



# How to Start a Restaurant







## *The Time Has Come!*

It's the moment you muster up the courage to make your vision into a reality, and begin your journey to planning and opening your restaurant.







## *Where Do You Start?*

The process may feel overwhelming. Our aim is to ease your stress by providing you with tips and best practices to successfully open and operate your establishment.





## Institute a Strong Business Plan

There is great importance to a business plan as it proves to potential investors that you are serious and have put immense thought and detail into your ideas. This will act as your road map from which your new restaurant unfolds.

### Aspects to Include

- ☐ Proposed Name of Establishment (after careful research to avoid trademark names or something that will confuse customers)
- ☐ Target Date to Open & Initial Logo
- ☐ Concept [Food, Drinks, Service Style, Unique Aspects]
- ☐ Specialists & Consultants [Accountants, Designers, Architects, Attorneys, etc.]
- ☐ Funding & Financials [Seat Count, Average Check, Expected Covers per Day, Your Salary]
- ☐ Mock Up Menu with Pricing
- ☐ Location & Target Market
- ☐ Competitors
- ☐ Design & Layout
- ☐ Management Team
- ☐ Pre & Post Marketing Plan
- ☐ Business Structure and Operational Highlights

*Goal* Make a powerful impression to spur their motivation and interest!





## Concept & Branding

Developing the overall idea or theme that defines your space is a crucial component to the beginning stages of preparation.

### Helpful Information

- ◇ Business name should be memorable and reflect your goods or services to compel the consumer to enter
- ◇ Concept includes décor and ambiance, food types and service style, as well as menu design.
  - ◆ Food inspiration is commonly derived from a chef's experience or interest such as traditions or heritage
  - ◆ Service style should be determined after the menu is created as they go together
  - ◆ Basic décor, and aspects such as lighting, furniture and music, should be decided early in the planning process, after which you can elaborate further
  - ◆ It's important to remain consistent throughout experience and touchpoints to ensure a guest will know what to expect when they arrive
- ◇ Nail down a least one unique aspect to incorporate into your restaurant to increase your chances of sticking out and staying around in this competitive industry. Here are some ideas to ponder:
  - ◆ Partnership with Local Farms
  - ◆ Pop-Ups
  - ◆ A Focus on Animals
  - ◆ Draft Coffee
  - ◆ A Mission or Advocacy
  - ◆ A Game
  - ◆ Food Trucks
  - ◆ History of Building
  - ◆ Area Landmark





## Legal

**Although most people do not look forward to this part of the process, once your business is legally established, the nitty gritty of filling out paperwork will be a faded memory and you will be on the fast track to forming an 'official' business!**

- ◇ File your DBA (Doing Business As) name with your state's agency. You can turn back from this name, but it is smart to file it early to ensure that no one else takes the name while you are in the development stages
- ◇ Choose your legal structure (preferably with the help of a business attorney), which will impact how you file your state and federal taxes
  - ◆ Sole Proprietorship
  - ◆ Partnership
  - ◆ Corporation
  - ◆ S-Corporation
  - ◆ Limited Liability Company (LLC)
- ◇ Get a tax identification number for the business (EIN) which helps the IRS keep track of your business for tax purposes
- ◇ Register for state and local taxes
- ◇ Secure permits, licenses (food and health code) and insurance (more info on page 10)
- ◇ Comply with ADA rules and requirements

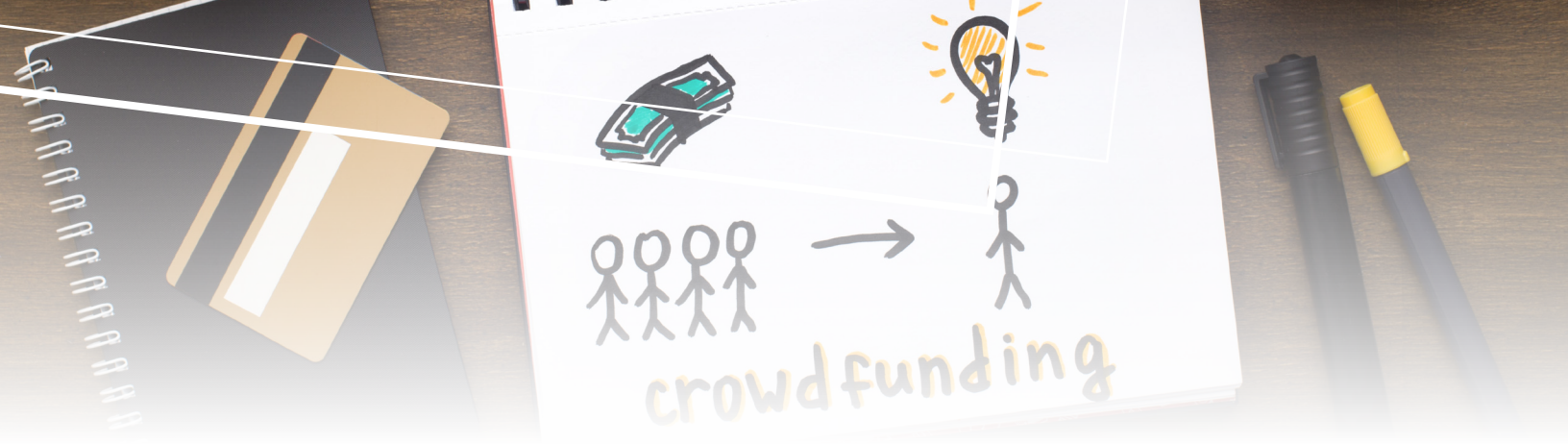
### DBA

("Doing Business As")

It is when a business operates under a name that is different from their legal name. Filing for a DBA allows you to do business under a name other than yours, or the name under which your business is legally registered







## Funding & Finances

Effective money management is critical for future growth. Financial sources, capital, and solid backing are necessities when it comes to opening a business.

Before you decide on assets to invest in, you should determine all resource opportunities.

### Funding Options

- ◇ Small Business Loan
  - ◆ Term Loan
  - ◆ SBA Loan
  - ◆ Equipment Financing
  - ◆ Short-Term Loans
  - ◆ Line of Credit
- ◇ Angel Investors
- ◇ Venture Capital Firms
- ◇ Friends and Family
- ◇ Crowdfunding

Once your funding avenue is finalized, establish a plan for managing documents, as well as hiring a bookkeeper or accountant. Below are some of the recommended digital tools available to keep your records in order.

### Software Choices

- |              |             |
|--------------|-------------|
| ◇ QuickBooks | ◇ TSheets   |
| ◇ Freshbooks | ◇ WhenIWork |







## Establish the Menu

This is the primary representation of your brand, and the reason why customers will seek out your establishment. It is important to calculate your food costs during the financial planning stage to define your equipment and preparation needs in the kitchen.

### Menu Development

When deciding on individual appetizers, entrees, desserts and drinks, manageability is key.

- ◇ Reuse Similar Ingredients
- ◇ Prominently Place High Margin Items on the Menu
- ◇ Balance Pricing
- ◇ Prepare Easy to Make Foods
- ◇ Create Specialty Dishes to Stand Out

### Inside Scoop

While designing the menu, eye-catching graphics and images of dishes may encourage the customer to read through all options before making their decision.





## Space, Target Audience & Competitors

With a menu built, then comes the time to identify location based on space availability, target audience and competitors.

### *Location. Location. Location.*

This critical element will impact market density, range of guests and the likelihood your establishment will receive brand exposure as well as profitability. What businesses are in the area? Can you estimate the number of customers per hour consistently?

Will there be substantial downtime (i.e. weekends, holidays, seasonal)?

Key considerations when searching for a commercial space to use

- ◇ Commuter, Foot and Road Traffic
- ◇ Nearby Commerce
- ◇ Seasonal Trends
- ◇ Accessibility
- ◇ Location Demographics
- ◇ Labor Costs
- ◇ Level of Competition in the Area
- ◇ Neighborhood Reputation
- ◇ Building Size and Condition
- ◇ Zoning Ordinances
- ◇ Leasing Options
- ◇ Parking



### *Building Out*

While purchasing or leasing a smaller venue may be more cost effective in the beginning, put a plan in place for future scaling. Size will become a limiting factor unless there is an ability to expand the space as your customer base becomes more regular and demand grows.





## Foodservice Distribution

Encompassing both large and small kitchens, the set-up investment can be expensive. Purchasing items through a distributor offers benefits of bulk pricing and long-term warranties to cover failures or damage.

Working with a company that carries the majority, if not all, of your needed items is the best way to obtain the full range of required supplies, tools and equipment. From smallwares to full-size cooling/cooking units, buying from a business that maintains a broad inventory in stock will avoid the time-consuming task of retaining multiple procurement accounts.



### Helpful Tip

Visit our Resource Guides for more information on products that are best for your business. (Link to: <http://www.trimarkusa.com/portfolio/resource-guides>).





## Purchasing Food

The type, size and range of food vendors that will be needed is dependent on the variations of your menu.

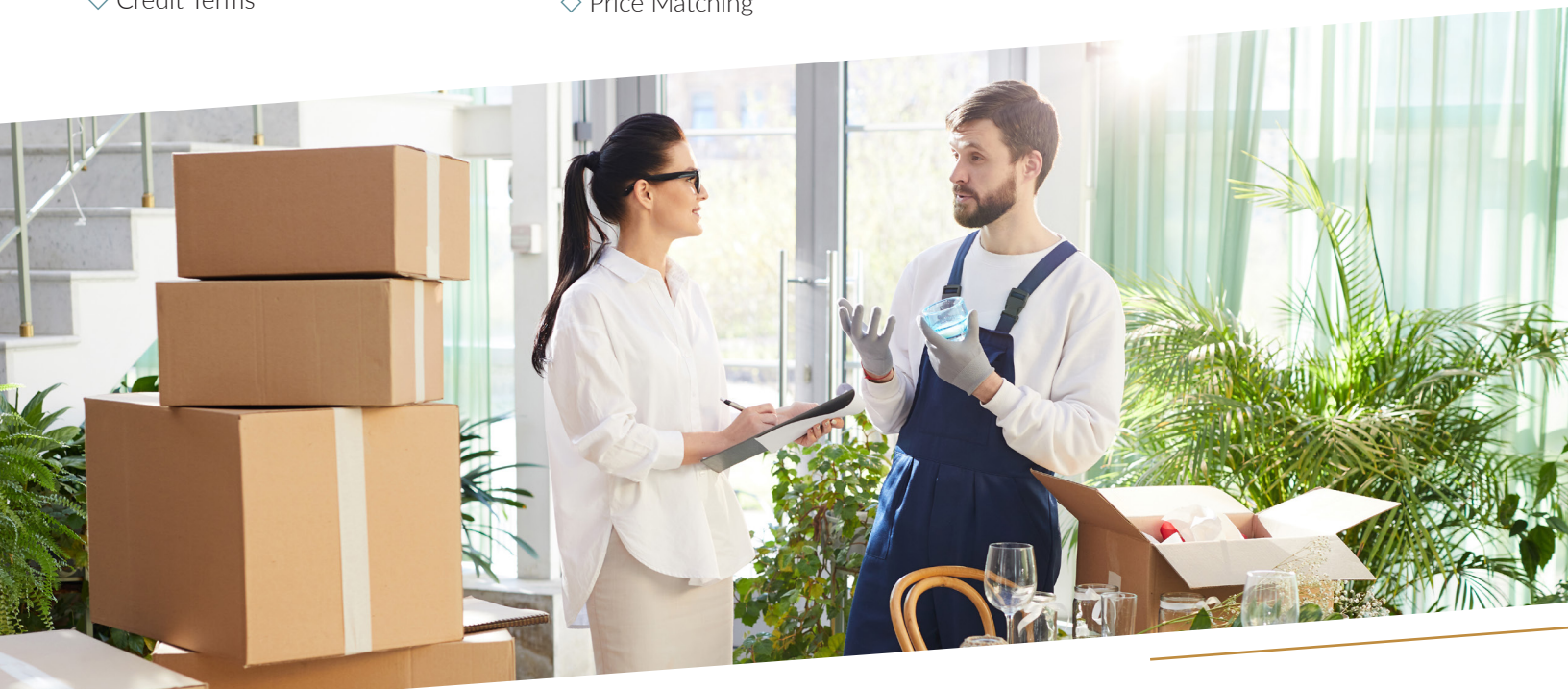
Attending trade shows, connecting through your peers and thorough online searches are ways to meet the vendors that will be able to stock your kitchen with the best ingredients. Do not settle based on price – evaluate suppliers on their selection, quality of food products, options for bundle or bulk pricing discounts and their delivery terms.

Keep the number of companies you work with to a minimum to cut down on lead time and the amount of weekly orders.

### Things to Consider

When deciding on individual appetizers, entrees, desserts and drinks, manageability is key.

- |                          |                            |                     |
|--------------------------|----------------------------|---------------------|
| ◇ Delivery Schedule      | ◇ Payment Options          | ◇ Price Fluctuation |
| ◇ Site Unloading         | ◇ Online Ordering Platform | ◇ Customer Service  |
| ◇ Minimum Order Quantity | ◇ Lead Times               | ◇ Account Support   |
| ◇ Credit Terms           | ◇ Price Matching           |                     |







## Permits

Many varying factors will dictate the different types of permits needed before the opening of a restaurant. Locality and type of establish will command your authorizing obligations. Permits themselves are a large expense and must be accounted for when creating a budget.

### Standard and Potential Permits / Licenses

- ◇ Business License
- ◇ Employee Identification Number (EIN)
- ◇ Certificate of Occupancy
- ◇ Food Service License
- ◇ Liquor License
- ◇ Music License
- ◇ Food Handler's Permit
- ◇ Sign Permit
- ◇ Resale Permit
- ◇ Building Health Permit
- ◇ Employee Health Permit
- ◇ Seller's Permit
- ◇ Valet Parking Permit
- ◇ Dumpster Placement Permit

Other permits covering city and fire codes, as well as sales tax, may be needed prior to opening.

Stop by the city services building or town hall in the intended opening location to get a list of all mandatory licenses and permits.







## Contact



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Foodservice Supplies, Business Solutions  
and Specialized Services

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