



## *profitable food facilities*

When a smaller food operation, such as one found at a water park, ski resort, health club or day spa, isn't pulling its weight by garnering enough "stomach" share or optimizing its operational efficiencies, it's time to take action.

Enter San Diego, California-based Profitable Food Facilities, a company specializing in the maximization of profits in this smaller and oftentimes overlooked sector of the food and beverage industry. Profitable Food Facilities utilizes a proven method to address the obstacles that stand in the way of increased profitability.

"Our expertise goes from inception to opening day," says Mike Holtzman, president of Profitable Food Facilities. "We can design the facility and walk away or we can perform detailed analysis on an existing facility. Our business is approximately 50/50."

### **SETTING UP FOR SUCCESS**

When Profitable Food Facilities is called in by an existing operation, the company springs into action by creating an action program within six days to get the client back on the profitable track over a 90-day period — with guaranteed results! Holtzman suggests that the problem can usually be found in the system, simply stated, not being set up for success. Profitable Food Facilities studies the sales revenue and the expenses to seek answers as to why the operation is not performing at expected levels.

"We go in with no 'cookie cutter' agenda, no real checklist per se," explains Holtzman. "On day one we ask a lot of questions; on day two we get a lot of answers. For instance, we may uncover labor issues relating to scheduling, less-than-ideal purchasing practices, flaws in the kitchen layout as it relates to the menu, or problems with the menu itself."

### **STARTING FRESH**

When Profitable Food Facilities is called in to work on a new design, the company's goal is to make it easy for the architect. "We say to the architect, 'here's the kitchen.' The objective is to provide a finished plan with all mechanical components," Holtzman explains.

The key, according to Holtzman, is that the kitchen needs to be based on a profitable menu while being labor-friendly, too. Flow of product and ease of execution are rarely considered in the final plans. There are some clever snack bars that are only 400 square feet and there are 2,000-square-foot kitchens that are turkeys. Size is a confusing issue that often clouds the expected results.

"Our approach is to talk to the owner and the architect and ask what they want to do. They have options. We bring knowledge and expertise. First, we want a menu that we know will be profitable. The second component to profit is tying that menu to how much square footage is needed to execute."

In 1992, Holtzman, the founder of Profitable Food Facilities, worked at health club in California that had a 250-square-foot facility doing \$120,000 and helped turn it into a \$250,000 operation. It was the seed that developed into the catalyst for starting the consulting and design business.

"I built this company to take care of clients worrying about how much equipment to cram into a kitchen. Most consultants who design kitchens are tied to the equipment (in terms of commissions and kickbacks). They also lack the hands-on experience of having worked in this type of environment. Kitchens should be designed by a professional who has first-hand experience in these situations and recognizes that operations must continue to run profitably."

Profitable Food Facilities' future looks very healthy. "We've done more than 190 projects in 34 states and Canada to date," Holtzman says. "We're doing approximately a kitchen layout per week."



— Service Profile

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