

Summit Membership Meeting

“Want a Quick Serve Restaurant? Here’s How!”

Presented by: Russ Morgan, RPM Consulting Group, LLC & Robert Lenhart, San Francisco Sourdough Eatery

Russ Morgan, RPM Consulting Group, LLC.

Food Service Professional

- 30 plus years in the Foodservice Industry
- National Account Manager for multi unit locations with Sysco Foodservice
- Emerging Chain prospecting and set up for Sysco Foodservice
- Triple E Technologies software for Convenience Store Fueling
- RPM Consulting Group, LLC. Contract management for multi unit and Primary Vendor accounts

Advantages of Multi Unit Locations with Foodservice Suppliers

- Volume Contract Pricing
- Manufactures Rebates and Pricing deviations
- Consistent products
- Proprietary items made to Franchise specifications
- Logo products for brand awareness

Convenience Store trends for Quick Serve Restaurants

- More than two in three convenience retailers (70%) say that in-store sales in the first half of 2016 were higher than the same period last year
- A majority (54%) also say that fuel sales were higher compared to the first half of 2015
- Sales dollars were up 11.4% and gross profit dollars also exhibited strong growth, increasing 7.8% over the prior year.
- More and more time-starved consumers want on-the-go meal solutions
- Retailers have found that foodservice can deliver new customers inside the store, and at a higher profit level than for items like gas
- 64% say that they are confident in their ability to compete with quick-service restaurants for customers.
- One in seven drivers, or 16 percent, say that the in-store offer drives their fueling decision, marking a 5-point increase since 2015
- 8 percent say they purchased a sandwich or meal, and that percentage jumps to 13 percent for younger consumers ages 18 to 34
- Foodservice represented 6.6% of total sales while accounting for 20.1% of total gross profit.
- The numbers clearly show the growing trend of consumers seeking out food and beverages as part of their fueling experience

Robert Lenhart, San Francisco Style Sourdough Eatery

- President and Chairman of the Board of Directors
- 30 Years in the restaurant industry
- Opened first restaurant in 1999
- Started San Francisco Sourdough Eatery in 2003
- Responsible for the development and strategic direction of the franchise

Convenience Store benefit of QSR Co-existence

- If fuel prices come down there is still money to be made in the QSR section of the convenience store
- By adding fresh healthier options you can compete with fast food outlets
- People have limited time and now they can fill up their tank and have a great meal. This helps pull the customers inside.
- Paring with the right QSR and preparing food while people watch makes it easier to convey the notion of freshness allowing you to become a food destination.
- Featuring pre-made food is unexciting and while roller hot dogs may make you something imagine 200 sales from a beautiful upscale QSR
- Co-Branding helps improve traffic
- C-stores can gain an edge from the fact that people are eating alone more often. Already 57 percent of the meals and snacks bought at C-Stores are eaten alone, far more than at quick serve locations.
- Convenience stores need more thoughtfully designed interiors to set the right tone for quality and customer engagement. The standard fluorescent lights and linoleum do not encourage people to picture enjoying the food they are looking at.
- QSR Co-existence is drawing in locals and adventuresome foodies. I hear people come in and say. “Wow, I never expected something like this.
- Upgraded convenience stores account for 34 percent of profit from food and beverage sales
- Lower construction costs using existing real estate investment

Franchising Benefits

- Franchisees can expect a very comprehensive training process before being able to launch their restaurant. This advantage allows a restaurant owner to learn all of the key steps that will lead them to a successful business.
- Turnkey Ready – ownership of a restaurant involves researching a location, signing a lease, building and designing a unit, purchasing inventory, creating a menu, and planning and marketing a grand opening. A franchise will offer a package with everything needed to launch their restaurant.
- Restaurant Franchise provides an owner the knowledge that any of the big risks have already been sorted out by the corporate owner. Be in business for yourself not by yourself.
- Franchises can provide: Operating systems and manuals, tested designs of retail space, equipment costs, marketing and advertising plans, grand opening tactics, brand standards, quality control, negotiated pricing of cost of goods, continued leadership training and support.
- Franchises want their franchisees to blossom and be sustainable, and an owners success is very important to the franchise.

Questions?

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