



Final Project for HADM 1360

Introduction to Foodservice Management

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EXECUTIVE SUMMARY

- **Restaurant name:** Veggie Delight
- **Type of restaurant:** Full Service Traditional Casual (\$ 12-20)
- **Unique selling point:** Plant-based foods
- **Growth of the market and recent trends:** Healthy eating lifestyle, Low-calorie foods
- **Management team:**

Our Management team will consist of Jeremy Xu and Johnny Nolan as Co-General Managers. The General Managers will frequently collaborate with the Executive Chef and the Maitre D'Hotel. The Executive Chef will coordinate the schedule for the Sous-Chef and the Linecooks of which we will typically have two for lunch and dinner. The Maitre D'Hotel will be in control of having two Hosts, three waiters, one bartender and 3 bussers on typical days.

- **Strengths:**
Our strength stems from our attention to the ingredients we put in our dishes as well as the cost-effective strategies we implement to maintain reasonable prices.
- **First month of financing projection:**
Total Sales (\$ 155,550), Profit Before Tax (\$ 14,933)

RESTAURANT CONCEPT DESCRIPTION

"Plant-based" Diet

- **Description**
A plant-based diet is a diet consisting mostly or entirely of foods derived from plants, including vegetables, grains, nuts, seeds, legumes, and fruits, and with few or no animal products. A plant-based diet is not necessarily vegetarian.

- **Mission Statement**

The Academy of Nutrition and Dietetics issued a position statement proposing that well-planned plant diets support health and are appropriate throughout life, including pregnancy, lactation, childhood, adulthood, and for athletes. Americans want to eat healthy, and plant-based whole foods eating is an easy way to accomplish this goal. Making this type of food accessible to everyone is also an important step in moving this food revolution forward.

- **History**

Prehistoric life: Within less than 20 million years after the first land plants evolved, plants were being consumed by arthropods.

Humans: Fossil evidence from wear patterns on teeth indicates the possibility that early hominids like robust australopithecines and Homo habilis were opportunistic omnivores, generally subsisting on a plant-based diet, but supplementing with meat when possible.

- **Advantage over Competition**

The majority of Americans may still be eating meat, dairy, and eggs on a regular basis; but from coast to coast, consumers from all walks of life are embracing plant-based dining. According to a recent investigation, Americans want more vegan restaurants. So, the “plant-based” diet is regarded as a trend, which makes it more competitive in the food market.

PRODUCT OFFERINGS & MENU PRICING

- **Appetizer**

Vegan Egg Rolls (\$ 2.25)

(Eggless wrap, mushroom, carrot, garlic, ginger, green onions, green cabbage, soy sauce, cornstarch, sesame oil, vegetable oil)

- **Entrée**

Fresh Tomato Basil Pasta (\$ 7.82)

(Pasta, grape tomatoes, garlic, fresh basil, salt & pepper to taste)

- **Dessert**

Streuseled Sweet Potatoes (\$ 2.82)

(Sweet potatoes, maple syrup, olive oil, all-purpose flour, rolled oats, brown sugar, chopped walnuts, cinnamon)

- **Non-alcohol Drink**

Slow Cooked Spiced Cranberry Apple Juice (\$ 3.32)

(Unfiltered apple juice, cranberry juice, small orange, fresh ginger, cloves, cinnamon sticks)

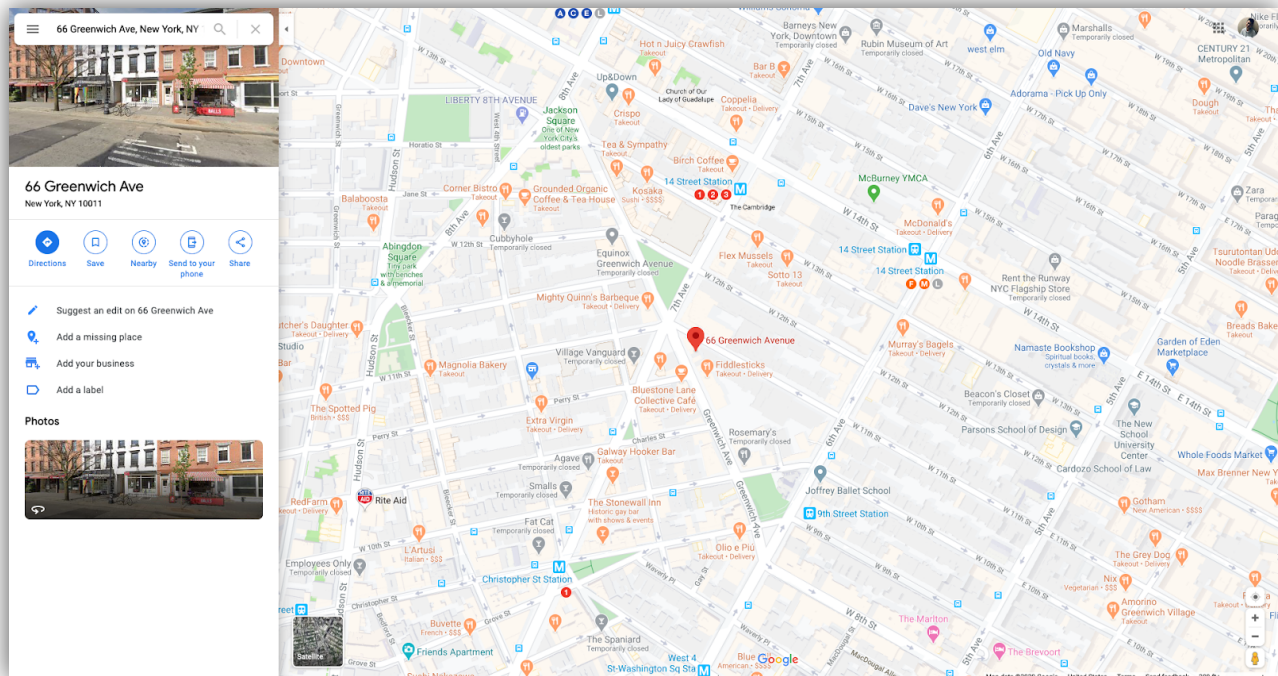
- **Alcohol Drink**

Wine

MARKET ANALYSIS

- **Location:** 66 Greenwich Ave, New York, NY 10011

<https://www.loopnet.com/Listing/66-Greenwich-Ave-New-York-NY/19355158/>



- **Customer Segments**

- Unemployment rate is low at 2.8%; labor force participation is high, more than 75%.
- These are health-conscious consumers, who exercise regularly and pay attention to the nutritional value of the food they purchase.
- Environmentally conscientious but also image-conscious: both impact their purchasing.

- **Market Analysis**

- McBurney YMCA: Community-focused nonprofit established in 1844 with recreational programs & services for all ages.
- Madison Square Park: Public square formed by the intersection of Fifth Avenue and Broadway at 23rd Street in the New York City borough of Manhattan.
- Subway Stations

- **Potential Competition**

- High density of restaurants in New York City (Shake Shack, Chipotle Mexican Grill)
- High rent fees

OPERATIONS

- **Supply Chain**

With an extensive network of farmers on long island as well in South Carolina, we intend on allowing for an extensive amount of variability in the ingredients we received from suppliers based on the season as well as what is the most abundant.

- **Relationship with Suppliers**

From jobs and networking in the past, I have formed friendships with a variety of small-town farms that are leading a movement to prioritize local farming. By allowing them to work with us to determine what ingredients are the most abundant and of the highest quality, we will allow the prices of our food to remain reasonable while maintaining the highest quality.

- **Customer-Introduced Variability**

Technology: Based on our mission to maintain reasonable prices, we will use basic technology in the beginning stages of our restaurant's development. We will install a 3- point transaction Processing system as well as a basic software-based reservation system with one computer at the hostess stand.

FINANCIAL PROJECTION

- **Area:** 1400 Sq Ft
- **Estimated Number of Guests per Month:** 8,000
- **Estimated Number of Guests per Day:** 320
- **Operating Days:** 25
- **Estimated Seat Number:** 120
- **Average Check:** \$ 20
- **Daily Seat Turnover:** 3

Occupation costs (\$ 9,333) and percentage (8.0%) → Total Sales (\$ 116, 663) → Benchmarks of food costs, labor costs, etc. (Full service, traditional-casual)

Appendix I

Menu Pricing & Financial Analysis

Income statement (P&L)		
SALES	\$	%
Food	\$ 124,440	80.0%
Beverages	\$ 31,110	20.0%
Total Sales	<u>\$ 155,550</u>	<u>100.0%</u>
COST OF SALES	\$	%
Food	\$ 34,843	28.0%
Beverages	\$ 10,889	35.0%
Total Cost of Sales	<u>\$ 45,732</u>	<u>29.4%</u>
GROSS PROFIT	\$	%
Food	\$ 89,597	72.0%
Beverages	\$ 20,222	65.0%
Total	<u>\$ 109,818</u>	<u>70.6%</u>
CONTROLLABLE EXPENSES	\$	%
Labor cost	\$ 46,665	30.0%
Variable Cost	\$ 23,333	15.0%
Fixed Cost	\$ 15,555	10.0%
Total	<u>\$ 85,553</u>	<u>55.0%</u>
PROFIT BEFORE OCCUPATION COSTS	<u>\$ 24,266</u>	<u>15.6%</u>
OCCUPATION COSTS	\$ 9,333	6.0%
PROFIT BEFORE TAX	<u>\$ 14,933</u>	<u>9.6%</u>

Proportional Method (7677 covers)					
Appetizer: Vegan Egg Rolls			Desert: Streuseled Sweet Potatoes		
Menu Price	\$ 2.25	100.0%	Menu Price	\$ 2.82	100.0%
Food Cost	\$ 0.63	28.0%	Food Cost	\$ 0.79	28.0%
Labor Cost	\$ 0.84	37.5%	Labor Cost	\$ 1.06	37.5%
Variable Cost	\$ 0.42	18.8%	Variable Cost	\$ 0.53	18.8%
Fixed Cost	\$ 0.28	12.5%	Fixed Cost	\$ 0.35	12.5%
Occ. Cost	\$ 0.17	7.5%	Occ. Cost	\$ 0.21	7.5%
PROFIT	\$ 0.27	12.0%	PROFIT	\$ 0.34	12.0%
Entrée: Fresh Tomato Basil Pasta			Drink: Slow Cooked Spiced Cranberry Apple Juice		
Menu Price	\$ 7.82	100.0%	Menu Price	\$ 3.32	100.0%
Food Cost	\$ 2.19	28.0%	Food Cost	\$ 0.93	28.0%
Labor Cost	\$ 2.93	37.5%	Labor Cost	\$ 1.25	37.5%
Variable Cost	\$ 1.47	18.8%	Variable Cost	\$ 0.62	18.8%
Fixed Cost	\$ 0.98	12.5%	Fixed Cost	\$ 0.42	12.5%
Occ. Cost	\$ 0.59	7.5%	Occ. Cost	\$ 0.25	7.5%
PROFIT	\$ 0.94	12.0%	PROFIT	\$ 0.40	12.0%

Appendix II

Food Cost Calculation

Appetizer: Vegan Egg Rolls					
Recipe Item	Recipe Quantity	Purchase Price Per Unit Price / Quantity		Price Per Amount	
Eggless wrap	2 each	\$2.00	20 each	\$0.20	
Mushroom	0.4 oz	\$0.99	4 oz	\$0.10	
Carrot	0.2 medium	\$0.25	2 medium	\$0.03	
Garlic	0.05 tsp	\$0.04	0.5 tsp	\$0.00	
Ginger	0.1 inch	\$0.12	1 inch	\$0.01	
Green onions	0.3 medium	\$0.23	3 medium	\$0.02	
Green cabbage	0.1 small	\$1.70	1 small	\$0.17	
Soy sauce	0.03 cup	\$0.24	0.25 cup	\$0.03	
Cornstarch	0.05 Tbsp	\$0.03	0.5 Tbsp	\$0.00	
Sesame oil	0.1 tsp	\$0.12	1 tsp	\$0.01	
Vegetable oil	0.1 Tbsp	\$0.08	1 Tbsp	\$0.01	
				Subtotal	\$0.58
				Hidden Cost (8%)	\$0.05
				Total Cost	\$0.63

Entrée: Fresh Tomato Basil Pasta					
Recipe Item	Recipe Quantity	Purchase Price Per Unit Price / Quantity		Price Per Amount	
Pasta	3 oz	\$1.00	12 oz	\$0.25	
Grape tomatoes	0.5 pint	\$3.98	2 pint	\$1.00	
Garlic	0.5 cloves	\$0.16	2 cloves	\$0.04	
Fresh basil	0.13 cup	\$2.49	0.5 cup	\$0.65	
Salt & pepper to taste	1 pinch	\$0.10	1 pinch	\$0.10	
				Subtotal	\$2.03
				Hidden Cost (8%)	\$0.16
				Total Cost	\$2.19

Dessert: Streuseled Sweet Potatoes					
Recipe Item	Recipe Quantity	Purchase Price Per Unit Price / Quantity		Price Per Amount	
Sweet potatoes	0.5 each	\$1.47	2 each	\$0.37	
Maple syrup	1 tsp	\$0.39	4 tsp	\$0.10	
Olive oil	0.5 Tbsp	\$0.13	1 Tbsp	\$0.07	
All-purpose flour	0.5 Tbsp	\$0.02	2 Tbsp	\$0.01	
Rolled oats	0.5 Tbsp	\$0.02	2 Tbsp	\$0.01	
Brown sugar	0.06 cup	\$0.16	0.25 cup	\$0.04	
Chopped walnuts	0.06 cup	\$0.57	0.25 cup	\$0.14	
Cinnamon	0.13 tsp	\$0.05	0.5 tsp	\$0.01	
				Subtotal	\$0.73
				Hidden Cost (8%)	\$0.06
				Total Cost	\$0.79

Drink: Slow Cooked Spiced Cranberry Apple Juice					
Recipe Item	Recipe Quantity		Purchase Price Per Unit Price / Quantity		Price Per Amount
Unfiltered apple juice	0.17	quart	\$4.99	2 quart	\$0.42
Cranberry juice	0.08	quart	\$2.99	1 quart	\$0.24
Small orange	0.08	each	\$0.33	1 each	\$0.03
Fresh ginger	0.25	inch	\$0.30	3 inch	\$0.03
Cloves	0.08	Tbsp	\$0.60	1 Tbsp	\$0.05
Cinnamon sticks	0.1	oz	\$1.25	1.25 oz	\$0.10
				Subtotal	\$0.86
				Hidden Cost (8%)	\$0.07
				Total Cost	\$0.93