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Rachel Gaetano, co-owner of Gaetano's, has now made it a routine to keep track of food costs on a spreadsheet with the help of a business adviser.

Since opening last year, Gaetano said that all their meat offerings have become more expensive, such as pork, which she said jumped from \$1.57 a pound to around \$2.

Gaetano wants to be careful when adjusting menu prices to account for changes.

"We don't want to just slap a dollar here, a dollar there," she said. "Some of our packaged items, we're gonna have to increase just to keep up with costs that are rising. We don't really want to but it's kind of like you have to. Anybody in the grocery store sees things are more expensive."

For budgeting menu prices, Stromquist recommended the 30/30/30/10 rule. That means breaking down menu items so that 30% of the price covers food cost, 30% labor and 30% overhead, leaving 10% net profit.

In that equation, food cost means

accounting for the total price of the meal, including seasonings, dressings and containers.

It also includes what doesn't make it on the plate.

"Things are more expensive than I think, because you have to account for waste, so we have the price we get it for and then we trim it, well then you're losing that amount of product," Gaetano said.

For example, when she buys a pound of basil it yields half a pound of usable product after she removes the stems.

Gaetano said she feels more confident about revisiting menu prices after working with a small-business adviser.

"I'm hoping that when we have to do this price increase, that the community understands the reasons behind it," she said. "But I feel a lot better about doing it the way we're doing it. It's a completely informed decision. We're putting our actual costs and everything. We're not just saying, 'Oh, turkey went up so let's make that a little bit more.' That's been super duper helpful."



ABOVE: Costs for some imported items have been increasing.

LEFT: Matthew Gaetano prepares meat at Gaetano's Market and Deli.

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