

ARCHEPOINT™ CONSULTING AN ACCELERATED ADVANTAGE

EVALUATE

Whether you are running a billion dollar restaurant enterprise or embarking upon a first entrepreneurial venture, the fundamentals that define restaurant business success are strikingly similar. Concept positioning, funding, economics, real estate, people, marketing and execution are all key components that play pivotal roles in determining the ultimate outcome. Evaluating the pertinent attributes of each component is the first step in composing an effective and comprehensive strategy during any point in the business cycle from start-up to growth and through mature stability.

Consumer appeal is largely a function of cuisine, value proposition, location and the ability to execute with guest counts being the ultimate benchmark of success. The capacity to create consumer frequency and capture check average relative to fixed financial obligations and operating costs is central to a concept's viability and portability. It also governs the affordability of real estate which, in turn, defines the footprint and demographics, particularly day-part population densities and incomes. In addition, as trade areas mature, competitive "food destination" areas emerge and the cost of driving new trial escalates, the inherent ability to remain relevant is crucial. A compelling business model will address all of these factors.

Creating, re-positioning or reorganizing a concept necessitates an effective evaluation comprised of investment, operations, menu, real estate and facility assessments. The right debt, location, lease, decor, equipment, management, staffing, training, products, pricing, margins, service flow, experience pace and marketing all need to be taken into account.



IDEATE

Devising solutions to identified opportunities and challenges requires creativity and experience on multiple fronts. Traditional approaches, application of proven methods or adoption of the latest innovations all benefit from a perspective of historical involvement with similar circumstances and the ability to demonstrate possible outcomes based on prior experience and insight. Properly interpreting the evaluation data and generating the ideas that lead to strategy and the subsequent hard tactics is the formula for capturing upside, solving problems, avoiding future pitfalls and creating momentum.

Many of the issues and challenges that arise out of day to day operations have been encountered and solved by someone somewhere. Often the solutions are simply a matter of researching the options and adopting or modifying accepted industry procedures or standards to your particular circumstances. Conversely, fundamental changes in an operating paradigm may require extraordinary innovation and a complete redesign of the model. Scenarios would include unique locations, service methods, back of house production, supply chain logistics and social media marketing. Technology, a growing presence within the service sector, offers new approaches to productivity, marketing and loss prevention.

Less tangible concerns relating to branding, points of distinction and differentiation require a firm understanding of current and potential demand. In the event of growth, acquisition, revitalization or re-organization, there are essential considerations prior to committing financial resources. Some are academic tactics but many are heavily influenced by people, both guests and employees, who create the aura of the brand.



ACCOMPLISH

Nothing really counts for much in the absence of quantifiable returns. The results can manifest themselves as revenue increases, traffic gains, improved satisfaction scores, reduced costs and mitigated risk; all having a direct correlation to the bottom line and the long term viability of a business. From the onset, defining specific desired outcomes with measurable components to be achieved within a prescribed timeframe will insure that success can be judged in concrete terms. Be disciplined about documenting and attaining the interim hurdles while indoctrinating the processes into the organization.

Armed with effective assessments and analysis, one can formalize a set of objectives that will have a material impact on the short and long term financial results of the business. Information needs to be **correctly** interpreted leading to specific, easily understood steps that will result in achievement. Constructing the vision, employing the proper tools and creating buy-in are the mandate of leadership. Clearly define how success will be measured, communicated and documented along the way. Service, staffing, training, retention, product quality, facility, cost control and marketing are major areas that afford the opportunity to generate revenue and improve margins. All have specific methods of effectively measuring progress and results.

In order to be successfully accomplished, objectives must be devoid of ambiguity, based on accurate analysis, prioritized, focused and imbued with critical importance that will not evaporate due to distractions.

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SERVICES

MEASURABLE RESULTS

ASSESSMENT

Archepoint[™] Consulting will provide on-site restaurant business assessments including competitive surveys, real estate criteria, facility conditions, front and back of house operations, products and menu, training procedures and capex requirements. Reports, which can be oriented towards concept development, new restaurant openings, on-going operations and M&A due diligence, will include observations, opinions and recommendations. We can be engaged for short term, focused appraisals with a narrow scope as well as longer term more global perspectives.

An assessment can be single snapshot limited to specific functions at a restaurant or corporate support center or a more inclusive all-encompassing overview spanning a specified timeframe. We can adopt a pro-active approach to help anticipate future hurdles and opportunities as in the case of planned unit expansion or present reactive options to current challenges that have surfaced such as human resources, service inconsistency, margin erosion and revenue shortfalls. Other areas that can be addressed are franchise operations and support, hourly and management training systems, staffing allocation, food safety and security. With respect to the physical plant, we can deliver an examination of facility maintenance and repair conditions as well as remodel alternatives and capital investment advisements. We can offer a perspective on market demographics and site specific criteria that may be influential in determining a location's potential relative to a concept or brand.

You will receive written documentation detailing all observations with recommendations for you to consider and implement at your discretion.

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ANALYSIS

Archepoint[™] Consulting will review and analyze income statements, proformas and supplied raw data for improvement opportunities, attainment probability and potential financial exposure. We have the ability to present information in a number of different formats for inclusion in reports or presentations at all levels of an organization's structure. In addition, we can create custom reports and interfaces to extract and interpret raw data. A complete P&L study would include a detailed analysis of cost of goods and commodities, labor elements, semi-variables, occupancy, capex improvement and operations risk management.

Specific applications of analysis would pertain to projecting a range of financial outcomes associated with:

- · Contemplated new sites relative to anticipated fixed costs
- · Identifying income statement line opportunities with possible remedies
- · Researching a concept's viability as a franchise business
- · Estimating the financial impact of proposed initiatives
- · Menu pricing
- Evaluating various scenarios under an acquisition

Budget processes can be reviewed for adjustments relative to shifting commodity and labor cost exposures as well as seasonality accuracy. An important function is to establish realistic labor and scheduling objectives congruent with sales volumes that will deliver service expectations while maintaining margins relative to a concepts ability to bear check average and pricing.



EDUCATION

Archepoint[™] Consulting can provide high quality materials, meeting presentations and on-site seminars for multi-unit operators and corporate staff at all levels. As we specialize in full service, mid-level restaurants, content can encompass day to day operations, planning new restaurant growth, corporate and franchise support structure, larger organization leadership and income statement management. We can also make ourselves available as an on-going resource to answer questions, seek advice and provide general project support.

Specific seminars can be created and provided for delivery by your people or we can take a hand in the communication and follow-up process. Income Statement management includes a complete rundown of the P&L from revenue drivers through EBIDTA and investment pay-back. Service classes address mechanics, esthetics and all the related support components of service excellence as it relates to delivering guest expectations within full service casual dining. For managers, there are modules related to organization, time management and performance management. We can arrange for food safety training and HACCP instruction including ServSafe® certification. Add in the fundamentals of creating a franchise operations support structure with the relationship attributes and the accompanying documentation tools which aid owners in building their business and enable franchisors to maintain brand integrity.

Educating restaurant operators is a long term commitment to engage people in a meaningful way, imparting knowledge that is interesting and actionable under real-life circumstances and emphasizes the greater organization's interest in personal goals.



ABOUT

EXPERIENCE AND INNOVATION

Archepoint[™] Consulting specializes in full service casual and "polished mid-scale" concept development, franchising, hospitality, management, capital improvements and financials. Successfully navigating the ever evolving business landscape including consumer demand, competition, fluctuating costs, increasingly stringent legislation and uncertain access to capital can be a challenge for even the most seasoned veteran. We are dedicated to providing qualified and candid advice with actionable recommendations that deliver quantifiable value. Our fees are competitive with a high ROI.

Archepoint[™] Consulting will work with your team to clearly define the opportunities and formulate scalable solutions to elevate both top and bottom line performance, identify brand core competencies, capitalize on strengths and address vulnerabilities. During transitional events we can help facilitate the implementation of a permanent operations structure. With a "boots on the ground" philosophy, we believe in being accessible, available, on-site, hands on and team oriented.

As a 17-year, national casual dining brand veteran and the Senior Vice President of Operations, Nick Mayer managed a business enterprise consisting of over 90 company and franchise restaurants generating \$250,000,000 in annual sales and \$25,000,000 in EBIDTA. Operations responsibility incorporated fifteen direct reports spanning multiple departments inclusive of R&D, marketing, facilities, operations services and franchise. Having vested 30 years with both small independent and large corporate entities at all levels during various phases of growth, Nick projects an energetic, tenured, well-versed and global perspective.



Our Mission:

We work to deliver measurable results with the objective of enhancing client Return on Investment

Our Values:

Integrity / Expediency / Personal Relationship RCHEPOINT Our Deliverables:

Quality assessment, analysis & education to help you effectively evaluate, ideate and accomplish your objectives.

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