if you're not making a whole lot of profit on those items, I would consider cutting back on those and focusing more just on a select number of items that I had a very good profit margin on.

So again, it's not always about markup, we've seen other FTCS get all excited about how they can sell candy for 200% markup. But they're making only 50 cents per piece of candy they sell and they're not selling any popcorn or nachos which have a much higher profit. So you don't want to kill your food sales by offering too many of the cheaper, lesser options. Also to when you have lots of those little pre packaged foods you have to worry about explorations.

The expiration date on many of those pre packaged ships is very short 30 to 60 days. Sugar based candy tends to have a very long shelf life chocolate based candy He begins to have a 30 or 60 day shelf life. So you'll also want to be paying attention to that and make ensure that you're not throwing a lot of stuff away due to expiration. The same goes for your bottle drinks. Most products tend to have a very short shelf life of less than 60 days. So you'll really want to pay close attention to what you're throwing away. Do not sell too many choices or if you feel like your store needs those choices, by very small amounts, recommend getting rid of the **YOOHOO** because it's in a glass bottle. No glass should ever be present in a family entertainment center where the kids wear socks, that is a disaster waiting to happen. The Dunkin Donuts products, which in most areas Coca Cola distributes in plastic bottles, so we recommend those. Typically, Pepsi co distributes Starbucks products, but they also tend to come in glass bottles, which is a problem for a facility where the kids don't wear shoes. So we recommend a coffee product in your cooler. Definitely recommend the big items like Coke, Diet Coke, we recommend some non caffeinated options like tummy, tummy power hade, apple juice those are all very good sellers. But just based on your level of business don't feel like need to offer 100 options like a restaurant.

Now as you grow. Absolutely you can expand your offerings, but right now, keep it to a smaller number so that you're not constantly fighting explorations. Because the moment you start throwing product away you start bleeding money concept of operations.

**Concept of operations**

Our concept of operations is to minimize life. Typically businesses like this do very well on the weekends and sometimes frightening. This is when you have a lot of families visiting you have your parties, these are typically very profitable days and profitable days, you're able to have more staff to run redemption to run the kitchen to run the front counter to host your parties to maintain safety on the floor. But during the week you don't have a lot of customers and even when you really get the business going to a high degree they're just never going to be huge attendance days. So you're never going to have the budget to schedule a whole lot of people. But weekdays can still be profitable, so long as you set your store up to be crammed with a minimum number of steps. So what we tried to do in the design centers like this, is we try to keep it where one or two people can run the entire front end, they can check in customers, they can make and serve food, they can bring food up within a few steps, they can quickly and easily get to the redemption counter or if there are any other types of activities within the store they can quickly and easily get to. So you want to keep your food operation your walk in check in your redemption centrally located to one spot there at the front of the store. We also want your store to have somewhat of an open view.

That's not just for the parents to be able to see their kids. That's also to allow one or two people up front to be able to watch the floor and maintain your safety standards for the facility as well. So that's very critical to keeping your labor costs which is typically your number one cost on a weekly basis for an entertainment center like this. So with the footprint you guys have, we definitely recommend taking your existing counterpace removing redemption and turning that into a very small footprint kitchen. We recommend either moving redemption out in front of that or removing redemption over into the check in shoe cubby area.

Again both of those options work very well and they would give a lot of space for or they would make it very quickly accessible to someone working up front and that would give them also still maintain that high visibility onto the floor to maintain safety.

**Arcade Improvements**

The current arcade in place is a good start but needs some improvements to really maximize profits. For a facility of your size you need 20 to 30 arcade games. The mix of games should be that 80% redemption, and 20% instant win or arcade redemption. Our games live Skee Ball, where you played to win tickets. Arcade would be games like Jurassic Park where it's an arcade game and no tickets are over and then instant win are going to be like you're playing games.

Now, I wouldn't recommend replacing the Mario Kart and driving games in different games. Driving games tend to do less well than a lot of other prediction games. They tend to be better placed in an arcade with 50 or 60 pieces as opposed to when you're 30 pieces. If you were to stick with some sort of driving game, however, I do recommend more like the motorbike games, they tend to be more popular among the younger kids. I would recommend adding another coin pusher like SpongeBob, pineapple arcade or a Willy Wonka. Those tend to be very popular more among the parents and just do very very well. I would add The Iceman and water cannon game I would add to basketball games. Not the smaller kid versions, but the full size and they come in different sizes, you don't need to do the super large ones. NBA hoops from ice is a good example of a basketball game. That's kind of the medium size about the same length as evolve or beanbag toss. For your trains, I would add a candy crane in a duck crane.

Those are played to you install cranes and do very very well for the candy crane. A lot of operators don't like those because the small candy can create a mess in the store. Have we found that so long as you're selective about what candy goes in there, it's not a major issue you just want to avoid nerds in gun. So long as you keep nerves and gun out of those machines, they don't really result in a very large mess. For your other frames at least one frame needs to be a ball crane and at least one frame needs to be a plush frame. Now after that, you can experiment more with doing specialized cranes that have a very specific type of plush or a very specific type of the item in there. But before you do that, you need to make sure you have at a minimum a duck crane and can you train a ball crane in a plus frame, the ball crane and plus crane should not be played to you when those you should be able to lose on whereas the brain and the candy crane should be played.

In terms of other games definitely recommend utilizing Break the grain in his arcade spreadsheet for your game selection and really, you can't go wrong, so long as you pick some games off of that list and just keep them fresh. We usually recommend having one large flashing piece, like Space Invaders that has a 10 foot screen. It's very large, it's very flashy and you can also put custom advertising on the screen that displays in between plays, it's very eye grabbing and attention getting, we also recommend having a lack of vision, which is a very popular item, but it has about a 10 foot pole that goes with it, which is very eye catching and draws lots of attention to your arcade.

The next most major improvement that is really critical for this arcade is to upgrade to a card reader system or a debit card system. We highly recommend your card we have used personally embed in the inner card in your card is our favorite. There are two or three other people in that market space and really, so long as you go with someone who is has a decent market share you can't really go wrong. But we like the undercard software, we like the under card tech support and you get the added advantage of we can help you out with it. Because we know your garden very well and your card system is not going to be cheap, it is going to run about $40,000 to install a system like that with enough card readers for 20 to 30 games and that should include installation cost as well. But you'll make your money back on that a lot faster.

It gives customers the ability to self service people tends to spend more money because it's electronic. You carry a cart around instead of tokens and tickets allow you to service customers much faster. We mentioned that one of the biggest things is you get data; you get reams and reams of data. Now you can download how many times people play the game. You know, which games are bringing you the most money you can even track down to the level of where your parties are spending their money versus in the walk in customers are spending their money. The undercard system just gives you a very high level of data tracking, you can also track the number of tickets that are being paid out of each game, which is extremely beneficial to tune your games. Because you want your games to be generous, you want them to have about a 30% payout but at the same time, you also don't want them to just be dumping money out on the floor and that's you know, having that data tracking is really critical for your arcade. Because otherwise, it's really difficult to know which pieces are underperforming which pieces are performing well. Which games you're paying too little which means you're paying out too much and the card reader systems give you access to all of that. So definitely recommend a card reader system. Be aware that there is some space required for a system like that.

In addition to the kiosk for the customer

There is also a redemption computer you have the scanners to scan the cards and bring them to transactions. There is a point of sale computer where you could manually sell gift cards outside of the kiosk. You will also need to have space for two or three servers. These are about the size of just regular desktop computers and then the back office software or the software that manages a lot of this system will need to be installed on a computer. But this could simply go on any of your point of sale computers up front you don't need to use this software on a daily basis. This is the software you would go in and use to crunch numbers Pull out your arcane calculations you don't use it on a daily basis. So when you could really even go on your personal laptops, it doesn't really matter what. The other thing we would highly recommend is marketing your arcade by giving away credits to parties and maybe even on a certain day of the week giving away credit.

For example, including arcade, arcade credit in your birthday party packages. Another popular deal that we do is wildcard Wednesday, where every customer gets $5 in arcane credit that realistically has zero cost, but has a very high perceived value to the customer and encourages them to put more money.

**Commercial Equipment.**

In a facility like this, you need to only use commercial equipment. In the world of the kitchen, you want all of your refrigeration ovens, warmers to haul heavy stamped with the NSF sticker or the ETL sticker and these are your food safety certifications. A refrigerator or freezer you buy at Walmart is not can a have this but commercial wins are it is a health code violation to not have that.

However, that doesn't mean your local health inspector will find you on that it really varies region by region in most states. So the other reason why it's important to have commercial equipment is just for liability purposes. When you have a piece of residential equipment, you are very likely violating the terms of use of that equipment or you are using it improperly. If there were ever an accident involving that piece of equipment, it would open you up to potential liability because you were not using that equipment as intended, which could be interpreted as a form of negligence.

So in general, it's always better to pick commercial equipment. When said in the food arena there's actually health code regulations. Now when it comes to vacuum cleaners, tables, items of that nature, you're not going to have any kind of inspector come in and tell you, you can or can't use that. That's really more about just not opening yourself up to any liability issues. So you've definitely when it comes to vacuum cleaners, tables, chairs all of that you always want to buy commercial equipment, right now and restore through our quick walkthroughs. It looks like a lot of refrigeration is not commercial. When you upgrade to a full kitchen I would recommend getting rid of that refrigeration and replacing it with commercial items. Your vacuum cleaners were all commercial items, the tables in the party rooms. I believe those are residential not commercial furniture. So I would recommend changing those out.

Although I don't believe it's critical. It's really just in the future as you buy equipment make sure that you're always buying commercial or restaurant and brain type equipment and in the appendix, we've provided several links to sources for this equipment. Also in general benefits to doing that, almost always you buy commercial equipment. You're going to be able to buy spare parts and get that equipment repaired. That's usually a lot of times the biggest difference between your residential items and your commercial items is that a lot of times the residential items you're not really to be get parts or service on the commercial line parts and service That's not a universal rule. That's a general rule of thumb is that the commercial stuff is just going to be easier to ever ever worked on.

**Inflatable Repaved**

In order to keep your inflatables up to a high standard safe usable for a long term, you need to regularly inspect them and maintain them in keep a log of all of your repayments. The inspection should take place daily by the management staff, preferably during and they shouldn't be looking for tears, Aaron leads, issues with the blowers, bulges in the flooring and reporting that in the log as well as notifying you via text or if you have communication accounts such as GroupMe, so you can get in there to do repairs. In most cases, it pays to be very proactive with your maintenance program on the inflatables because usually small tears in leaks can be fixed quickly and easily before they spread to much larger problems. One item you want to have on hand all times in the store is a product called tear aid and that is a adhesive vinyl repair tape that can be very quickly applied. Hey cost about $2 a foot so it's not cheap, but it can instantly repair tears in the hose and hold an inflatable in place until you have time to come to a patch. This is really good for your Saturday, Sunday failures. Yes, you can do a good blue patch in 20 or 30 minutes.

However, that's contingent upon having someone that knows how to do that on hand all the time. What Terry does, it gives you the ability for almost anybody to quickly make a repair and then when you have time, you can come in and do the long terms review. So that product is called tearing. And I believe you can order in about an 80 for the next item is your slide.

These are very important. These protect the inflatable. But they also protect the guests from seams or different items that might cause a burn against these should be backed daily with high grade silicone. In the appendix, you'll see a link to a company where you can buy a five gallon jug and overall tire wax. All of those are the same thing. They work just as well, which is more expensive than buying the silicone. But these slides should be waxed on a really busy Saturday, they should probably be waxed. The slide covers themselves need to be taken off and cleaned periodically. Really the Velcro needs to be clean. Brush at least once a quarter to keep that good function in shape and eventually you will have to replace the slide covers. Especially as this lines get used. Typically on most line covers once they get to tearing them. They're done and need to be replaced. You can use a mobile whole street person to repair them or there is a company out of Atlanta who does an excellent job with slide covers.

The only issue with them is you need to be very specific. We have to give them the specific dimensions and tell them exactly how you want but if you can give them that they do a great job your information is also I would never order a slide cover from the from inflatable depot. It takes about six months, it's very expensive in the quality is just not worth it. Different jump companies, I would give a different answer depending on what you're buying from them.

For example, we've had some cutting edge creations inflatables before and they were very reasonable on their slide cover replacements. So in the case of them for example, I would actually order a slide cover, not from inflatable depot, I would use the third party.

Now, the next thing to watch out for is bulges on my the floor by inflatables, mirror sports arena is going to be the one where you see issues most likely with bulges and when you see a bulge, what that means is the inner baffling in the sooner you get to these bulges the less it will spread. Usually when the bolts first appears the baffling has broken. But the jump is still in pretty good shape. But over time, the inner stitching of the flooring is going to start to fall apart. In motor vehicle eventually happens you will end up with a four or five foot hole in your inflatable. So it's important to get in there and repair. The best way to repair those is from the inside. We'll want to stitch up the flooring first and then once you get that stitched back together you'll want to stitch the back of the back to the slab floor. I recommend reinforcing the baffling first before stitching through it because of the thread tends to rip through the bathroom. You can reinforce the bathroom with one inch vinyl strapping, you can also take a piece of regular vinyl folded over and stitch into it, you just want to get a piece of material on there. That will keep the thread from ripping. Your stitch work does not have to be free, it does not have to be perfect or professional. It just needs to hold.

I recommend doing a lot of interrupted stitches or a lot of knots as you go. Because what happens is you don't want the string to break in all of your stitches to fall out. So you'll want to do not every three or four stitches if you can. That way one little section can break in the whole thing fall apart. As for thread, I recommend the lacks thread that didn't Walmart or a high tensile strength thread from a company like sell those all work very well. You always want to like I said try to do the repairs from the bottom. The reason for that is one that's just it's just the best way to do it. If you do it from the top you can have to cut open the floor, which is fine. But now you can leave patches, customers can see the patches and then in patches. There's nothing wrong with patch inflatables but customers sometimes have an elite perception of that. So you want to hide your patches on the inside. The other thing about patches is they never hold forever you constantly have to keep going back and re gluing them down. They always run anywhere. So the more patches you can do from the inside.

Now if you do have to cut into the floor, it is important that you stitch back up wherever you cut and cover any stitches you put in there with an additional x because the children's feet jumping up and down on the stitches will eventually break the stitches. The other kind of failures you have in the jumps tend to be more points where different features are stitched into the floor and with those a lot of times you can get away with just ditching them back up and they will hold pretty well. The entrance or the footstool get into the inflatables is another common finger point, those are usually hard to get to from the inside. So I usually start by stitching through the existing holes with new thread and then I will apply a blue patch on top of that to protect my stitching, which does have to be redone periodically.

Now if you ever get a tear or just a complete gash in an inflatable, what I recommend doing there is do a glue patch from the inside, then stitch the tear back together, followed by another blue patch on top of that. Now if it's in a very high use or very high tensile area, I actually recommend three patches, a blue patch on the bottom, that's stitched into place a new patch on top, which is stitched into place, followed by a third blue patch to cover it and I have never had a patch done like that failed. However, also very rarely do that because it's simply not needed except in the most extreme cases where there's just a tremendous amount of force being put on a specific spot. Keeping on top of the bullet holes and the little places where the stitches are failing, especially on the steps will really keep your inflatables working for a really long time and also to it'll limit the number of patches that are on it long term, which again there's a customer perception issue where the more patches you have the customer thinks less of your equipment even though there's really nothing wrong with having a few patches on your plane.

I do recommend getting inside of all your inflatables two or three times a year and inspecting them from the inside most of the time. You can spot the issues from the top side but nothing beats actually crawling around inside and inspecting least a few times a year. The netting is another area that needs to be looked closely. Once the netting vegetarian seems to go very, very fast. So you'll definitely be fast the stitching get back at the netting, I tend to try to stitch back together with thread. The best way to stitch the netting back together is Google repairing fishing nets and you will see a good strategy for how to tie knots and repair that type of netting for larger holes in the netting actually recommend just cutting it out and doing like a square replacement analysis. But by and large the best strategy is to spot and replace them. As for when you move to replace an inflatable. It really just depends on how much time having to put into keeping it alive. If it gets so many patches on that it starts to develop negative customer impression to replace it. If having to start adding blowers or extra horsepower to your blower to keep it inflated, it's time to replace it. If you in there on a weekly basis selling clothes, it's time to replace really the same logic you would apply to a new vehicle or a new piece of equipment in your house. When the cost to keep it working or the time to keep it working exceeds the value of replacing it, it's time to replace. One thing to keep in mind though about these replacements, playable depot, was looking at three to six months to get the product and I think for most of your other vendors, it's not it's between three to six months as well.

So you never want to wait till the absolute last minute to replace to be scheduled. Always be looking towards when I'm going to replace. Now, one nice thing is because we're going to recommend that you drop a few inflatables. You're going that have some spares and so long as you have storage for it. That's a great strategy to always have to spare, then you don't have to worry necessarily about having to order stuff three to six months in advance, if something reaches the point where it can't be repaired anymore and then you put your spear in place and you order a new flame and that strategy really works well, so long as you have the storage next. When it comes to blue patches, what do you use H66 Vinewood. This can be purchased on Amazon can also be purchased on websites like sell right?

It is very much like a rubber seal, or a context in which you apply the glue to both sides. Let it dry to attack the state, press it together. You can also use a blow dryer or a heat to make the glue. This is a great trick for really getting your edges welded to the inflatable. In terms of prepping the surface, I recommend H66 thinner product actually removes the glue as well. But it's a great product for getting any grease, grime, dirt, off the inflatable to help the glue adhere better.

However, that being said, it's not critical that you use that either. Because the H66 blue is just so incredible that you don't really have to do that. But if you do want to prep the area or if you need to remove the H66 is a great product to use there the blue really dries pretty instantly, like I used again 10 or 15 minutes after application. However, for him to truly fully set bond does take four hours. So I usually try to do my blue patches after closing. So they drive or not before and that's obviously not a full 24 hours. But that does give you a good 12 hours of drive time, which is always a bit more than I don't like to do blue patches during the day just because they don't set as well. It also has a very toxic smell. So I don't want to expose my customers to that.

Whenever you do a repair, you need to document it in your repair log. The only time that's ever really been the case in a lawsuit, a negligence claim. But you want to have documentation there. It's also good for you to make a list of all the troubled areas in your jumps you have enough inflatables that are old enough with enough problems that you're going to lose track of where every little whole is. So by trying to keep a log, it'll really help you when you go back through kind of your quarterly inspections. To take a look give you kind of a checklist to go back through your all your repair jobs and then now if you don't want to repair the inflatables yourself, there are people out there that do it. The rates are anywhere from $75 an hour to $200 an hour. There's not a lot of them to be using you have to pay for them to travel as well.

You want to find out there's no certification license that goes along with these people. They're not like electricians or plumbers that are licensed and bonded. So really what you kind of have to do to scale based on the recommendations of the people. Most of these guys are going to travel around with industrial sewing machine. Which is going to produce very nice tight stitching but in many cases the glue patches you can do yourself and that would be just as good if not better than the sewing machine. There is a guy who services in North Carolina area that has information and the contacts what, what a lot of operators have opted to do but as it's kind of expensive to get through the pyramid, there is they create kind of a quarterly program where maybe they bring the repair dial was important and that made me even negotiate some flat rates along with that.

So to keep their inflatables working in between visits they would use a product line tearing and then every quarter when they would have the inflatable repairman come out he would do a lot of permanent patches a lot of preventative maintenance and keep the inflatables in good working and that strategy appears to work pretty good for people who use it that way. I think the key to making that strategy work is keeping you going on a quarterly basis, I think where people get in trouble is they ignore the maintenance of your gems and then they get a major failure and they have to pay you know, $1,000 to have the inflatable guy can do wound repair doesn't really make sense.

What doesn't make a lot of sense is paying $1,000 on one trip to fix all your problems and then you do little batches for three months and then you pay for the $1,000 cannot fix a bunch of problems at once rather than waiting for there to be a critical flaw to the habits