

THE RESTAURANT RELAUNCH TOOLKIT

YOUR GUIDE TO REOPENING #SUCCESS



A LETTER FROM OUR CEO

DLC F&B PARTNERS AND CLIENTS:

As our nation begins to reopen, and people begin to adjust to the “new normal”, the team at DLC Management is acutely aware that few businesses have faced the disruptions that the Food & Beverage industry have faced and will continue to face into the future. We want you to know that we are here to help.



ADAM IFSHIN
CEO OF DLC MANAGEMENT CORP.

Many of you have already taken advantage of our Rent Deferral Program, but we have the ability to do more. We are fortunate to have on our team a top F&B consultant/expert, and we are offering to you, at no charge, her valuable recommendations for reopening successfully. She has been in your shoes and has a proven track record of turning restaurants around financially. This e-book represents a next step in supporting you at this critical time.

Now is a time for renewal, rejuvenation, and reopening. Like you, we are entrepreneurs. Like you, we worry about such things as meeting payroll and we ask ourselves, will the customers come back? We are in this together. We are here to help. Contact your preferred DLC team member at anytime.

Finally, let us know what you think of this. We want to know if it is helpful, and what suggestions you have that may make it better. We are planning on introducing other complimentary materials to assist you and our restaurant community.

Be strong, be innovative, think out of the box. #StaySafe. Onward to #success!

Thanks for being a client. We really appreciate it.

MEET OUR SPECIALIST

Noelle Elyse Ifshin is a member of DLC's Brokerage and Development team. A licensed real estate broker in five states*, Noelle brings substantial experience in hospitality operations and has helped our clients optimize and realign their real estate portfolios.

She joined DLC after creating a successful hospitality consulting company and having expanded and run a \$20M+ food and beverage program for the New York operations of a national harbor cruise company. She has guided growth of her clients and employers through menu design, purchasing programs, cost analysis, profit and loss control systems, cash flow management and bottom-line profit enhancement. In developing and implementing company management organization and procedures, she has led prudent growth and expansion.

Noelle has also held an array of roles for various hospitality organizations, ranging from front and back of house, single unit management to multi-unit director, as well as company-wide profit management duties. She is equally comfortable over a cross section of volume levels, concept niches and company cultures. Her diverse experience includes Executive Chef Positions, F&B management, catering, large event management projects, renovations and new build outs.



NOELLE E. IFSHIN

Noelle is a graduate of the Culinary Institute of America and earned a Bachelor degree in Business and Economics from Connecticut College.

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1. HOW TO MAKE THE REGISTER RING

As many States open their economies, restaurants are beginning to welcome guests back. While it may take time for sales to build up again, restaurants can use this opportunity as a chance to make changes that will support sales, margins and profits.

Understanding what the restaurant already does well, incorporating best practices and exploring new offerings will help bring back your loyal customers as well as entice new ones.

PIVOT TO OFF-PREMISE SALES

For some time to come many restaurants will be operating with limited seating capacity. Also, there will be potential customers who may not be ready to sit in a public dining room regardless of precautions. One way to make up for missed revenue is to add or expand takeout and delivery options.

Restaurants that added take-out/delivery as a stop-gap measure might consider making it a permanent part of the business.



I. RECONFIGURE DINING ROOM SPACES

To continue social distancing restaurants will most likely have to remove seating from their dining rooms. This space can be easily reallocated to support the increase in off-premise sales, people getting takeout, delivery drivers and staging areas for curbside pickup.

II. ADJUST THE ART OF THE UPSELL

Find creative ways to prompt for larger purchases. Train staff to offer additional items when taking food orders and design digital portals to do the same. Make available complete meal combinations, family size meals, or pre-packaged meal kits with easy prepare at-home instructions.

III. UPDATE YOUR MENU & YOUR ORDERING

To maintain the quality and integrity of your brand, consider limiting which items from your menu you make available for off-premise ordering, and only offer items that travel well and have the highest profit margin. Don't forget to build the cost of containers into your pricing. Make online ordering and payment capabilities a priority, and make it easy for customers to use.



IV. CONSIDER SELLING OUTSIDE OF THE BOX

Offer pantry or grocery items available through your suppliers as well as prepackaged food items that tie into your brand. Your customers may appreciate saving a trip to the grocery store while you are increasing your average check.



CREATE A LOYALTY PROGRAM OR PROMOTION TO DRIVE REPEAT BUSINESS

Who doesn't love receiving something for free? Most of us have shopped at a certain grocery store, applied for a credit card, or flown on a particular airline just so we can earn points and get rewarded for our purchases. This is why restaurant loyalty programs have a lot of potential to drive repeat sales. Your restaurant does not have to be a national chain or franchise to run a successful loyalty program.

I. KEEP IT SIMPLE

Customers won't want to participate in a loyalty program if it is more hassle than it is worth. If there are endless rules or blackout periods where they cannot redeem their loyalty points, they will not participate. Incentivize the guests with an instant discount when signing up for the program.

II. GO DIGITAL

Customers do not want to carry around another card in their wallet and it gives them another excuse not to join. Additionally, going digital gives the restaurant an opportunity to gather marketing information on the customer – e.g. email, phone number, address, etc. Loyalty programs promoted through social media also allow restaurants to engage with their customers.



III. TRAIN ALL STAFF ON HOW THE PROGRAM WORKS

There is no greater killer to a loyalty program or promotion than staff that is unaware of the program and how it works. Ensure all staff who engage with guests are mentioning the program as appropriate. Train all staff to be able to sign up new customers for the program.

IV. DISCOUNT OR GIVE AWAY GIFT CARDS FOR DATES IN THE FUTURE

Whether digital or physical cards, recognize customer loyalty with discounted or free dining cards for future visits. Often these cards are not redeemed. Even if they are, guests tend to spend more than the face value of the gift card.

BE AGILE, TRANSPARENT, AND CREATIVE.

Now is the time to try to keep an open mind and embrace your creative spirit. There is no one magic formula. Restaurants may have to try several approaches to see which one or combination works best for their business and customers.



MARKETING & MESSAGING

At this moment and looking to the near future, marketing and messaging will be a central piece of your business that can have significant effect. The purpose of marketing and messaging is to present an image or an idea about the restaurant and the experience people will have when they visit.

COMMUNICATION WITH YOUR CUSTOMERS IS KEY

In times of national crisis, restaurants of all sizes, from sandwich shops to national franchises, often message how they are part of and support the community where they are. This message of camaraderie can be comforting to your existing patrons.

Particular to COVID-19, it will be important to communicate the steps that you have taken in response to infection and contamination, both while you may be operating in a limited capacity for take-out and delivery, or as you are reopening for full operations. Cleanliness, disinfecting surfaces, contactless interfacing, health and safety may all be terms that your customers will want to hear and read.



Though this is a promotion of your restaurant to attract business, setting the appropriate tone in the message will be vital. It should communicate: empathy and concern for your community, your patrons and your staff; how seriously you have handled this situation; the actions you have taken to ensure that your premises are uncontaminated, and how you will continue to ensure health and safety. Do not exaggerate or lie, and enlist help if you need it in crafting this message. This is about creating and rebuilding trust with the public.

It is OK to overtly promote the restaurant but be careful at this time to focus on points that are empathic to your customers such as family discounts, separate seating areas for people wishing to continue social distancing, contactless food service, or discounts for hospital workers and first responders.

The statement should be posted on your Website, Social Media feeds and sent out via direct email.



RESTAURANTS NEED TO BUILD OUT THEIR ONLINE PRESENCE

The need for people to work from home has brought a quantum shift towards online and digital communication. Those businesses who got their message out early to their customers saw brand loyalty. Smaller or independent restaurants that do not have dedicated IT or marketing staff to run digital communications should look for ways to add this function to their operations. When there is a lot of uncertainty in the marketplace, businesses must stay in touch with their customers.



I. RESTAURANTS MUST BE ON MULTIPLE SOCIAL MEDIA PLATFORMS

When everyone is at home, this is one of the easiest and least expensive ways to reach your customers. Restaurants can link social media pages to their websites, menu pages and online ordering portal. You can also use these platforms to run contests, publicize your charitable efforts, run sales promotions and conduct “Calls-to-Action” – a prompt for users to take an action such as providing information, taking a poll or opting into your mailing list.



II. ONLINE ORDERING

Many guests who are now making the switch to online and in-app orders will not go back. If you've been holding on to call-in orders only, it's time to let go. Embrace digital and promote it.

III. CONSIDER YOUR OWN ONLINE WEB PAGE OR APP

Investing in a proprietary online ordering format can save a restaurant money in the long run by avoiding high third-party delivery fees.



2. OPERATIONAL SAFETY

During this pandemic the issue of workplace health and safety is part of the national conversation on a daily basis, however these issues have always been business imperatives in the restaurant industry. A highly infectious virus presents a new set of challenges and considerations for you, your staff and your operating procedures. Experts predict that this pandemic will come in waves and certain precautions which we have adopted during the crisis will be with us for a while, while others may become permanent changes to our routines.

Designing and implementing procedures that overtly protect your employees will make them feel good about returning to work, and support positive morale. Remember that employees are your first “customers” and treating them as such is the first step in providing a productive, positive environment, which reinforces your company’s hospitality and service culture.

MANAGING EMPLOYEE HEALTH & RESTAURANT SANITATION

I. Sick employees:

- If employees are sick at work, send them home immediately. Clean and disinfect surfaces in their workspace. Others at the facility with close contact (i.e. within 6 feet) of the employee during this time should be considered exposed.

II. COVID-19 exposure:

- Instruct employees who are well, but know they have been exposed to COVID-19, to notify their supervisor and follow CDC-recommended precautions.

III. Implement workplace controls to reduce transmission among employees:

- All Staff Should be pre-screened (e.g., take temperature and assess symptoms prior to starting work).
- Disinfect and clean workspaces and equipment; consider more frequent cleaning of high touch surfaces.
- Regularly self-monitor (e.g., take temperature and assess symptoms of coronavirus).
- Wear a mask or face covering whenever possible.
- Practice social distancing and stay at least 6 feet from other people whenever possible.



IV. Partner with your local Health Department:

- Re-evaluate your sanitation program with your local Health Department. They are a great local resource to partner with.

V. Ensure Personal Hygiene Protocols for Employees are being followed:

- Emphasize effective hand hygiene including washing hands for at least 20 seconds, especially after going to the bathroom, before eating, and after blowing your nose, coughing, or sneezing.
- Always wash hands with soap and water. If soap and water are not readily available, then use an alcohol-based hand sanitizer with at least 60% alcohol and avoid working with unwrapped or exposed foods.
- Avoid touching your eyes, nose, and mouth.
- Use gloves to avoid direct bare hand contact with ready-to-eat foods.
- Before preparing or eating food, always wash your hands with soap and water for 20 seconds for general food safety.
- Cover your cough or sneeze with a tissue, then throw the tissue in the trash and wash hands after.



VI. Manage Foodservice Operation Protocols More Strictly:

- Always follow the 4 key steps to food safety: Clean, Separate, Cook, and Chill.
- Wash, rinse, and sanitize food contact surfaces, dishware, utensils, food preparation surfaces, and beverage equipment after use.
- Frequently disinfect surfaces repeatedly touched by employees or customers such as doorknobs, equipment handles, check-out counters, and grocery cart handles, etc.
- Frequently clean and disinfect floors, counters, and other facility access areas using EPA-registered disinfectants.
- Prepare and use sanitizers according to label instructions.
- When changing your normal food preparation procedures, service, delivery functions, or making staffing changes, apply procedures that ensure:
 - Cooked foods reach the proper internal temperatures prior to service or cooling.
 - Hot foods are cooled rapidly for later use – check temperatures of foods being cooled in refrigerators or by rapid cooling techniques such as ice baths and cooling wands.
 - The time foods being stored, displayed, or delivered are held in the danger zone (between 41°F and 135°F) is minimized.
 - Proper training for food employees with new or altered duties and that they apply the training according to established procedures.
- Continue to use sanitizers and disinfectants for their designed purposes.
- Verify that your warewashing machines are operating at the required wash and rinse temperatures and with the appropriate detergents and sanitizers.
- Remember that hot water can be used in place of chemicals to sanitize equipment and utensils in manual warewashing machines.

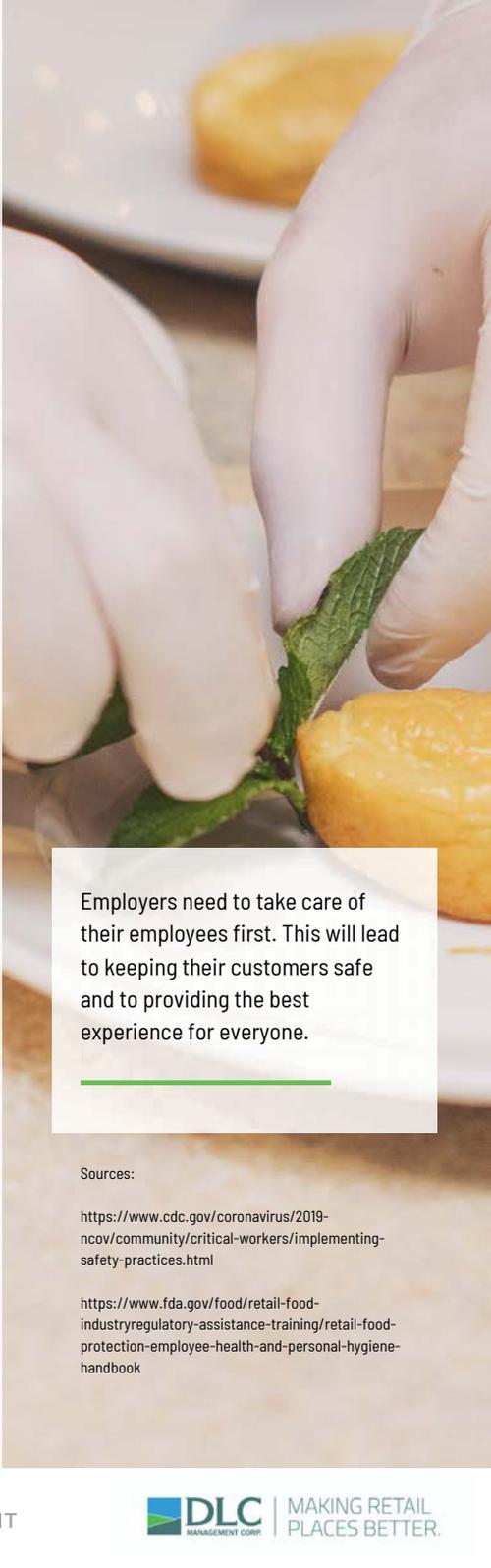


VII. Social Distancing Guidelines for Dine-In Restaurants:

- Adhere to your local municipality's guidelines for dine-in capacity.
- Space dining room tables to ensure the proper six feet between tables. Remove excess tables and chairs to storage.
- Reconfigure bar and counter service seating to maintain proper social distancing.
- Consider adding dining room partitions between tables, bar and counter seating
- Redesign dining room pathways for both staff and guests; utilize floor decals where needed.
- Add hand sanitizer stations for both staff and guests
- Create guidelines for cleaning and sanitizing all tables, chairs and touched table top items in between table turns

VIII. Help Employees Maintain Good Infection Control through Social Distancing and Contactless Servicing of Customers:

- Discontinue operations, such as salad bars, buffets, and beverage service stations that require employees to handle utensils or machines which multiple customers have handled.
- Appropriately space customers in accordance with applicable local or state requirements.
- In Quick Serve/ Counter Serve establishments either install barriers between your cashiers and customers or maintain 6 feet distances.
- To reduce potential contamination use single use disposable menus or digital menus that can be read on a guest's own smart phone.
- Implement a contactless payment system where possible.



Employers need to take care of their employees first. This will lead to keeping their customers safe and to providing the best experience for everyone.

Sources:

<https://www.cdc.gov/coronavirus/2019-ncov/community/critical-workers/implementing-safety-practices.html>

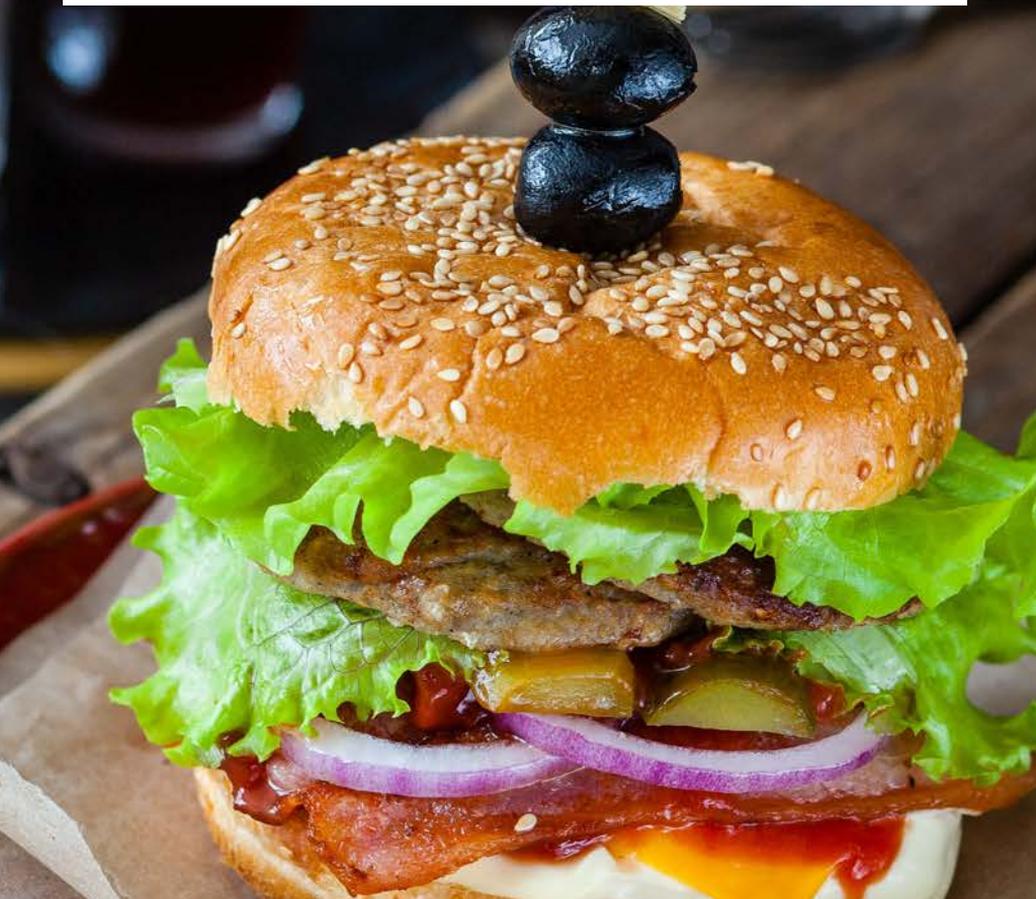
<https://www.fda.gov/food/retail-food-industryregulatory-assistance-training/retail-food-protection-employee-health-and-personal-hygiene-handbook>

3.

SAFEGUARDING YOUR RESTAURANT'S CASH FLOW

Restaurants already operate on very thin margins with limited cash reserves, leaving little if any money to get through interruptions in business. Now more than ever, with uncertain sales projections, restaurants must do everything they can to safeguard their cash flow as they build back their business.

There are a number of actions restaurants can take to improve their cash flow.



WAYS TO SAFEGUARD YOUR RESTAURANT'S CASH FLOW:

I. REVIEW HOW AND WHEN TO PAY VENDORS

- Ask vendors to extend credit and relax payment terms
 - Many larger vendors will be able to accommodate you, depending on your restaurant's pre-pandemic credit.
- Find out if any of your vendors allow for partial or installment payments of bills.
- Know which vendors offer incentives for early payment; pay them early, if you can.
- Use electronic payments when you are able, so you can pay the bill as late as possible.
- Investigate forming a buying collective with other local restaurants to increase your buying power with vendors, and get better pricing, credit and terms.



II. REDUCE AND REVAMP YOUR MENU – NOW IS THE TIME TO GET CREATIVE WHILE MAINTAINING YOUR BRAND

Reduce the Size of Your Menu: Analyze what is selling on your menu and remove those items that do not sell; keep the menu concise with your signature items and those items with high profit margins. Also, look at the sales of items that use one-off ingredients.

Reduce Inventory SKU'S: Making the menu smaller reduces how many food items need to be kept in your inventory. This reduces your overall cash spend and how much money you tie up in your inventory.

- This also can reduce the chance for spoilage, theft and waste, which increase your overall food cost.

Verify Pricing: Review every item on your menu. If you don't know what it costs to buy, prepare, and serve every item that is offered in your restaurant, you should.

Consider Some Price Increases: In an effort to raise the average check per customer, consider small price increases on certain menu items, such as add-ons or "luxury" foods.

Train the Staff: Ensure they are "Up Selling" every customer to increase the average check. This works in all types of restaurants.

Use What You Already Have Paid For:

- Incorporate non-perishable items you already have in stock into your new menu. In smaller independent-owned restaurants, the menu can be changed more frequently, according to what is on hand.
- Work with the wine and liquor which has already been paid for and is sitting in your shuttered restaurant. Restaurants should use up their stock before ordering any more items.

Value Items: Consider adding Value Items or Family Sized Complete Meals to your menu. People are struggling financially right now and you will be able to attract customers with a value proposition.

Smaller Menu = Less Kitchen Staff to produce = Less Labor Cost

Expand Take Out Options and Delivery: Dining room staff can be used for deliveries and restaurateurs will be able to keep them employed.



III. IMPLEMENT STRICT CONTROLS & PROCEDURES

Food and Beverage Inventory: These should normally be taken weekly; but as restaurants come back on line, these should be taken daily to prevent any form of waste, spoilage or theft. This also allows for creativity and to be able to make changes to menus and specials in real time.

Measurement Controls: Does the kitchen have a scale? Do your deliveries get weighed? These could be costing you.

- Invest in a scale and train the staff properly.
- If you are invoiced from your vendor by weight, be certain you are getting what you pay for.
- The kitchen should have written recipes to follow and all food items should be weighed when they are portioned.
- Over portioning, even by small amounts, adds up over time and is the equivalent of throwing money in the garbage.

Cash Controls: At every shift change, registers should be counted, logged, and brought back to a starting “bank”. Sales numbers should be recorded and all cash removed from the registers should be dropped into a safe.

Liquor Controls: Alcohol is your highest margin category, and the item that is most often stolen by staff.

- Alcoholic beverages should be stored under lock and key, inventoried regularly and recorded when distributed to the bars and the dining room floor.
- Have written procedures in place for how and when the bar is restocked, as well as who has access to the storage area or cabinet.
- Bartenders should use measured pourers and follow written recipes. Overpouring is easy to do and is costly over time.
- Have a stated policy for your staff to follow about drink buy back or “comped” drinks for regular customers, and how they are recorded.

Time Controls: “Time theft” - employees purposely over-clocking their hours - is an often-overlooked drain of cash. Each of your “diligent” \$15/hr employees clocking in 20 minutes early and out 20 minutes late every shift is costing you an extra \$2500 per year.

- Have clear, written clocking in and out procedures in your employee handbook that comply with your local laws.
- There should be a single clocking location, under camera surveillance, with a punch clock or POS station. Hand-written time cards should be avoided.

IV. LEVERAGE TECHNOLOGY TO AUTOMATE YOUR OPERATIONS WHEREVER POSSIBLE FOR EFFICIENCY

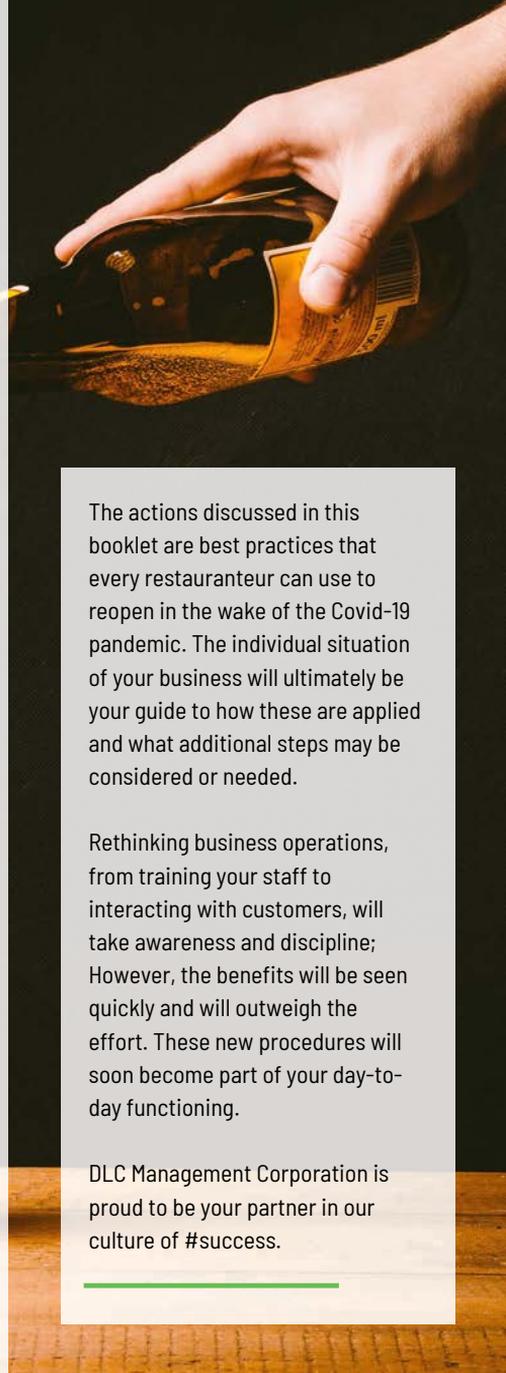
Back of House Operations:

The Pandemic has taught us that it is time to come into the 21st century.

- Reservation Functions – Open Table, Yelp, etc.
- Bookkeeping
- Social Media Aggregation
- Banking Functions

POS Systems are great sources of data for restaurants for ordering, inventory, and menu mix. There are many forms of POS systems available, some not expensive, but all worth the investment.

Contactless Counter Ordering for QSR and Fast Food Restaurants.



The actions discussed in this booklet are best practices that every restaurateur can use to reopen in the wake of the Covid-19 pandemic. The individual situation of your business will ultimately be your guide to how these are applied and what additional steps may be considered or needed.

Rethinking business operations, from training your staff to interacting with customers, will take awareness and discipline; However, the benefits will be seen quickly and will outweigh the effort. These new procedures will soon become part of your day-to-day functioning.

DLC Management Corporation is proud to be your partner in our culture of #success.

URGE CONGRESS TO ESTABLISH A COVID-19 RECOVERY FUND

While Congress has taken critical steps to protect the public and assist the economy, our current assessment is that additional liquidity will be required for impaired industries and businesses to avoid a historic and systemic economic crisis.

The COVID-19 Recovery Fund would facilitate the distribution of federal funds and liquidity to impacted businesses and their employees. The requested relief would be designed to help businesses retain and rehire employees, maintain worker benefits and meet operating expense obligations. Unfortunately, this crisis requires that more must be done to address the unprecedented economic challenges facing our nation.

Please take a moment to urge Congress to support our efforts to create a COVID-19 Recovery Fund!

Click the link below to act now.



I just told Congress to support the COVID-19 Business and Employee Recovery Fund click below to join me:
<http://actnow.io/recoveryfund>

 International Council of Shopping Centers

NATIONAL RESTAURANT ASSOCIATION

The restaurant industry, more than any other industry in the nation, has suffered the most significant sales and job losses since the COVID-19 outbreak began. The National Restaurant Association has created this resource section to provide restaurant operators with the information to navigate the new challenges COVID-19 has presented the food service industry.

Click below to access.



Coronavirus Information and Resources

 National Restaurant Association



MAKING RETAIL
PLACES BETTER.

FOR MORE INFORMATION:

Visit our website

dlcmgmt.com

[866.DLC.MGMT](tel:866.DLC.MGMT)