

How to Control Food Costs: The Inside Scoop

It's not the price you pay, but what's happening in your kitchen

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Food costs are out of sight and going higher! We have to raise prices and cut some corners in purchasing. Wrong on both counts. The Consumer Price Index for food rose 2.1% over 12 months through February. The rest of the cause of high costs is in your kitchen, waiting to be found and fixed.

To find it, the best place to start is when the delivery arrives. Does anyone check it in – compare the products received to the order placed, not just the vendor's invoice? Drivers have been known to short a delivery when they see the receiving process is casual. Some have their own customers at the end of their day's run.

Check the "catch weight" items (like fresh meat or fish). If, for example, 50 pounds of top round was ordered, how much was received? Chances are it was 52 to 55 pounds. Your food cost for that meal just went up 4% to 10%.

Putting It Away

Take a look at the fresh produce. You needn't be an expert to see whether the fruits and vegetables look fresh, have a bright color and don't appear shopworn. Inferior and undersized produce doesn't have the same yield – portions per pound – or flavor as top quality products.

Next, see how the delivery is handled. First priority should be given to frozen products. If they stand out for 15 minutes or more, defrosting begins, at least around the edges. When it's finally put away, it re-freezes. Water in the product forms ice crystals, tearing the fiber of the food. Quality, wholesomeness and yield suffer only a little; who would notice? Maybe if it happens once or twice, nobody will. But if it's a regular practice, customers will find your food has less flavor and is kind of limp. They'll stop buying it.

Fresh fish also has to be put away quickly, followed by fresh meat, provisions and produce. Lastly, the canned and dry goods.

Take a look at how food is stored. Are freezers, refrigerators and dry storeroom clean and neat? Are packages clearly identified by product and date received? Are older products placed in front or on top of the newer items, so they'll be used first?

How often are deliveries received? It's easier on the manager and the chef to have one big delivery a week. Vendors like it, too. Fewer, bigger deliveries are more profitable. That's okay for non-perishables, paper goods and cleaning supplies, but not for fresh foods.

Even in rural areas it's possible to get at least two deliveries a week. In cities, many restaurants have very little storage space and take meat, fish and produce deliveries every day. The price is higher, but the product is always fresh and they can order only what they need. Less waste and spoilage offset the price penalty.

Planning Works

Next, look at the chef's production records. That's each day's plan of action. It should show how much of each ingredient is going into each dish to be cooked and how much of other foods should be prepped for the day. The recipe should be handy, too.

At the end of the day, the record should show how much was left over of each item as a guide for the next day's work or the next time the same dish is on the menu. A conscientious chef or production manager keeps good records and refers to them when planning menus, vendor orders and each day's work schedule.

How well are foods prepared? A dull blade on the slicing machine will shred meat, not sliced cleanly. Unless cooks' knives are sharp, tender vegetables and fruits will be bruised and mashed. Are meals thrown together in the morning, meaning cooks are taking shortcuts, instead have having done the necessary prep work yesterday? You'll have waste.

Then, see how servers are dishing up food. You're likely to find they're generous. If a dish's price is based on a six ounce portion and the server dishes up eight or ten ounces, all the careful work that went before is wasted.

Take the Time

There are excellent software programs for planning, purchasing and production, but have no value if not used conscientiously. You don't need the programs to find the sources of your high food costs, just some time. If you can't spend the half-day it would take to follow the process from start to end, take an hour or so over several days to see each piece.

You'll have something to discuss with your manager and maybe hold off a price increase for a little longer – maybe a lot longer.

Controlling food and other costs while maintaining or improving meal quality are Clarion Group core competencies. To learn how Clarion's innovative approach to cost reduction and operational improvement can benefit you, contact Tom Mac Dermott, president, 603/642-8011, or Angela Phelan, senior vice president, 973/544-6223 or e-mail us at info@clariongp.com.