

Fighting Back Against Food-Cost Inflation

by John Miko



What is happening?

Food-cost inflation has been increasing at a 3.5 percent rate in the past year and recent trending has spiked to upwards of 6 percent. Greater international demand for food products as well as environmental factors like flooding and droughts have driven this inflation surge. Meanwhile, spiking ethanol-related demand for corn has hurt the cost of animal feed, which in turn leads to even higher commodity product costs. If that's not enough, rising fuel prices add to the cost of moving and storing those commodity food products. The bottom line—we are mired in a period of sustained, rising food-cost inflation.



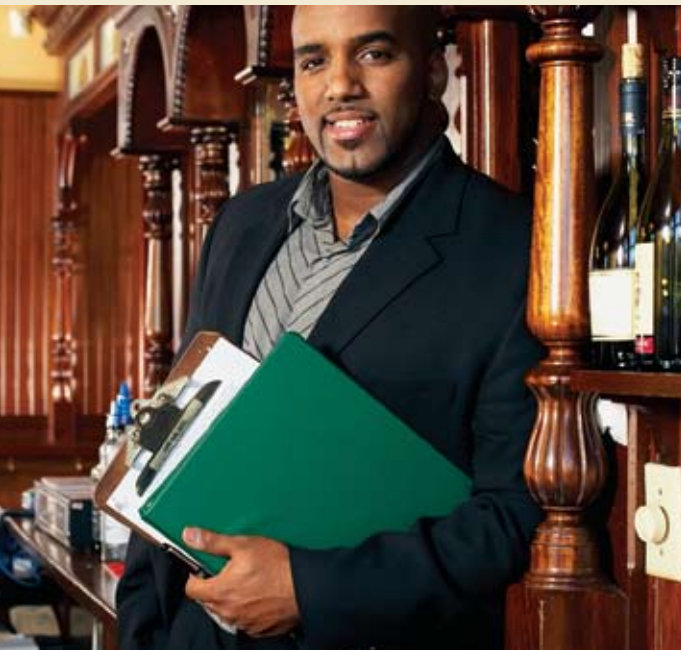
How can SYSCO help?

Menu Analysis.

Do you know the food cost of your dishes? You don't need to serve any item at a loss. SYSCO menu analysis concentrates on the gross profit dollars per plate, not the margin percentage. Ask your Marketing Associate to help you evaluate your portion cost, sell price and gross profit dollars per plate served. Let us help you make your meals more profitable.

Portion Control.

Are your portion sizes consistent with your recipe specifications? SYSCO scales, portion bags and containers will help you control production and keep costs in line. Ask your Marketing Associate for tips about how to better manage dish portions.



Food Waste and Spoilage Reduction.

Do you have a plan for managing and minimizing food waste and spoilage? We can help you train your staff with proven preparation and storage techniques to keep your food fresh so your raw products yield as much profit as possible.

Purchasing Strategy.

We'll show you portion-controlled, value-added, further-prepared and frozen items designed to save time and labor, minimize waste, and offer consistency without sacrificing quality.

Energy Conservation.

There's more to saving energy than turning off lights at night and keeping cooler doors closed. SYSCO can audit your energy use and find ways to save energy—which is good for your bottom line and good for the environment.



Menu Engineering

Change Up the Mix.

SYSCO will help you add value on your menu by expanding more profitable areas and discontinuing the slower-moving, less profitable items. Every SYSCO operating company has either an in-house or an outsource option that creates and prints eye-catching, mouthwatering menus. Let us help revamp your menu and attract more customers.

Reprint Effective and Nimble Menus.

Is it time to reprint menus? This time, let SYSCO show you how to make them easily updateable so you can change prices or offerings quickly and inexpensively.

Offer Different Portion Sizes.

Today's health-conscious diners appreciate the option to enjoy smaller portions of your delicious signature dishes. We'll help you offer a reduced size and price option that still retains a healthy margin.

Leverage SYSCO's Culinary and Operations Experts.

Side dishes, soups, salads, desserts and sub-prime cuts of beef yield impressive profits while increasing check averages. Talk to your SYSCO Marketing Associate and Corporate Chef about creative preparations for less-expensive protein items.

Raise Menu Prices.

When you have to raise menu prices, let SYSCO share proven, effective solutions to ease the transition.