

LAST CALL

Crunching Numbers! BY CHUCK DEIBEL

Hi and welcome back to The Last Call! If you are new to the column or a regular, it's great to see you again. This month's topic is crunching the numbers! It had to happen sooner or later. I am going to provide you with a lot of statistics taken from my actual clients that I do sales and inventory management work for here in Columbus in my Bevinco practice. So crunch your own numbers and see how you stack up.

These numbers are from April, 2011. So there is no March Madness, football games or St. Patrick's Day to skew the numbers and inflate the sales.

ON POUR SIZES

The average standard pour size for a single shot of liquor was 1.38 oz.

47% used 1.50 oz, 43% used 1.25 oz, 3.7% used 1 oz and 3.7% used 1.75 oz.

The average glass of wine used 6.10 oz. With the range going from 5 oz up to 7.10 oz.

Martini's ranged from 2 oz to 6 oz of total liquor used.

Draft beer ranged from 12 oz to 32 oz for glasses and pitchers went from 32 oz to 64 oz.

ON PRICING

The average single shot of well liquor went for \$2.71. The average for call liquor was \$3.77 and the average for top shelf (your 3rd highest category) was \$4.24.

Wine averaged \$4.83 a glass and a draft beer pint averaged \$2.56 (using 14.5 oz as the size).

A bottle of domestic beer averaged \$2.41 and a bottle of import beer averaged \$3.34.

ON PERCENTAGES

I am giving both actuals and ideals. You might recall my earlier column on the importance of calculating both and understanding where the difference between the two exists and how much that is. Remember, your product mix will dictate your ideals and that number will change.

The average overall percentage was a 27.7% and the overall actual percentage was a 28.6%. The range was from a low on the ideal of 17.9% to a high of 34.6%.

The range on the actual percentages was a low of 18% to a high of 37.5%.

Here are the ideals which is a function of your pricing and your product mix. You can control the pricing; you can't control the product mix (demand of the guest) too much. Ideals are calculated by crunching numbers, not counting.

The average for the Ideal on Liquor was a 22.5%, with a range of 14.4% to 30.3%

The average for the Ideal on wine was 28.9%, with a range of 9.10% to 67%

The average for the ideal on bottles of beer was 29.8% with a range of 15.8% to 51.8%

The average for the ideal on draft beer was 34.5%, with a range of 23.7% to 53.7%.

ON SALES

The average sales for the bars I tracked were \$14,200 per week. The low was \$4,055 and the high was \$36,384. There were 19 bars that had sales of less than \$10K and 11 bars that had sales of greater than \$20K in a week. My survey used 55 bars and restaurants.

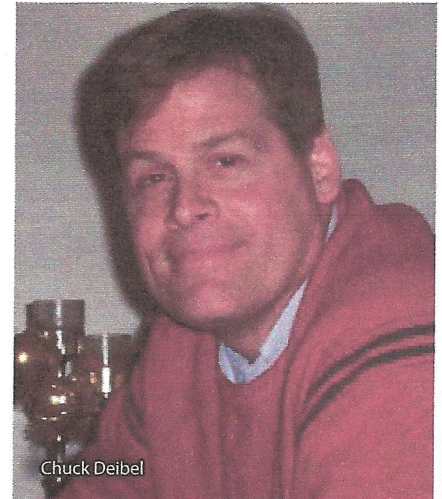
CRUNCH YOUR OWN NUMBERS AND SEE HOW YOU STACK UP.

The average sales for liquor were \$6,385, wine averaged \$574 and beer averaged \$7,007 for a week. (I combined both draft and bottle sales for beer).

The range on the sales for liquor was \$489 to a high of \$22,432. The range on wine sales per store was a low of \$6 to a high of \$4978 and the range on beer was a low of \$1819 to a high of \$16,439 for one week.

INVENTORY ON HAND

The average value on hand was \$9,718. The inventory used ratio was 2.7 times. This means on the day of inventory the bar has 2.7 times on hand what it uses. The lower the number the better. That means you have less money tied up in inventory that isn't being used. I had a range of a low of 1 to a high of 6.9.



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ON EFFICIENCY PERFORMANCE

The bars averaged an efficiency rating of 97.13%. That means their shrinkage averaged about 3%. The range was a low of 86.9% to a high of 102.9%. I had 8 bars with efficiency's of 100% or over. Which means in effect no losses.

I hope you find the numbers interesting and provide you with a quick way to analyze your own operations. If you are interested in receiving a more in-depth view, give us a call.

BEVINCO

When you did your inventory last week, how many shots of Crown Royal were you missing?

How many pints of draft beer were you missing?

If you can't answer those questions you should give us a call at 800-891-1012 or go to www.bevinco.com

Our clients do know how much.