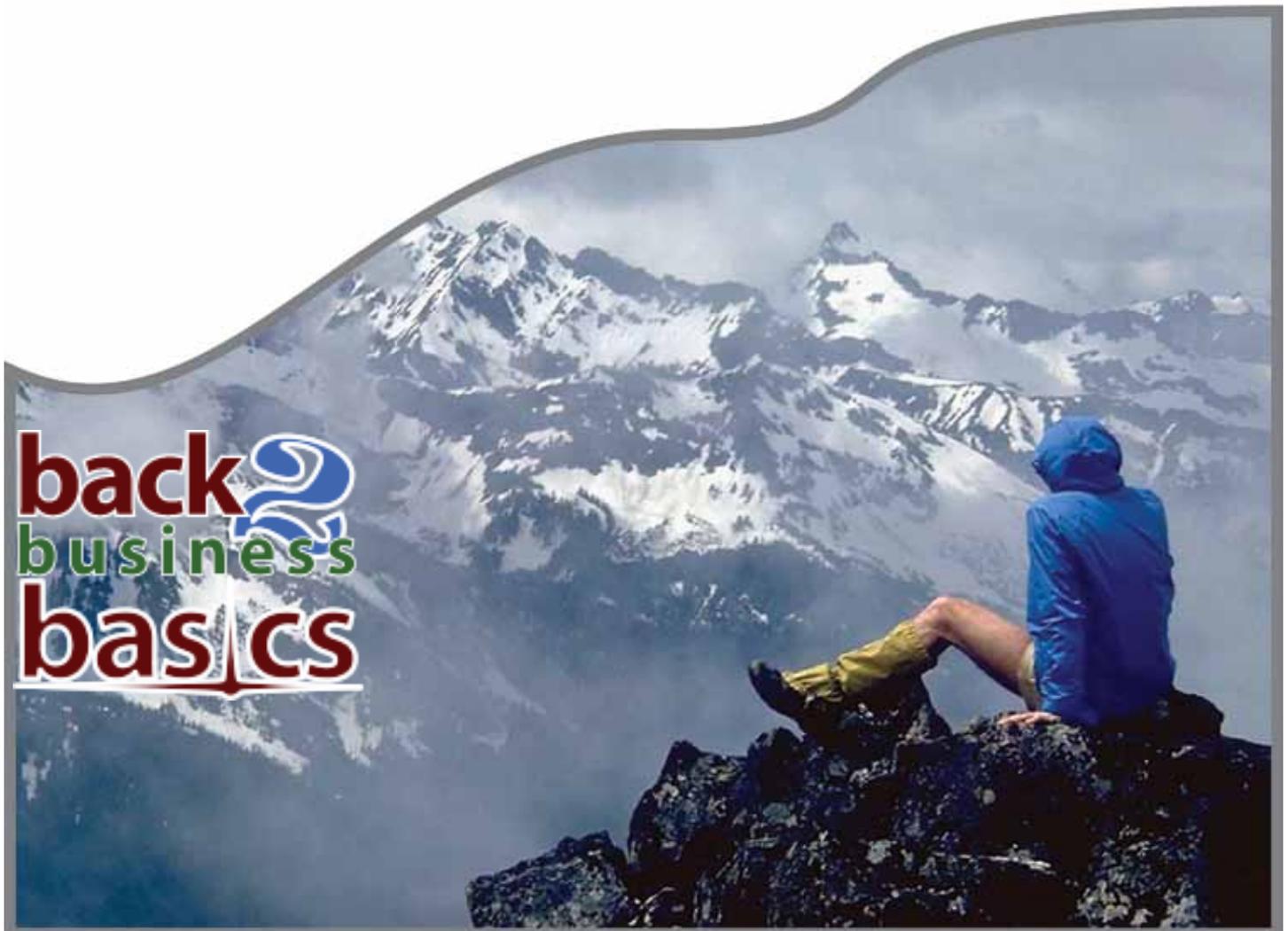




Case Study - Restaurant

Above the Standard Procurement Group, Inc.®, www.ATSPG.com



back
business
basics

Company

Name:

Socrates Yakou-
matos Pancake
House Restaurant

Industry:

Restaurant/Hospi-
tality

Restaurant Case Study

Above the Standard Procurement Group® , Inc. Delivers

Above the Standard Procurement Group®, Inc. was able to turn around a Pan-
cake House Restaurant because of Socrates Yakoumatos thirty year expertise in
the restaurant industry, **Above the Standard's** strategic partners, and our unique
abilities and talents that deliver solutions quickly.

Cost Increase

**With the cost of energy, labor, food, and other areas increasing in record setting
measures**, all restaurant owners, chains, and franchises have to take action or be
out of business.

This case study outlines a real example of what was done in a few months to turn
around this location. The same principles would apply to multiple locations.

Change Willingness

The restaurant owner, who has been in the business for a long time, realized that
some things needed to be changed or there would be no business!

With the owner's willingness, Socrates Yakoumatos and **Above the Standard** ana-
lyzed the different areas with our no cost assessment. We then determined the
best **Above the Standard** team members and strategic partners for the client and
implemented the plan with the owner and delivered results!

Above the Standard Pancake House Results

Below are some of the areas that took place in two months as this client will now
see a \$200,000 savings in one year!

Pancake House Plan

- Labor costs had become too excessive – \$1,000 a week in labor costs was re-
duced with minimal to no impact on store performance or employee morale.
- Energy costs were reduced with assistance from **Above the Standard's** Strate-
gic Energy Partner. Savings on gas and electric will be about 6 to 10 percent,
which is approximately \$4,000-\$6,000 dollars a year depending upon usage.
- Credit card processing was impossible for most people to understand. By hav-
ing **Above the Standard's** expert work with us in this area, a new credit card
provider will net the Pancake House another \$5,000 to \$6,000 in savings per

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year.

- Re-negotiation of the Pancake House laundry contract with Cintas will deliver a savings of 50 percent or \$7,000 to \$8,000 thousand per year.
- Currently, negotiations are underway with trash disposal. Current company is not offering much, so other providers are being sourced and reviewed. Our initial estimate is a saving of \$5,000 per year in this category.
- Food costs were re-negotiated at a savings of \$20,000 per year.
- Prices were increased to offset rapidly rising food costs. Net increases should yield \$100,000 increased gross income per year.
- Because **Above the Standard's** methodologies and the owner of the Pancake House are all about best value, which includes quality and cost, the Pancake House customers enjoy the same incredible quality and value of food and atmosphere. In other words, marketing is not an issue.
- With the implementation of cost savings and projects, expansion of the Pancake House is being researched because of the extra capital and streamlining of the organization.
- Non profitable items were eliminated from the menu with a savings of \$5,000 dollars per year.
- Other areas are in negotiation mode now, such as rent, insurance, and other categories.

Summary

In just two months, the Pancake House, has been turned around, will stay in business, and has cash flow to expand the business.
 Other projects are continuing with what has already been conducted. "Most businesses fail due to complacency!"
Socrates Yakoumatos

The total conservative savings conducted already amount to \$200,000 per year for just this location!

The owner of the Pancake House stated: "Most businesses fail due to complacency!"

