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Restaurant Industry Operations Survey



Receive the industry's most valuable research for free!

The National Restaurant Association and Deloitte invite you to participate in the **2009 Restaurant Industry Operations Survey**.

By taking a few minutes to complete this survey, you will receive a **FREE** copy of the *National Restaurant Association Restaurant Industry Operations Report 2009* — the mostly widely recognized source of restaurant-industry operating data anywhere. You will also receive a free copy of restaurant-industry operations data for your state or region, sample size permitting, as well as a chance to win **win one \$500 American Express® Gift Card** in a random drawing.

Your participation in the Restaurant Industry Operations Survey will help us to provide the most comprehensive report possible, and I am certain you will find this report essential to your business. The information you submit will be kept strictly confidential, and will be used only by Deloitte in compiling totals for the report.

For questions about the survey, contact Hudson Riehle, senior vice president, Research & Information Services, National Restaurant Association, at hriehle@restaurant.org or (202) 331-5962 or Nicole Bell, senior sector specialist, Deloitte, at nibell@deloitte.com or (312) 486-3484.

A handwritten signature in black ink, appearing to read "Michael Kaufman".

Michael Kaufman
Chairman of the Board
National Restaurant Association

Please complete this section to receive your **FREE** copy of the *Restaurant Industry Operations Report 2009*, your state and regional report (sample size permitting) and entry into a random drawing for a **\$500 American Express® Gift Card.**

PLEASE PRINT OR TYPE:

Contact Name _____

Mailing Address _____

City _____ State _____ ZIP _____

E-mail _____

Phone (optional) _____

Publication scheduled for Fall 2009. Surveys must be filled out completely and accurately. This portion will be separated from your survey as soon as it is received to protect the confidentiality of your responses.

SURVEY INSTRUCTIONS:

WHO SHOULD COMPLETE THIS SURVEY?

- Owners/operators/managers of a single restaurant.
- Owners/operators/managers of two or more restaurants: Complete and return a survey for **each unit** in operation, or for as many units as possible. (Photocopies of this survey are acceptable. Additional copies of the survey are available on our Web site at www.restaurant.org/research/operations/survey or by calling the National Restaurant Association at 800-424-5156.)

This questionnaire has been specifically designed to collect information relating to an individual restaurant's operation. It is vitally important that income statement information pertain to a single restaurant and not to a chain of restaurants. Multi-unit operators should report information for individual establishments, including allocated revenues and costs.

Please answer all questions as completely as possible. In completing the financial portion of the survey, you may wish to have your accountant supply the data or simply send Deloitte & Touche your latest 12-month detailed financial statement, and they will complete the financial portion of the survey for you. Remember, you must still complete Section I on the following page.

The completed survey may be mailed or faxed to the following contact by the June 20, 2009 deadline:

MAIL TO

Attn: Doris Dunlap
Deloitte & Touche LLP
Two World Financial CTR LOWR C1
New York NY 10281-1414

FAX TO

Attn: Doris Dunlap
212-655-6439

Questions or problems completing the survey? Visit our Web site at www.restaurant.org/research/operations/survey for more information or call Hudson Riehle, National Restaurant Association at 800-424-5156, ext. 5962.

SECTION 1. GENERAL

1. STATE IN WHICH RESTAURANT IS LOCATED: _____

2. ZIP CODE OF RESTAURANT: _____

3. TYPE OF OWNERSHIP (check one)

- ₁ Sole proprietorship
- ₂ Partnership
- ₃ Public Corporation
- ₄ Private Corporation

4. TYPE OF ORGANIZATION

- ₁ Independent (operates one unit)
 - ₂ Multi-unit (operates 2 or more units)*
- Number of units operated:

*A separate survey should be completed for each unit.

5. ARE YOU A FRANCHISEE OR FRANCHISOR? (check one)

- ₁ Franchisee
- ₂ Franchisor
- ₃ Both
- ₄ Neither

6. PRIMARY TYPE OF BUSINESS (check one)

FULLSERVICE

- ₁ Average check per person under \$15
- ₂ Average check per person \$15 to \$24.99
- ₃ Average check per person \$25 and over

LIMITED SERVICE (all quickservice/fast food concepts)

- ₄ Average check per person under \$7.50
- ₅ Average check per person \$7.50 and over
- ₆ Other (please specify): _____

7. LIQUOR SERVICES (check one)

- ₁ Beer and/or wine
- ₂ Full liquor service
- ₃ No alcoholic beverages

8. PRIMARY MENU THEME: (check one)

- | | |
|--|---|
| <input type="checkbox"/> ₁ Hamburger | <input type="checkbox"/> ₆ American (varied) |
| <input type="checkbox"/> ₂ Pizza | <input type="checkbox"/> ₇ Mexican |
| <input type="checkbox"/> ₃ Chicken | <input type="checkbox"/> ₈ Asian |
| <input type="checkbox"/> ₄ Steak/seafood | <input type="checkbox"/> ₉ Italian |
| <input type="checkbox"/> ₅ Sandwiches/subs/deli | <input type="checkbox"/> ₁₀ Other |
- (please specify): _____

9. SITE ON WHICH RESTAURANT IS LOCATED:

- | | |
|--|--|
| LAND (check one) | BUILDING (check one) |
| <input type="checkbox"/> ₁ Owned | <input type="checkbox"/> ₁ Owned |
| <input type="checkbox"/> ₂ Leased | <input type="checkbox"/> ₂ Leased |

10. NUMBER OF YEARS THIS RESTAURANT HAS BEEN IN BUSINESS: (check one)

- ₁ Under 1 year
- ₂ 1 to 5 years
- ₃ 5 to 10 years
- ₄ Over 10 years

11. DOES RESTAURANT OFFER: (if offered, your best estimate of percentage of total sales)

- | | | | |
|------------------------------|------------------------------|-----------------------------|---------|
| Take out/drive-thru/curbside | <input type="checkbox"/> Yes | <input type="checkbox"/> No | _____ % |
| Outside catering | <input type="checkbox"/> Yes | <input type="checkbox"/> No | _____ % |
| Banquet services | <input type="checkbox"/> Yes | <input type="checkbox"/> No | _____ % |

12. RESTAURANT IS LOCATED IN/ATTACHED TO: (check one)

- ₁ A hotel
- ₂ A shopping center or mall
- ₃ Nothing — sole occupant of a building
- ₄ Other (please specify): _____

13. NUMBER OF SEATS:

Total seats # _____

14. SIZE OF RESTAURANT:

Square feet of total area # _____
(including preparation and storage)

15. NUMBER OF CUSTOMERS SERVED FOR THE YEAR:

(provide best estimate) # _____

16. AVERAGE GUEST CHECK PER PERSON:

(all meals) \$ _____

17. AVERAGE NUMBER OF PAID RESTAURANT EMPLOYEES THAT WORK DURING A TYPICAL WEEK:

	Salaried	Hourly
Full-time (35 hours or more)	_____ ₁	_____ ₂
Part-time (20 to 34 hours)	_____ ₃	_____ ₄
Part-time (less than 20 hours)	_____ ₅	_____ ₆
TOTAL	_____ ₇	_____ ₈

18. NUMBER OF W-2s YOUR RESTAURANT SENT LAST YEAR:

(provide best estimate)

Salaried employees	# _____ ₁
Hourly employees	# _____ ₂
TOTAL	# _____ ₃

19. ANY STAFF AT THIS LOCATION UNIONIZED:

(if yes, your best estimate of percentage of union membership)

- No
- Yes _____ %

SECTION II. STATEMENT OF INCOME AND EXPENSE

Please completely fill out all financial data for **fiscal year 2008**. If you wish, you may submit a copy of your year-end operating statement and this section will be completed for you by Deloitte & Touche. Income statement information should pertain to **only a single restaurant** and not to a chain of restaurants. Please use whole dollar amounts. Enter "zero" where appropriate. For a guide to terminology used in this section, please see the last page of this survey.

Remember, all information provided will be kept strictly confidential.

Current 12 months ended: Month _____ Year 2008

SALES

Food	_____	1
Beverage (alcoholic)	_____	2
Total sales	_____	3

COST OF SALES

Food	_____	4
Beverage (alcoholic)	_____	5
Total cost of sales	_____	6

GROSS PROFIT (line 3 minus line 6) _____ 7

OPERATING EXPENSES

Restaurant operating expenses

Salaries and wages	_____	8
Employee benefits	_____	9
Direct operating expenses	_____	10
Music and entertainment	_____	11
Marketing	_____	12
Utility services	_____	13
Restaurant occupancy costs	_____	14
Repairs and maintenance	_____	15
Depreciation	_____	16
Other expense/(income)	_____	17

Total restaurant operating expenses _____ 18

General and administrative expenses _____ 19

Corporate overhead _____ 20

Total operating expenses _____ 21

INTEREST EXPENSE _____ 22

OTHER EXPENSES _____ 23

INCOME BEFORE INCOME TAXES _____ 24

We are attempting to obtain information on the breakdown of 2 categories of expenses. Please provide the following data in dollars:

MARKETING

	2008
Advertising	_____ 1
Promotion	_____ 2
Marketing Research	_____ 3
Public Relations/Publicity	_____ 4
Other	_____ 5
Total (Same as line 12 in Sec. II)	_____ 6

UTILITIES

	2008
Electricity	_____ 1
Gas	_____ 2
Water	_____ 3
Waste Removal	_____ 4
Other	_____ 5
Deduct credits	_____ 6
Total (Same as line 13 in Sec. II)	_____ 7

EXPLANATION OF TERMS

FOOD SALES

This category includes revenue derived from the sale of food in the restaurant. Food sales also include the sale of coffee, tea, milk and fruit juices, which usually are served as part of a meal. If there is no service of liquor, beer or wines, the soft drink sales also would be included in this category.

BEVERAGE SALES

This category includes revenue from the sale of wine, spirits, liqueurs, beer, and ale. These sales do not include coffee, tea, milk, or fruit juices, which normally are served with meals and, therefore, are considered food.

PRIME COST

Prime cost is the total of the following: cost of food sold, cost of beverage sold and the associated payroll costs and employee benefit costs.

SALARIES AND WAGES

This category includes the regular salaries and wages, extra wages, overtime, vacation pay and any commission or bonus payments made to employees. The entire restaurant payroll generally is included under this category.

EMPLOYEE BENEFITS

This category includes federal retirement (Social Security) tax (FICA), federal and state unemployment taxes and state health insurance tax. Other items considered benefits are worker's compensation insurance premiums, welfare plan payments, pension plan payments, accident and health insurance premiums and hospitalization, Blue Cross/Blue Shield and group insurance premiums. Also listed under employee benefits are education expenses, employee parties, employee sports activities, credit union, awards and prizes, and transportation and housing.

DIRECT OPERATING EXPENSES

Expenses directly involved in providing service to the customer, such as uniforms, laundry, linen, china, and cleaning and paper supplies, are considered operating expenses. Also included are utensils, kitchen fuel, menus and drink lists, flowers and decorations, contract cleaning, auto or truck expense, parking, and licenses and permits.

MARKETING

This group of expenses includes selling and promotion expenses, such as direct mail and entertainment costs in promotion of business (including gratis meals to customers). Also, the cost of advertising through newspapers, magazines or trade journals, outdoor signs, and radio and television is included. Public relations and publicity (including fees and commissions to advertising or promotional agencies) and royalties are found in this category.

UTILITY SERVICES

This section is composed of the costs of all fuel except that charged to direct operating expenses in the account "kitchen fuel." Water, ice and refrigeration supplies, and the removal of waste are also included. The cost of oils, boiler compound, fuses, grease and other supplies, plus any small tools used in the operation or maintenance of the mechanical and electrical equipment, should also be charged to this account.

RESTAURANT OCCUPANCY COSTS

Rent, taxes and property insurance are occupancy costs. These are sometimes called "fixed charges," since they usually are determined by the financial setup of the restaurant and usually not by the trend of its business.

REPAIRS AND MAINTENANCE

The following items are repairs and maintenance expenses: painting and decorating; plastering; upholstering; mending curtains; and maintenance contracts on elevators, signs and office machinery. Repairs to dining room furniture, refrigeration, air conditioning, buildings, floors, plumbing and heating are charged to this category as well. Repairs to dishwashing and sanitation equipment, kitchen equipment and office equipment are also included here.

GENERAL AND ADMINISTRATIVE EXPENSES

This group of expenses is commonly considered as overhead and includes items that are necessary to the operation of the business rather than those connected directly with the service and comfort of the customer. This account should be charged with the cost of all printed matter not devoted to advertising and promotion, such as accounting forms, account books, restaurant checks, office supplies, cash register and other checking supplies, letterheads, bills and envelopes. All postage, except amounts applicable to advertising, should be charged here. The cost of telephone equipment rental, local and long-distance calls should be charged to this account, with the exception of calls chargeable to marketing. Other items charged to this account are data processing costs, dues and subscriptions and insurance costs (other than those included as employee benefits or fire and extended coverage on the premises and contents). Commissions on credit card charges collection fees, cash shortages, professional dues and protective services are also considered general and administrative expenses.

CORPORATE OVERHEAD

This category consists of costs or fees charged or allocated by the central office or a management organization of a chain operation for executive supervision and management.

*Definitions and examples have been taken from *Uniform System of Accounts for Restaurants*.