



THE ULTIMATE GUIDE — TO — WRITING A RESTAURANT BUSINESS PLAN

A STEP-BY-STEP PLANNER TO GETTING YOUR
FOODSERVICE BUSINESS OFF THE GROUND



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INTRODUCTION

Whether you've already opened your business, are dreaming of one day running your own restaurant, or have the wheels in motion and have begun making your foodservice idea a reality, you need a comprehensive business plan to keep you focused and on track. A proper business plan is a guide that will help take your idea from concept to actuality and will become a tool you'll refer to once you're running the coolest new joint on the block.

In this Ultimate Guide, we'll walk you step-by-step through all of the sections you'll need to include in your business plan, get you thinking of important factors you may not have considered, and show you how to wrap it all up in a professional format.

So grab a pen and paper, get out your laptop, and **let's make this vision of yours come to life!**

THINGS TO CONSIDER BEFORE YOU START WRITING A BUSINESS PLAN

Before you set your pen to paper or start typing out the opus that will become your comprehensive business plan, you'll want to consider a few key things. Knowing the answers to these questions will make writing your business plan and communicating your vision a hundred times easier. Take some time to think about the answers so they will be top of mind as you go through each section in the template.

1. Who is this for?

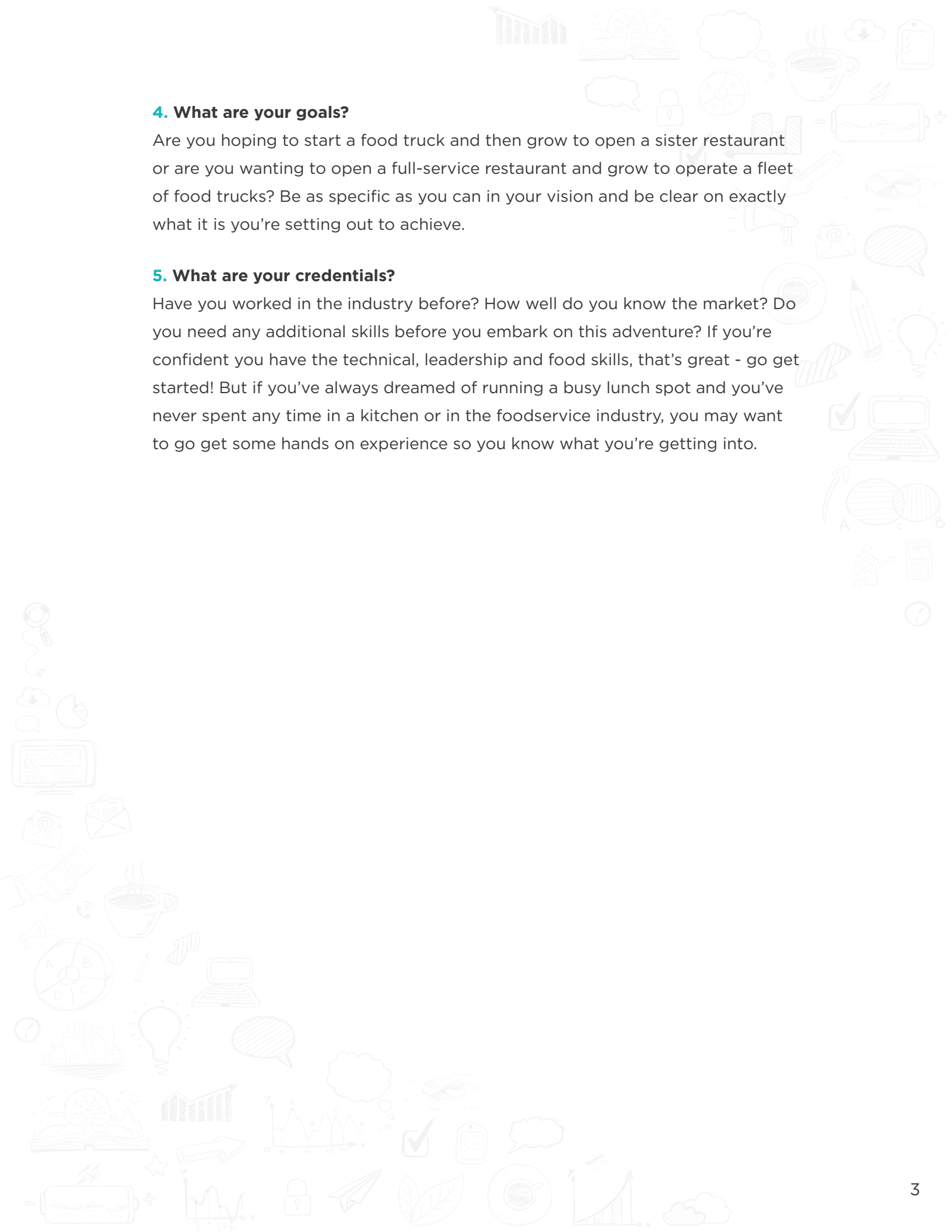
Are you approaching investors or is this guide specifically for you and your staff? You'll want to have the reader in mind, and will need to write accordingly to convey details and information to different audience types.

2. Where will you be located?

If you don't yet have a location in mind, narrowing down what area of town or specific neighbourhood you'll be in is necessary. Your restaurant's location will dictate very important elements of your business plan like competition, ingredient availability, venue type, etc. If you're in the very early stages it may be hard to know your exact address, but nailing it as close as you can will help keep consistency in your business plan as you get closer to opening.

3. What is your venue type?

You may have a very clear idea of what kind of restaurant you're going to run whether it be an intimate cafe, craft microbrewery, or gourmet food truck. But if you aren't quite sure yet, you'll need to get on that before setting pen to paper. Maybe you know that you want to run a place with organic fare and fresh juices, but there are major differences between a quick-service vegetarian lunch spot and a raw fast casual venue, even though they may seem similar. You should know exactly what your venue is going to be as you work through the questions and details of a business plan.



4. What are your goals?

Are you hoping to start a food truck and then grow to open a sister restaurant or are you wanting to open a full-service restaurant and grow to operate a fleet of food trucks? Be as specific as you can in your vision and be clear on exactly what it is you're setting out to achieve.

5. What are your credentials?

Have you worked in the industry before? How well do you know the market? Do you need any additional skills before you embark on this adventure? If you're confident you have the technical, leadership and food skills, that's great - go get started! But if you've always dreamed of running a busy lunch spot and you've never spent any time in a kitchen or in the foodservice industry, you may want to go get some hands on experience so you know what you're getting into.

5 TIPS FOR WRITING A BUSINESS PLAN

We want you to dive in head first and get all of your ideas out on the page, but to avoid getting overwhelmed, remember these 5 tips as you go through.

- **Collect materials** that are relevant, like links, articles, quotes and information that may benefit you as you are writing, and use them for inspiration or include them within the appropriate sections of your business plan.
- Taking something from concept to creation can be challenging, but try to **put everything you see in your imagination down in the most accurate words possible**. Go through the business plan template the first time and make tons of notes for each section, then come back to it later and flesh out your ideas further.
- **If a section stumps you, make a note and move on**, then revisit it later when you have more information or more clarity. Refine and rework. Be sure to add all new developments that are happening, and when you're confident you've said all you can about a section, go back in and edit and re-word until you're satisfied.
- **Use graphics and images** to clarify your message when you feel it's necessary. Create Pinterest boards to keep you inspired and help you get visual. Then, when you are writing your business plan, go back to your boards to pull in graphics that get your idea across better than words.
- Just as Rome wasn't built in a day, **know that your business plan will take time**. It can take anywhere from weeks, to months, to years to get a solid grasp on what it is you're creating. As time passes and you continue to work on it, you'll fine-tune your message and have a crystal clear plan on your hands.

Are you confident in your vision, clear on your goals, and comfortable with your skills? Ready to jump in?

LET'S GO!

THE TOUCHBISTRO BUSINESS PLAN TEMPLATE

We've laid out our business plan template in the order that a final plan should be organized in, but it's not the most effective to write a business plan from the beginning to end. Work on sections bit by bit and then when you have all of your ideas fleshed out, go back and organize and refine.

We've created a mini sample business, called **Joe's Burgers**, but our examples are snippets meant to give you a head start and get the wheels turning for you. Your plan will be much more robust.

You can download a blank template with sections and sub-headings [here](#), but we suggest reading through our example first to get a clear understanding of what writing a business plan takes, and to get inspired and excited to write your own.

Follow along with our
sample restaurant!



TABLE OF CONTENTS

Your business plan is going to be long, likely anywhere from 20 pages to, depending on the breadth of your business, into the hundreds of pages, so your readers and your investors will need to find sections easily. Your 'Table of Contents' will list the main sections covered in your business plan.

It'll look something like this:

Executive Summary - p. 7
A one-page overview of everything in your business plan.
Business Overview - p. 8
Your contact information & basic profile.
Business Description - p. 9
A one-page overview of everything in your business plan.
The Marketplace - p. 12
Where in the market your business fits in.
Marketing - p. 16
How you will attract and keep customers.
Business Overview - p. 18
How your business will run day-to-day.
Financial Plan - p. 21
How you expect to make money and manage your finances.
Summary - p. 27
Wrap up and thank you.

Add the page numbers
last for accuracy.

EXECUTIVE SUMMARY

Write this section last.

Once everything else in your business plan is complete and fine-tuned, you'll want to go back and summarize the whole thing. The Executive Summary is especially helpful if bankers, investors, or even curious friends and family are reading your business plan, as it outlines the entire business idea and how it will work on one page. The Executive Summary is essentially a one-page summary of every section in your business plan and is placed directly after your Table of Contents.

Here is an example of an Executive Summary:

*Our goal is to open and operate **Joe's Burgers**, a small take-away restaurant that is family-run, in New York City. Our burger shop will be unique in that we will be the only restaurant of its kind to sell **100% meatless burgers, without sacrificing taste**. We aim to create an entirely sustainable burger and foodservice business.*

Mention what it is you do that makes you unique.

The vegetarian foodservice market is changing. Health conscious diners are seeking mainstream options in healthy variations, and expecting the same (or better) flavors. We've found from running a pop-up food stall at the Journey Market for the last 4 months that by using our skills as chefs and our passion for sustainable food, we can create delicious take-away meals that are above par in flavor and nutrition.

***Joe Burgerton** is a chef, with a varied culinary background. He began his career as a dishwasher at the age of 15 in a local pub. By the time he was 18 he had made his way to second-in-command. He left to attend The Culinary Institute of America. Once finished his schooling, he left for Japan to work at a series of Ramen shops, returning to the US and working at Dan Barber's Blue Hill Farms, where he developed a passion for sustainability and vegetarian fare.*

Introduce yourself and any partners.

*Josephine Burgerton trained as a chef at Le Cordon Bleu, and chose to pursue restaurant management. She has 11 years of experience running and managing full service restaurants in New York City. We are currently seeking **\$75,000** in startup funding in addition to our personal investment of \$25,000. These funds will be used to secure a location, purchase kitchen equipment, and for initial operating expenses.*

If you're seeking investment, state your ask.

BUSINESS OVERVIEW

Your Business Overview is a simple page with the technical details of your business. It addresses, usually in list form, the specifics of your business like your legal name, type of business, business number, etc. You may have some empty fields until you get closer to actually opening. This is a quick reference page that is especially important if you'll be seeking bank loans or approaching investors.

Legal Name of Business

Joey Foodservice Company

Website

Joesburgers.com

Trade Name of Business (Doing Business As)

Joe's Burgers

Social Media Names

Twitter, Instagram: @joesburgerjoint

Facebook: facebook.com/JoesBurgers

Business Address or Potential Business Address

TBD

Structure of Business

Partnership

Current Mailing Address

123 Joey Street

New York City, USA,

12345

Date Business Established

January 1, 2017

Nature of Business

Quick Service Restaurant

Phone Number

(555) 888 7777

Banking Details (Branch and Banker's Name)

Bob Banker

Bank of America

Main Street, NYC

Email

joe@joesburgers.com

Many of the details here will be filled out as your business progresses. Fill in what you can as you go.

BUSINESS DESCRIPTION

This is where your restaurant comes to life. You want to describe in detail, what your business is going to look like, where it will be, and the kind of vibe it will have. This section answers all of the questions that relate to your vision and what you need to get across to someone reading about your business. Be sure to expand on specifics – go into as much detail as you can and use visuals if necessary.

Structure

Is your business a sole-proprietorship, a partnership or a corporation? Who is involved and what is their role? This can be a short paragraph.

Joe's Burgers will operate as a partnership between husband and wife, Joe Burgerton and Josephine Burgerton.

Concept

Your business concept is essentially your idea. Take time to describe what it is about your business that makes you stand out, is unique or special, or is something that you will do differently.

We are creating a new kind of vegetarian quick service restaurant in the heart of New York City. Our business will fill the need for delicious, healthy food on-the-go in a fast-casual environment. Our burger joint is unlike any other foodservice of it's kind, as we are offering a 100% meat-free plant-based product. Our minimalist style venue will offer a small seating area, but will be mainly counter service.

Mission Statement

Craft a concise guiding principal for your business. Think of your end goal, the ultimate driving force behind creating your business. It can be something you'd like to display in your restaurant or on marketing materials, or it can be more personal, but either way, it should be motivating in and of itself.

At Joe's Burgers we strive to make the best-tasting plant-based burger in the world.

Short and Long Term Goals

Here you'll want to mention any relevant personal goals, then list your short and long term objectives. Think about where you're going and what you hope to be doing in a couple of years. Is this the test for the start of a new franchise? Are you hoping to expand into a fleet of food trucks? Are you going to create a cookbook? Your short term goals are what is going to happen in the first year. Long term are the bigger goals, and should be about playing the long game. Get descriptive here, but remember to stay realistic and within the scope of your projections in the financial section.

As a couple, we are committed to running a profitable restaurant while proving that plant-based burgers can be appealing and delicious. In our first year of business our goal is to build a loyal customer base of 1200 regular lunchtime clients. After our first year, we plan on expanding to a second location and to create a plant-based cookbook series that we will pitch to local publishers.

Long term, we see our successful business expanding into 5-10 locations around New York. We will seek strategic partnerships to create frozen burgers and foods for retail, aiming to become a nationally known brand for plant-based quick foods.

Menu & Services

Include a sample menu, (or menus if relevant), and discuss the details of each, such as times of day offered, and the inspiration or reason for each. If you'll offer catering, delivery, or any other services, mention those as well. Describe anything else you'll be selling like pre-packaged foods, canned or bottled drinks, or any retail such as t-shirts and hats.

Joe's Burgers main menu item will be our 100% plant-based burger. This will be offered with a number of toppings and choice of bun or lettuce wrap. In addition to burgers, we will serve a number of healthy sides such as root vegetable fries, green salads, and kale slaw. We will offer local cold pressed juices from Spirit Juice Co. as beverage options. Combo options will be available, and we'll offer a "Ready in 15-Minutes or Less" lunch menu.

Location

It's likely at this stage that you won't have secured a location or negotiated a lease, so mention the neighborhoods and areas that your venue might be suitable for or that you are looking at. What features of this area will affect your business? What other businesses are located in the area. What kinds of customers live or visit this area? Consider and document all effects that the location will have on your business.

Joe's Burgers will be located in the underserved professional area of the Harmony District. We are currently working with a real estate agent to secure a 1000 square foot location on the corner of Gilmont Street and Bour Street. This area has a number of gyms and yoga studios but is short on places to grab a quick, healthy bite. Based on the active lifestyles of the locals and the trend toward holistic living, we're confident that this neighborhood is a prime location for our business.

Visuals

Take the time here to describe your concept in as much visual detail as you can. Express why these details are important (hint: they should relate back to your branding). From the menu to the takeout cups, this is your chance to make your dream come alive in the reader's mind. If you are working with a design agency or interior design specialist, mention them and show their proposals or mockups.

The Joe's Burgers logo was designed by Passion Design Co. We will work with them to design our packaging, promotional materials, and printed menus.

For our shop interior, we have reached out to architectural design firm Sola Projects. Sola specializes in eco design using sustainable and recycled materials for restaurants. Once our location is secured we will work with them to conceptualize and design our space.

For packaging and takeout containers we will be using the brand Greenpro Containers which are biodegradable.

Business Description Summary

Briefly sum up everything you mentioned in this chapter.

Joe's Burgers has been conceived from personal and professional observations of plant-based diets and the fast-casual dining industry. Our mission is to create the best plant-based burger in the world, and make sure that our target customers have access to it. Ideally, we will see growth within the first year, based on our location in a busy professional area and our 15-Minute Lunch menu. Our minimalist atmosphere, delicious food, and fast service will make Joe's Burgers a go-to choice for health-conscious professionals in our area.

THE MARKETPLACE

This section is all about what the marketplace looks like for your business. You'll need to be extremely honest in this area; painting a picture that the market is huge and you're the only one to fill a real need in the area is only helpful if it is 100% true. You'll do yourself no benefit by stacking the deck in your favor here, so be sure to go out and do your research. Visit your direct competition and get a feel for their customer experience and menu. Ask people in the area where you want to set up shop about whatever is pertinent to you. By gathering as much information as you possibly can, your marketplace assessment will be strong and clear.

Market Segment

This is a quick overview of the size of the group of people you will be servicing. What are the demographics?

The market segment Joe's Burgers is focusing on is the urban office workers in the Harmony District. The area has 16 office buildings and only 18 restaurants, 9 of which are fine dining or full service establishments, and the remainder are fast food, cafes, and food trucks. The area is a prime location to open a healthy alternative with a focus on a quick service lunch menu.

Customers

You need to know your target customers. Who will frequent your restaurant and what characteristics do they share? List statistics you have gathered and any relevant information you have. Make sure that you go out and talk to your target market to gain a clear understanding of their needs and how you can serve them (you'll also discover valuable insights). Make a note of any customer segments within your target demographic that you will serve specifically.

Joe's target market is young, urban professionals in the Harmony District. When speaking to people in this area, we discovered that a large percentage of people interested in our business ride a bicycle to work everyday. To serve this group of people, we will place additional bike parking beside our restaurant, and depending on the location we secure, we'll look at offering a bike-through window.

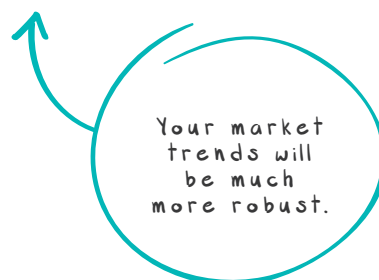
Market Trends

Here you'll want to list relevant statistics. Include anything that relates to the demand your business is going to serve, social or economic factors you need to mention, and trends that will impact your business. If you've done research or hired a firm to conduct some for you, mention all the pertinent statistics here.

Joe's Burgers is well prepared to provide for the increased demand for plant-based diets. Over the past 10 years, there has been a consistent upswing in health-conscious eating and a rise in demand for local and organic food.

In 2015, the average working professional said that they eat out for lunch a whopping 60% of the time, and that they seek healthy options on a regular basis, but often choose unhealthy meals due to expense or availability. (Statistics Online.) We are ready to serve the rising popularity of fast-casual dining, offering healthy, affordable food.

In addition, the average meal spend for urban professionals in Harmony District has increased by approximately 20% in the last 18 months, from \$8 to \$9.50. (Research conducted by Studytime for Joe's Burgers.)



Competition

A simple “other restaurants” won’t cut it here. Wherever you’re planning to set up shop, you need to make a list of all other competitors from small to big, and take a critical look at how they differ from your establishment. Take the time to make notes about every single one. That means from your corner coffee shop to the deli that’s been there for 30 years, to the chain restaurant that just moved in. If they sell food, they are your competition.

Organize your competitors by indirect and direct competition then list each one and their characteristics.

*In the Harmony District where **Joe’s** will be located, there are 18 restaurants, 9 of which are fine dining or full service establishments, and the remainder are fast food, cafes, and food trucks.*

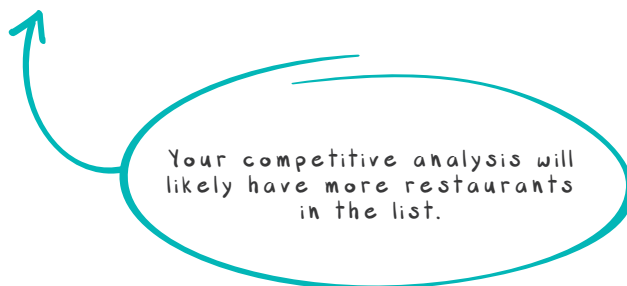
Indirect Competition

Fauna, a fine dining restaurant that opens at 5pm, offers no lunch menu or fast options. Though they aren’t competing for lunch business, they serve a variety of healthy meals for the after-work crowd.

Direct Competition

*Smitty’s Sandwich Shop is a fast-food chain restaurant that serves sandwiches and sides. While their popularity in the neighborhood is apparent, we believe that the quality, taste, speed and health value of **Joe’s** will provide a welcome alternative for patrons in the neighbourhood.*

Tango Tacos is a food truck that is in the Harmony District 2-3 times per week. They serve fast, healthy and fresh food. They are often parked in different areas, so customers can’t rely on them being available every day.



Competitive Advantages, Opportunities, & Challenges

Advantages

Now that you've taken a close look at and analyzed the competition, you should be able to spot where and how you'll be able to stand out. What is no one doing that you will do?

Joe's Burgers is a fast casual restaurant competing with fast food restaurants, pizza shops, and food trucks. Our plant-based menu is healthy in a sea of mostly high-calorie and rich lunch options. We think the residents and workers in the Harmony District will welcome a more nutritionally sound restaurant to the area with open arms.

Opportunities

From doing your research and taking a close look at the competition, you'll be able to see areas where you can improve or stand out. From the menu to the hours, whatever you see that you can do better, write it down.

Of the 9 restaurants that can be considered direct competition in the Harmony District, 7 of them don't offer any gluten-free options. Gluten-free is a popular eating choice for our target market, so we will provide gluten-free burgers and buns.

Of all our direct competition, 3 of them open at noon during the weekday. Through our research we found that many people in the area actually take their lunch break before noon. Joe's Burgers will open earlier to accommodate the early lunch crowd.

Challenges

Don't be shy about stating what the competition has that you don't. Take time to build out what will be challenging, but make sure that you address how you are going to tackle it.

There are a number of direct competitors in our area that serve lunch, but we feel with the large volume of potential customers, that even a small percentage of them would be enough to keep Joe's Burgers growing over time. Because of the close competition we will need to stay engaged with our customers, offer the best food, and give the best service.

Marketplace Summary

Briefly sum up everything that you've talked about in this chapter, reiterating the demographics, advantages, and opportunities.

*Now is the perfect time for us to launch **Joe's Burgers**. We've found an area that needs our business and have spoken to people who are excited to become customers. Our competition is lacking in healthy alternatives which opens up an ideal opportunity to give our market what they crave: a quick and healthy lunch.*

MARKETING

You may have the best idea for a new food truck, you could be an amazing chef and create exceptional dishes, but without customers and sales, you don't have much of a business. In this section, we'll get into your strategy: how you're going to price things, how you'll position yourself to appeal to your target customers, and how you'll promote your business to let customers know you exist.

Positioning

Positioning is all about how you will appeal to your target customers and where you will place yourself in the customer's mind.

*By using positive words and phrases, the color green, and natural wood finishes, **Joe's** will stand out as a healthy choice connected to nature. Our down-to-earth message will be communicated through the look and feel of our shop, menu, music, lighting, uniforms, and packaging.*

Pricing

What is your pricing strategy? Discuss how you are pricing your menu items, what is standard for your business, and how it relates to what your competitors are charging. Keep in mind your target food costs and how your pricing will help you achieve your ideal ratio.

***Joe's Burgers** will be priced competitively to other quick service restaurants in the city. We'll aim to run our food costs at an average of 30%.*

Promotion

Online Promotion

If you plan on creating and maintaining social media accounts like Facebook, Twitter, and Instagram, explain how you will use them to promote your business. If you're going to have a website, explain what information it will contain, who will create it, and what it will look like. As well, mention any kind of advertising you might do online such as Facebook or Google Ads, paid promotion, blog, or [Instagram sponsorship](#).

Joe's has an engaged following on Instagram and Facebook, as well as a newsletter list. At our pop-up food stall at the Journey Market for the last 4 months we've been collecting emails so that we can update our customers when we open. We currently have a website that generates traffic and lists important details like our menu, contact, about, philosophy, and location. We will use social media to generate interest and document the process of opening, and update our website with our new menu and location once we open.

Traditional Promotion

Explain any promotional materials, press releases or print advertising that you will do, if relevant.

We will continue with our customer loyalty stamp card and printed menus which we used as promotion at our pop-up food stall. As well, we'll be working with a public relations firm to get press attention about our concept of meatless burgers and a plant-based diet. We'll also encourage our customers to spread the word about us, so will rely on some word of mouth.

Marketing Summary

Briefly sum up everything that you've talked about in this section.

Much of our marketing has been set up already because of our pop-up. We've been engaging our customers online and in-person for the last 4 months. While growing the business, we'll be amping up our presence online and in person, aiming for new customers through press, word of mouth, and social media.

BUSINESS OPERATIONS

You know what will be on your menu, what your venue will look like, and how you'll spread the word. But what will your business be like day-to-day? Who will operate it? This is what we'll tackle now.

The Team

Introduce who will work at your restaurant, anyone who will be on the payroll. Mention their qualifications, special skills, what they bring to the business, and what their role will be day-to-day. You can break it down in hierarchy from owners, chefs, managers, to staff.

Joe Burgerton – Executive Chef

Joe Burgerton is a chef, with a varied culinary background. He began his career as a dishwasher at the age of 15 in a local pub. By the time he was 18 he had made his way to second-in-command. He left to attend The Culinary Institute of America. Once finished his schooling, he left for Japan to work at a series of Ramen shops, returning to the US and working at Dan Barber's Blue Hill Farms, where he developed a passion for sustainability and vegetarian fare. Joe will be in charge of menu creation, daily food prep, and all cooking related jobs. He will also work with suppliers and manage all back of house tasks and responsibilities.

Josephine Burgerton – Restaurant Manager

Partner and wife, Josephine Burgerton trained as a chef at Le Cordon Bleu, and chose to pursue restaurant management. She has 11 years of experience running and managing full service restaurants in New York City. Josephine will run the restaurant operations including staff, payroll, customer concerns, and social media.

Currently our team consists only of the two of us, but we will hire five staff members: two front of house to take orders and payment, and three back of house to work in the kitchen.

Supplier Relationships

Break down your suppliers between types: food, payment, alcohol, cleaning, etc. Note who you will be working with and buying from, how they relate to your restaurant's needs, and what their credit terms are.

Think of suppliers not just in terms of food and liquor, but also the following:

- Waste removal
- Restaurant supplies like dishware and glass
- Software and tech suppliers such as POS, inventory management, and Internet
- Paper products
- Payroll service
- Cleaning services
- Plants or landscaping
- Linen service
- Entertainment
- Marketing and advertising

Joe's Example

Produce: Green4Life Produce Inc.

Glassware: Crystal Clear Glassware Co.

Waste Removal: Garbage Getters

Paper Products: BioPaper Inc.

Technology

Technology factors into how your business will run. Mobile food apps and delivery software that are in place will bring significant business and need to be mentioned alongside any other technology fact or trend that will impact your business, from local food delivery apps to an iPad POS. Will staff be equipped with tableside iPads for ordering? Will there be a customer-facing display for counter ordering or a kitchen display? Also note if you'll be using an app-based system for taking reservations.

Joe's Burgers will use [TouchBistro](#) iPad point of sale to take orders and payments, and run reports. We will use the customer-facing display and the kitchen display as well.

We will also be registered with DoorDash and UberEATS, both food delivery apps that are popular in our area.

Insurance

Depending on your venue type and what you are selling, you'll need insurance coverage. Research what is mandatory in your area, and what other special coverage you'll need. You may want to consult a lawyer to make sure you are fully covered and protected.

To be confident that we are fully insured for liability, business, and property, we will consult with our lawyers at LBD Legal, and our insurance broker at Safelife Insurance.

Licensing

What kind of licensing does your restaurant need? If you're going to sell alcohol, you first need to check the laws and regulations in your area and make sure that you comply. You'll likely need to apply and/or get permits for many things from a Tax ID to a music license. Check your local government office website for the details on the following and anything else that you are required to obtain in your area. Here's a quick list of licenses you'll probably need:

- Business License
- Tax ID number or EIN
- Certificate of Occupancy
- Food Service License
- Liquor License
- Music License
- Sign Permit

Operations Summary

Briefly sum up everything that you've talked about in this chapter.

Joe's Burgers will operate on a day-to-day basis for the first couple of months with an additional 5 staff members. Managing our staff, supplier relationships, customers, inventory and daily tasks will require team effort and hard work. Our personal experiences have given us qualities that we can draw on to manage and run the business and grow it steadily. We aim to run a tight ship and empower our staff to be the best and deliver the best customer service experience. With TouchBistro as a POS, UberEATS, and DoorDash for food delivery and pick up, we are confident that we can accept and handle a high volume at peak times.

FINANCIALS

You've now arrived at the most important – and the most daunting – part of your restaurant business plan. This is the point where you will need to essentially prove that your idea is a viable concept and will make for a viable business.

To do this, you have to complete a forecast that takes your concept and translates it into numbers. This exercise is absolutely the most important part of your business planning process because it's the numbers that investors and lenders will look at before they read anything else.

You will need to be able to defend every number on your financial forecast and to do that you have to understand them. Ready to take it on? Let's get into it!

The Breakdown

Your forecast will be broken into 4 main parts:

- **Revenue:** Forecasted sales
- **Controllable Costs:** Food and beverage costs as well as cost of labor
- **Expenses:** Marketing, rent, supplies, utilities, etc.
- **Pre-Opening Costs:** What it costs to get you to open, as well as things like capital improvements and training.

Sample Forecast

We've included a sample forecast that demonstrates what you'll need to do. Our example **Joe's Burgers**, a small 1000 square foot quick service restaurant with no alcoholic beverage sales. Once you understand the sample forecast, we've included a blank forecast sheet where you can add in your own numbers to project how profitable you'll be.



Click [here](#) to download your sample forecast.

Notes About the Forecast Spreadsheet:

- We suggest that you take the blank forecast and “save as” so that if you make a mistake, you can return to the original spreadsheet and start again.
- There are formulas pre-programed in the cells of the spreadsheet.
- If you are planning to open a restaurant that will serve alcoholic beverages, you will have to figure out your sales mix of the various beverages: bottled Beer, draft beer, liquor, and wine, and the costs associated with each. For example, if your bottled beer cost is 28% and wine cost is 40%, you’ll have an average beverage cost of 34% to add to your forecast.
- If you are going to offer catering or other services, you can create another revenue stream that covers events executed, average spends, revenues, cost of goods sold and labor costs for that source.

Before you begin Your Forecast

It’s essential that you know some specific details. If you don’t know them at this point, then go gather the information and come back to the forecast.

You’ll need to know:

- Your number of customers for different times of day and different times of the week
- Average customer spend for different times of day
- Your projected food and beverage costs
- Your menu prices
- What your management salaries will be
- All wage rates for all levels and job types of employees
- The number of hours your employees will work per day
- The percentage of payroll tax you’ll have to pay
- All other expenses
- Your start-up costs to the penny!

Knowing these numbers will make your life ten times easier when building your forecast, and more importantly, when you’re running your restaurant.

REVENUE WORKSHEET

ACCOUNT	AMOUNT	EXPLANATION
# of Days Open per Week	7	Number of days per week business is open
# of Days	364	Assuming that business is closed on Christmas Day
Midweek	249	Days other than weekend and holiday days
AVERAGE SALES		
Midweek	\$1,500	Projected midweek sales
Weekend & Holidays	\$3,000	Projected weekend and holiday day sales
REVENUE		
Midweek	\$373,500	# of midweek days (X) average sales for same
Weekend & Holidays	<u>\$345,000</u>	# of busy days (X) average weekend and holiday sales for same
Total Revenue	\$718,500	Yearly sales projection
Average Sales per Day	\$1,973.90	Yearly sales divided by # of days open
SALES MIX %		
Food	80%	Percentage of sales projected in Food sales
Beverage	20%	Percentage of sales projected in Beverage sales
SALES MIX \$		
Food	\$574,800	Total Revenue @ 80%
Beverage	\$143,700	Total Revenue @ 20%

CONTROLLABLES WORKSHEET

ACCOUNT	AMOUNT	EXPLANATION
REVENUE		
Food	\$574,800	From Revenue Page
Beverage	<u>\$143,700</u>	From Revenue Page
Total Revenue	\$718,500	From Revenue Page
COSTS OF GOODS SOLD		
Cost of Goods Sold %		
Food	30%	Targeted cost percentage of food sold
Beverage	35%	Targeted cost percentage of beverages sold
Cost of Goods Sold \$		
Food	\$172,440	Food Revenue x 30%
Beverage	<u>\$50,295</u>	Beverage Revenue x 35%
Total Cost of Goods Sold as a %	\$222,735 31.0%	Cost of both Food & Beverage Cost of Goods Sold divided by Total Revenue
Gross Profit as a %	\$495,765 69.0%	Revenue less Cost of Goods Sold Gross Profit divided by Total Revenue
LABOR COSTS		
Labor as a %		
Management	Fixed	Salary of Owner/Operator
Kitchen	12%	Line Cooks and Kitchen Helpers
Front of House	10%	Cashiers and Counter Helpers
Labor as a \$		
Management	\$36,000	Salary of Owner/Operator
Kitchen	\$86,220	Line Cooks and Kitchen Helpers
Front of House	<u>\$71,850</u>	Cashiers and Counter Helpers
Sub Total	\$194,070	Cost of Labor before Statutory Benefits
Statutory Benefits @ 7%	<u>\$13,585</u>	Payroll Taxes
Total Labor as a %	\$207,655 28.9%	Labor including payroll taxes Labor Costs divided by Total Revenue
Operational Profit as a %	\$288,110 40.1%	Gross Profit less Cost of Labor Operational Profit divided by Total Revenue

FINANCIAL FORECAST WORKSHEET

ACCOUNT	AMOUNT		EXPLANATION
Total Revenue	\$718,500		From Revenue Worksheet
Gross Profit	\$495,765		From Controllable Cost Worksheet
Operating Profit	\$288,110		From Controllable Cost Worksheet
as a %	40.1%		From Controllable Cost Worksheet
Expenses	Monthly		
Advertising & Promotion	4.00%	28,740	Monies allocated to promote the business and stated as a % of Total Sales
Supplies Kitchen	1.75%	12,574	Suppliers required for food preparation and storage and stated as a % of Total Sales
Supplies Restaurant	1.25%	8,981	Supplies used by customers and stated as a % of Total Sales
Bank Charges	\$50	\$600	To maintain a current account at the bank
Credit Card Charges	1.8%	12,933	Processing fees for customer use of credit and debit cards and stated as a % of Total Sales
Insurance	\$150	\$1,800	Liability and building insurance
Legal & Accounting	\$100	\$1,200	For remittance of taxes and review of documents as required
Maintenance	\$200	\$2,400	On equipment, furniture, fixtures and the physical plant
Office Expense	\$100	\$1,200	Paper, pens, toner, etc.
Rent	\$4,000	\$48,000	Including TMI
Telecommunications	\$400	\$4,800	Internet, cell and land line
Utilities	\$1,000	\$12,000	Gas, Water and Hydro
Web Maintenance	\$10	\$120	Hosting of Website and email accounts
Total Expenses	\$135,348		
Income	\$152,762		Before Interest, Taxes, Depreciation, Amortization, etc.
as a %	21.3%		Income divided by Total Revenue

START-UP COSTS

ACCOUNT	AMOUNT	EXPLANATION
Business Set-Up		
Bank Charges	\$500.00	To set up account and debit machine
Website Design & Development	\$1,500.00	Including Social Media channels
Advertising & Marketing	\$2,500.00	Pre-Opening
Training Cost	\$1,500.00	For all staff and management
Inventories	\$15,000.00	Foodstuffs and other products
POS	\$4,000	Including printers and subscriptions
Legal & Advertising	\$2,500.00	To review leases and other documents
Office Expense	\$500.00	To set up bookkeeping
Rent	\$4,000.00	Last month's rent
Utility Deposits	<u>\$1,000.00</u>	Gas and/or Hydro
Small Wares:		
Kitchen	\$10,000.00	Pots and pans and such
Restaurant	\$5,000.00	Plates and bowls and cutlery etc.
Capital Improvements	\$100,000.00	Estimating \$100 per sq. ft for 1000 sq. ft space
Furniture & Fixtures	\$10,000.00	For seating area
Equipment	<u>\$35,000.00</u>	To set up kitchen with mix of used and new equipment
Total Expenses	\$193,000.00	To "get" open
Working Capital	<u>\$15,000.00</u>	To have as a cushion during initial months of operation
Total	\$208,000.00	Expenses plus allowance for working capital

BUSINESS PLAN SUMMARY

Your Business Plan Summary should tie the whole message together, though don't worry about summing up every section in detail, instead use this section to hit home how you're different and what you're offering, reiterating the most important points about your restaurant that you want to leave with the reader.

Sections you may want to include are:

- Thank You: Say "Thank you". If you are sending this to potential investors, or even if it's just for family and friends, a quick thanks at the end reminds people that you value their time and input.
- Why You - In a few short sentences, repeat how you are different and why your business will work.
- If you are asking for money, repeat the ask here.

Thank you for reading. We value your time, and hope that you've learned all about our vision, goals, opportunities, and value.

Joe's Burgers is not only our dream, it's our mission. We want to change the world with a delicious, plant-based burger. We strongly believe that our small quick-service, family-run restaurant in New York City will empower people to change their lives by changing their diets and grow to become a NYC success.

Our burger shop concept is unique and the timing is perfect. A \$75,000 investment combined with our personal investment of \$25,000 will launch the first entirely sustainable burger and foodservice business.

We can't wait to serve you at Joe's Burgers!



CONCLUSION

There you have it - a complete guide to writing your restaurant business plan.

By now you should have a solid grasp on what kind of restaurant you want to create and run, along with a clear understanding of the more nitty gritty details involved. You'll want to keep re-reading and refining until it is a robust piece of work that will guide you through the process of opening and running your restaurant. The more clear and well-thought out it is, the more helpful it will be.

We're so happy to have walked you through writing your restaurant business plan.



DOWNLOAD THE TEMPLATE
and start working on your business plan now.



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