

**Seven Numbers Every
Caterer
(and Business Owner)
Needs to Know**

Anthony Lambatos

Owner

Footers Catering and MIBE







25% of proceeds benefits Children's Hospital



mibe
MAKE IT BETTER EVERYDAY





EVENT EXPERIENCES



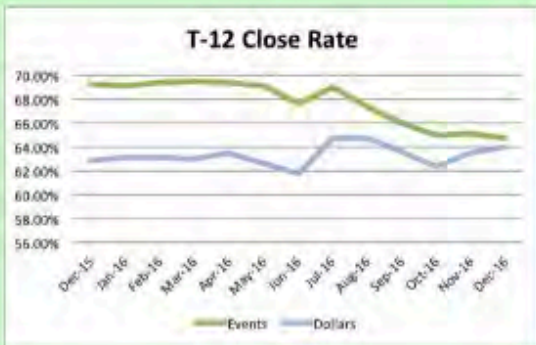


mibe

MAKE IT BETTER EVERY DAY

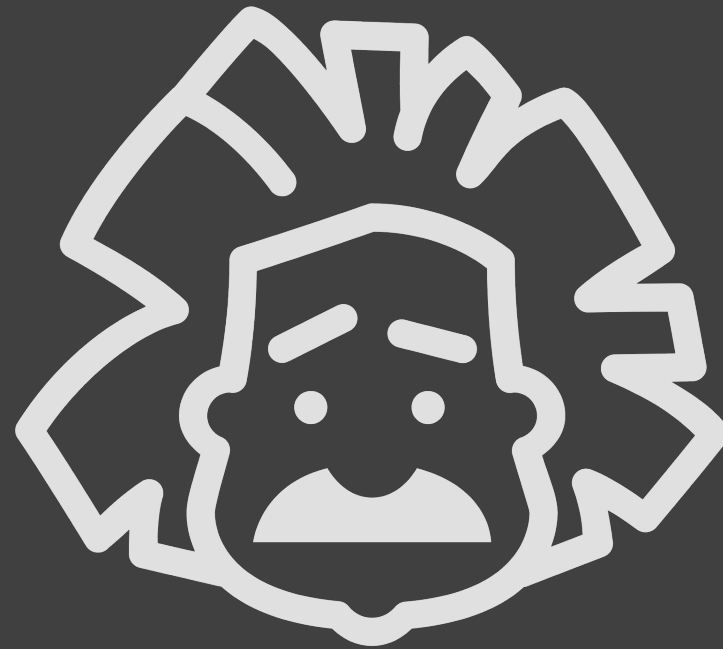


Seven Numbers



**“The only thing more dangerous than
ignorance is arrogance.”**

-Albert Einstein



20%

**Of small businesses
fail in the first year.**

50%

**Of small businesses
fail within five years.**

Are you making money?

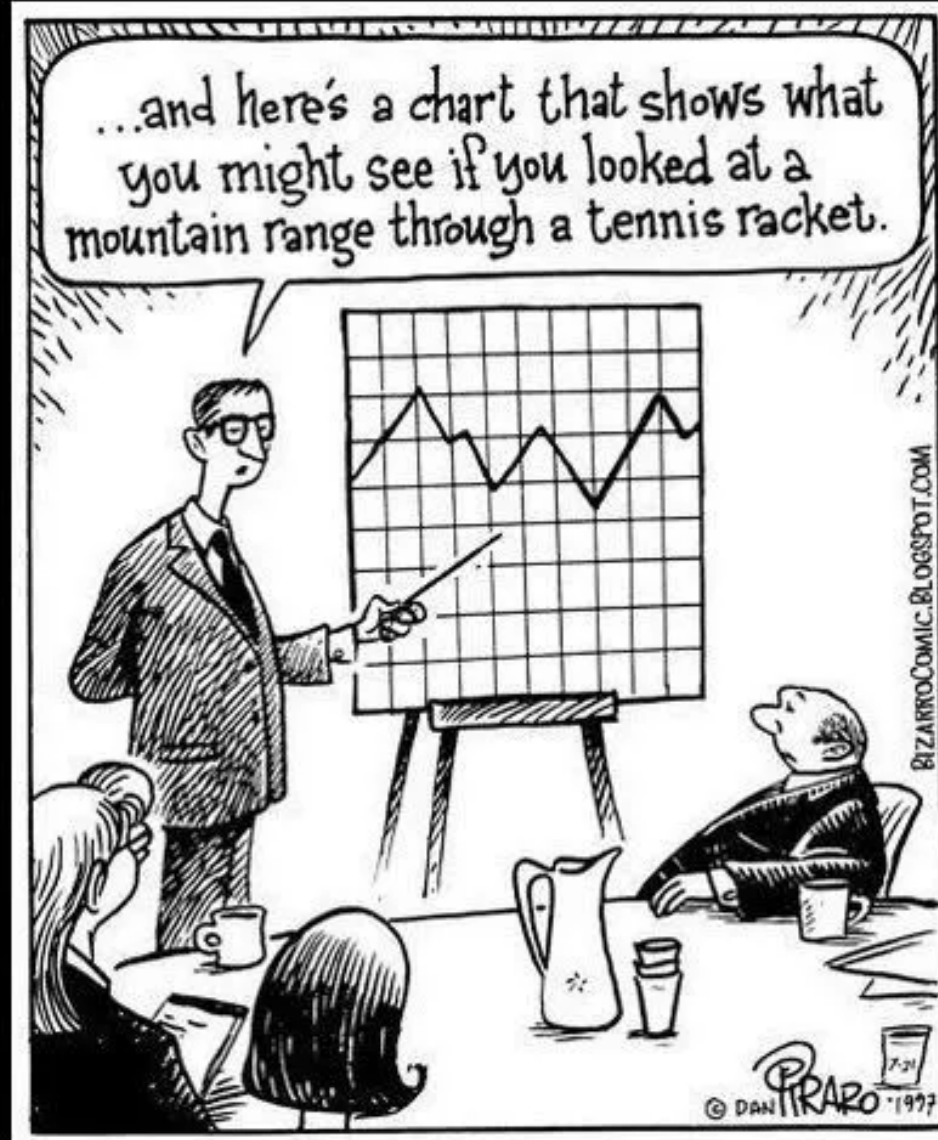


Small Business Trends

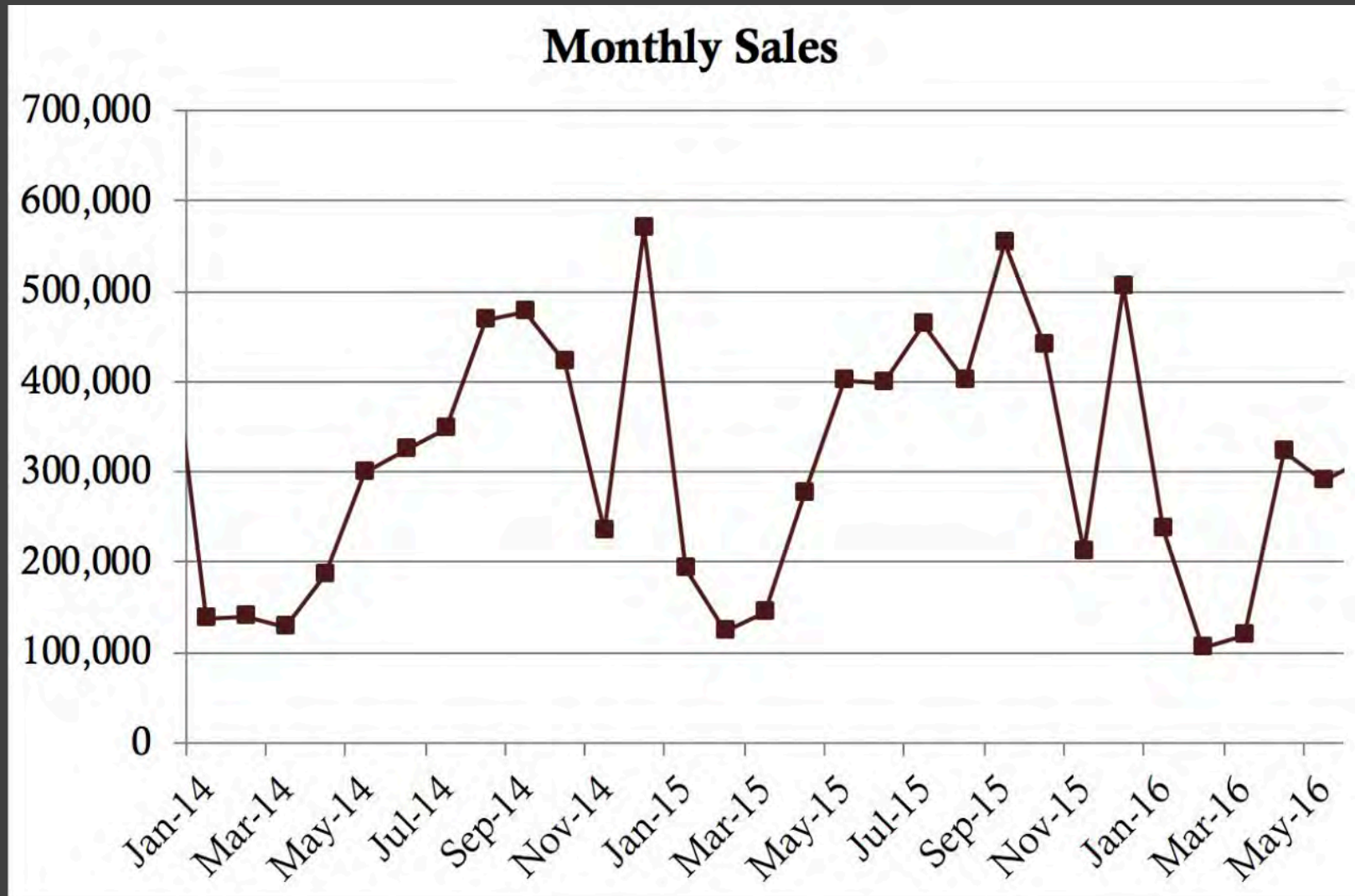
Why do small businesses fail?

- Lack of capital (run out of money)
- Inadequate management (inability to delegate)
- Poor business plans (underestimating the market)

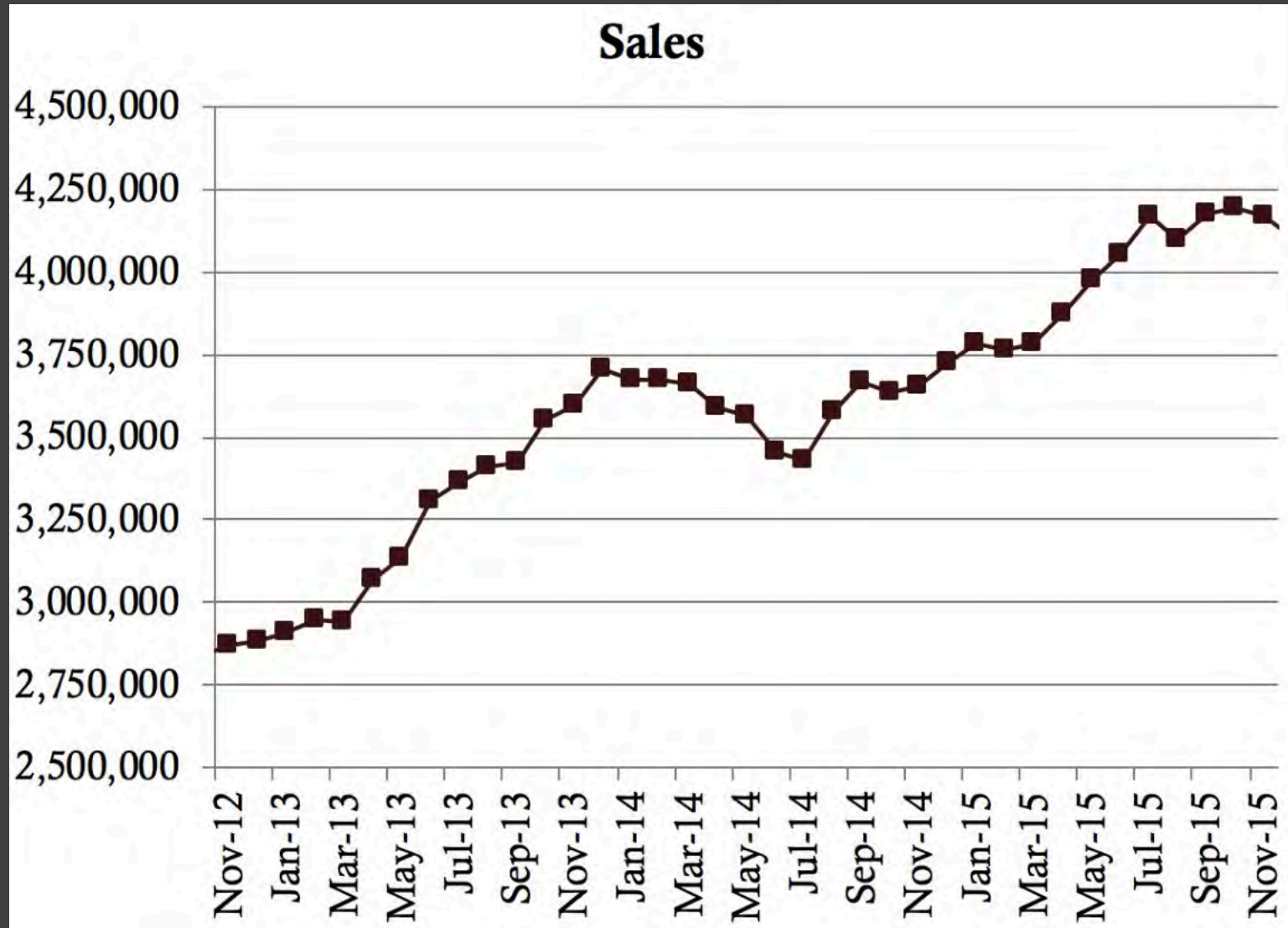
Trailing 12



Sales Graphed by Month



Sales Graphed with Trailing 12



Trailing 12

How to calculate:

Take the sum of sales from the past 12 months.

Month	Sales	Trailing 12
Jan-18	100,000	
Feb-18	150,000	
Mar-18	200,000	
Apr-18	175,000	
May-18	250,000	
Jun-18	300,000	
Jul-18	300,000	
Aug-18	250,000	
Sep-18	400,000	
Oct-18	200,000	
Nov-18	250,000	
Dec-18	450,000	3,025,000
Jan-19	125,000	3,050,000
Feb-19	200,000	3,100,000
Mar-19	150,000	3,050,000
Apr-19	200,000	3,075,000
May-19	275,000	3,100,000
Jun-19	300,000	3,100,000
Jul-19	350,000	3,150,000
Aug-19	275,000	3,175,000
Sep-19	450,000	3,225,000
Oct-19	250,000	3,275,000
Nov-19	250,000	3,275,000
Dec-19	500,000	3,325,000

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**January 2019 T-12 = Total sales
Feb 2018 through Jan 2019**

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Trailing 12

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Take the sum of sales from the past 12 months.

**January 2019 T-12 = Total sales
Feb 2018 through Jan 2019**

**February 2019 T-12 = Total sales
Mar 2018 through Feb 2019**

Monthly vs. Trailing 12





T-12 Impact on Culture

#1: Cash





"Making more money will not solve your problems if cash flow management is your problem."

-Robert Kiyosaki

Cash Days

**Working Capital = Current Assets -
Current Liabilities**

**Daily Operating Expenses = Annual Fixed
Expenses/365**

**Cash Days = Working Capital/Daily
Operating Expenses**

Cash Days

Current Assets = \$650,000
Current Liabilities = \$575,000
Annual Fixed Expenses = \$1,200,000

$$\begin{array}{rclcl} \$650,000 & - & \$575,000 & = & \$75,000 \\ \text{Current} & & \text{Current} & & \text{Working} \\ \text{Assets} & & \text{Liabilities} & & \text{Capital} \end{array}$$

$$\begin{array}{rclcl} \$1,200,000 & / & 365 & = & \$3,288 \\ \text{Annual} & & \text{Days in a} & & \text{Daily} \\ \text{Fixed} & & \text{year} & & \text{Operating} \\ \text{Expenses} & & & & \text{Expenses} \end{array}$$

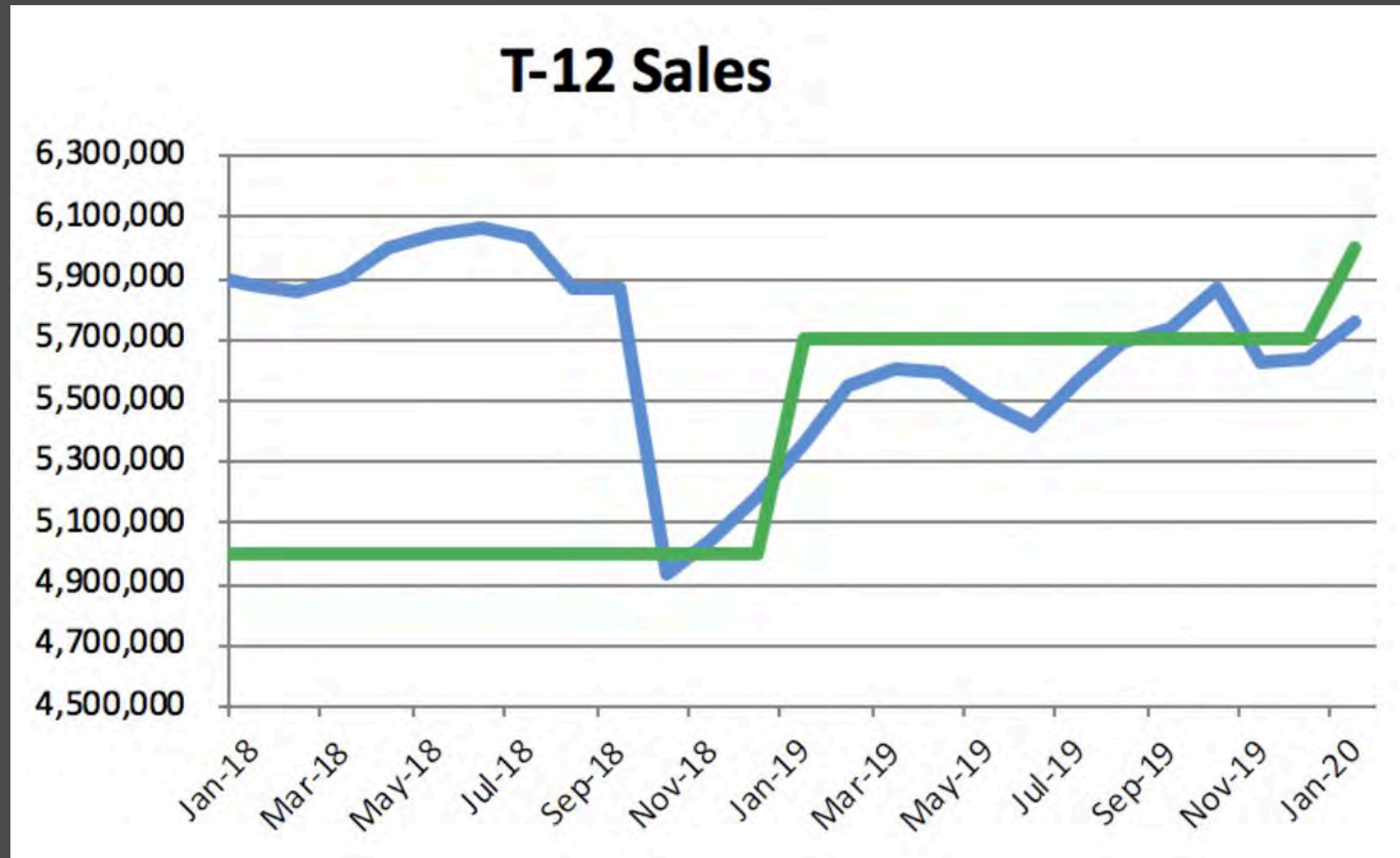
$$\begin{array}{rclcl} \$75,000 & / & \$3,288 & = & 22 \\ \text{Working} & & \text{Daily} & & \text{Cash Days} \\ \text{Capital} & & \text{Operating} & & \\ & & \text{Expenses} & & \end{array}$$

**Working Capital = Current Assets -
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**Daily Operating Expenses = Annual Fixed
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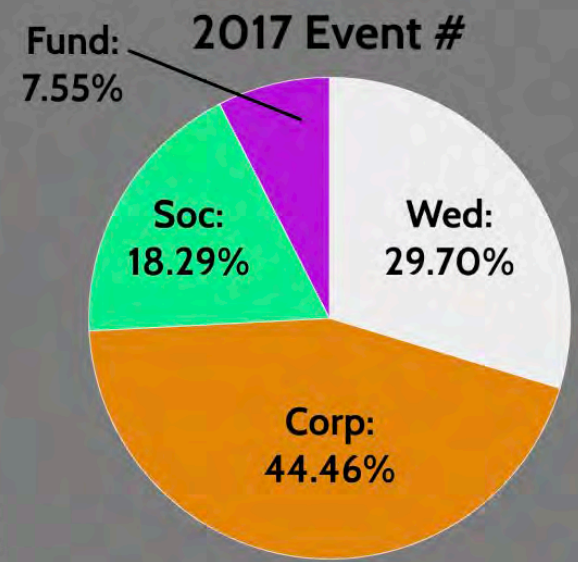
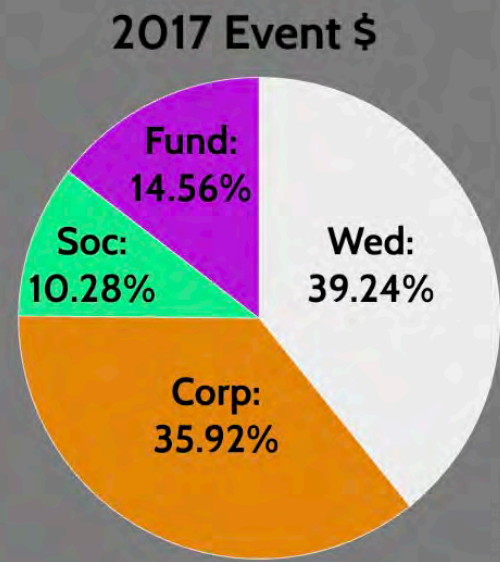
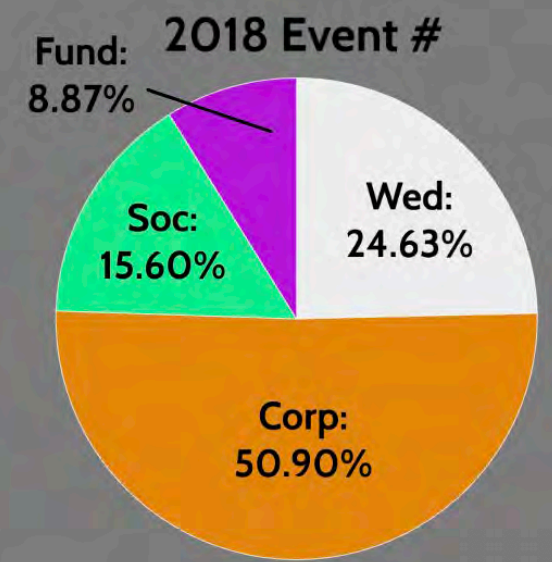
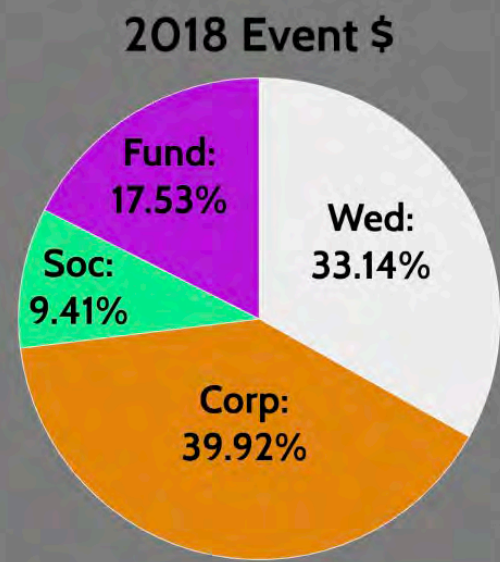
#2: Sales or Revenue



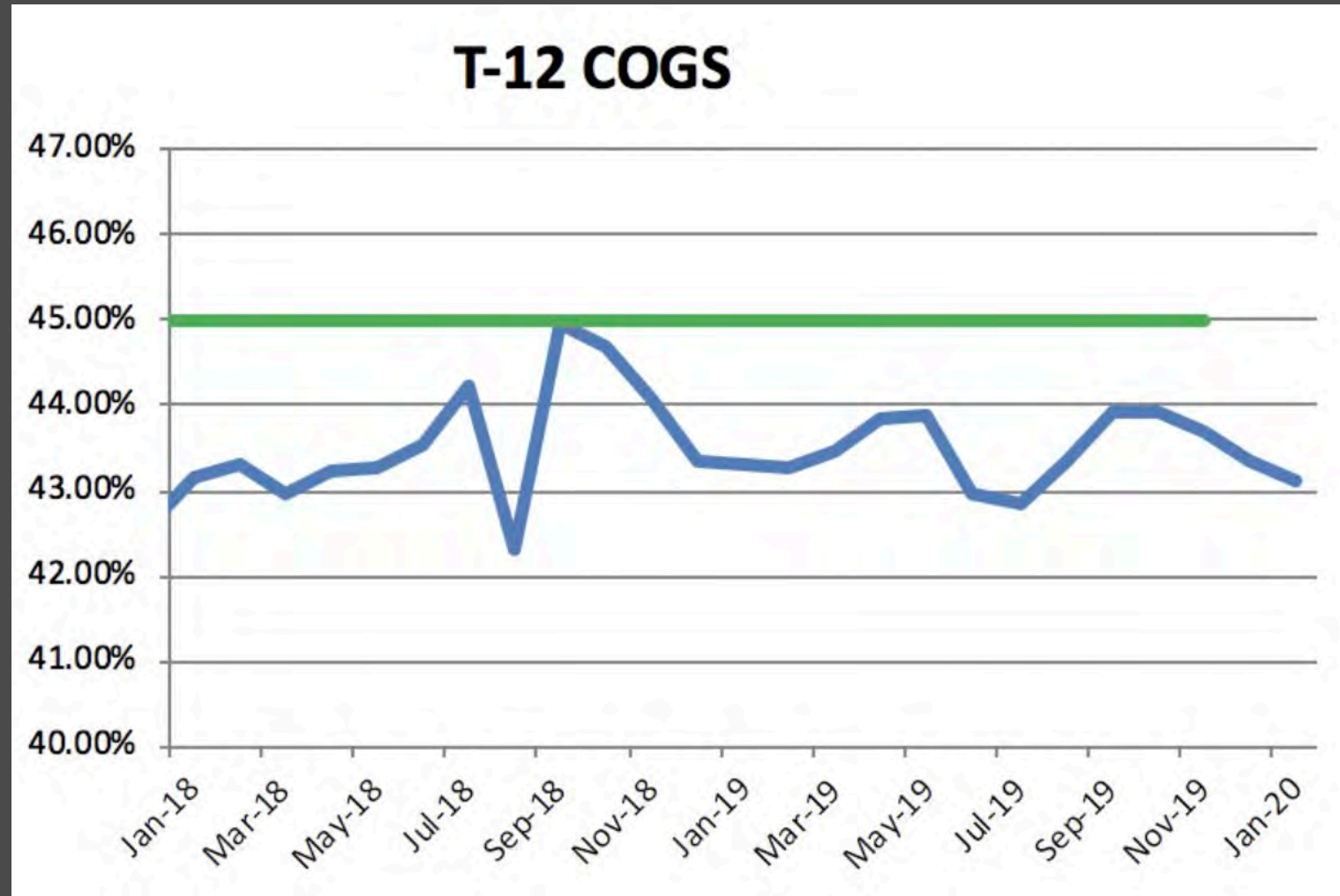
Sales Strategy



Sales Breakdown



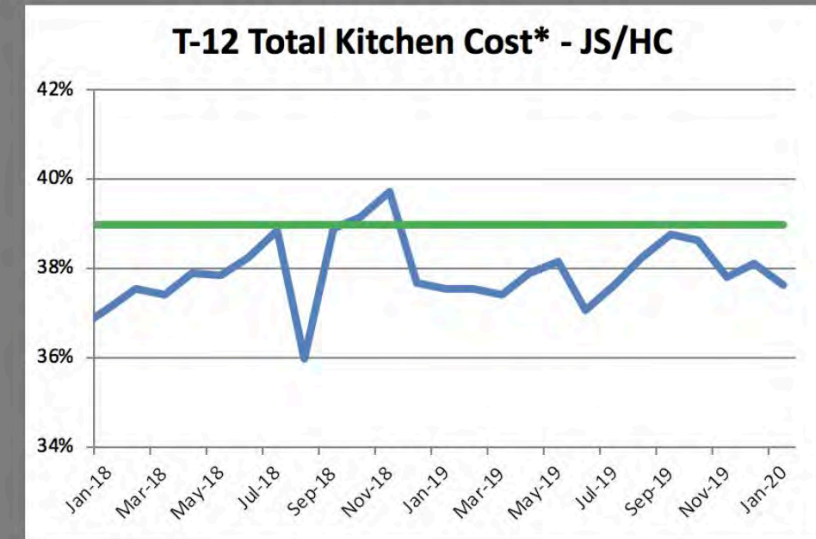
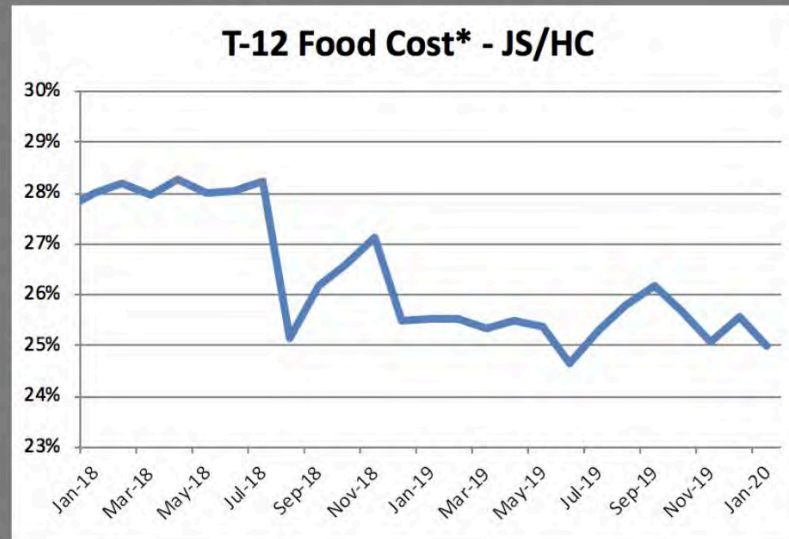
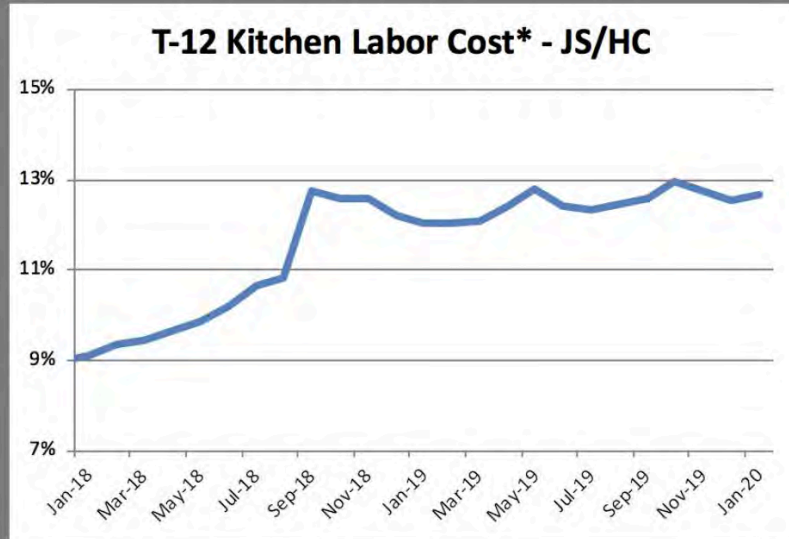
#3: Cost of Goods Sold (COGS)



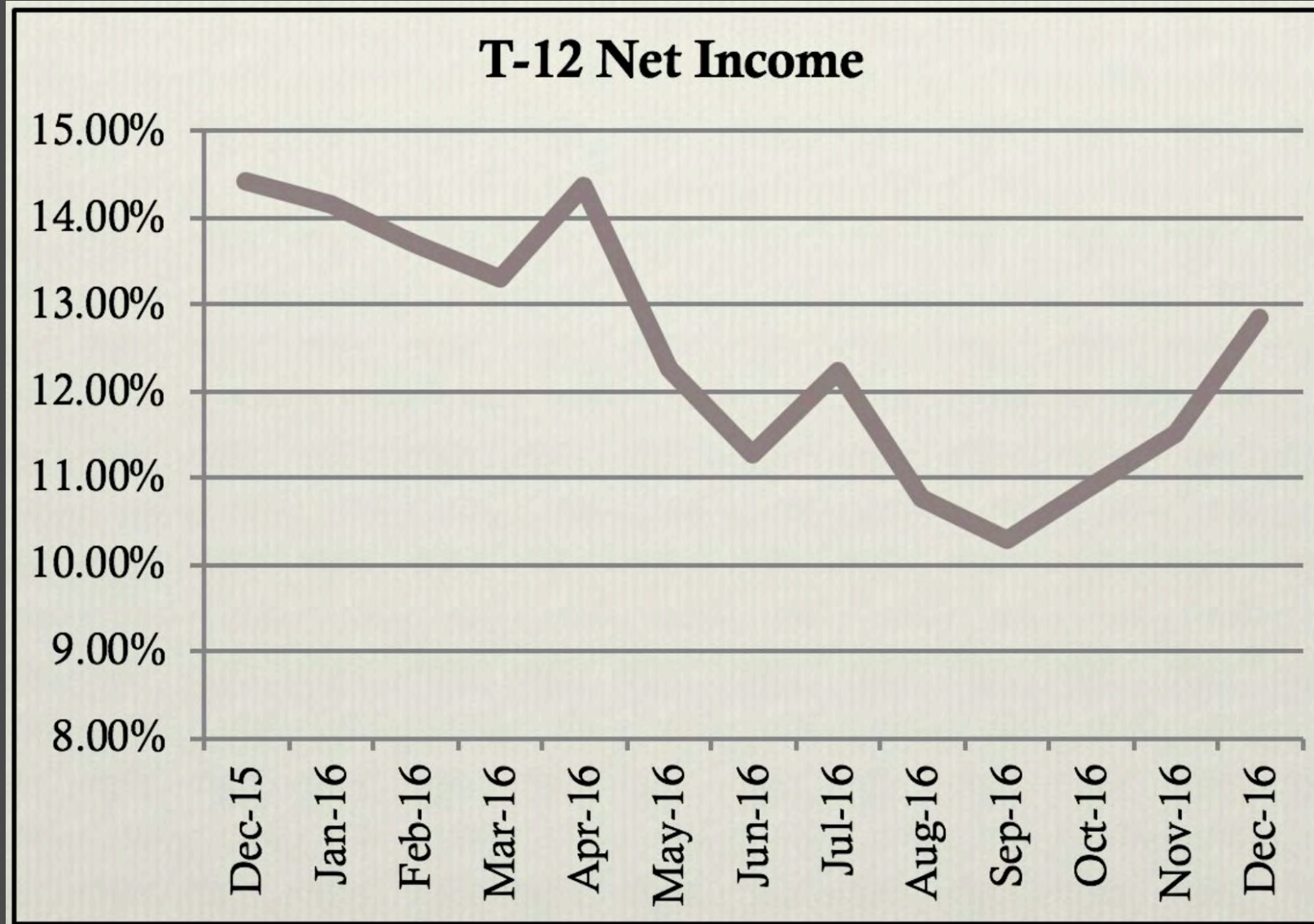
Variable Costs vs. Fixed Costs



Kitchen Costs



#4: Net Income



Breakeven Analysis

Lemonade Stand

Fixed Expenses: \$10

Cost Of Goods Sold: 50%



Sales:	\$10	\$20	\$30
COGS:	\$5	\$10	\$15
Fixed Expenses:	\$10	\$10	\$10
Net Income:	-\$5	\$0	\$5

Break-even Analysis

Break-even Point = Fixed Costs/Gross Margin

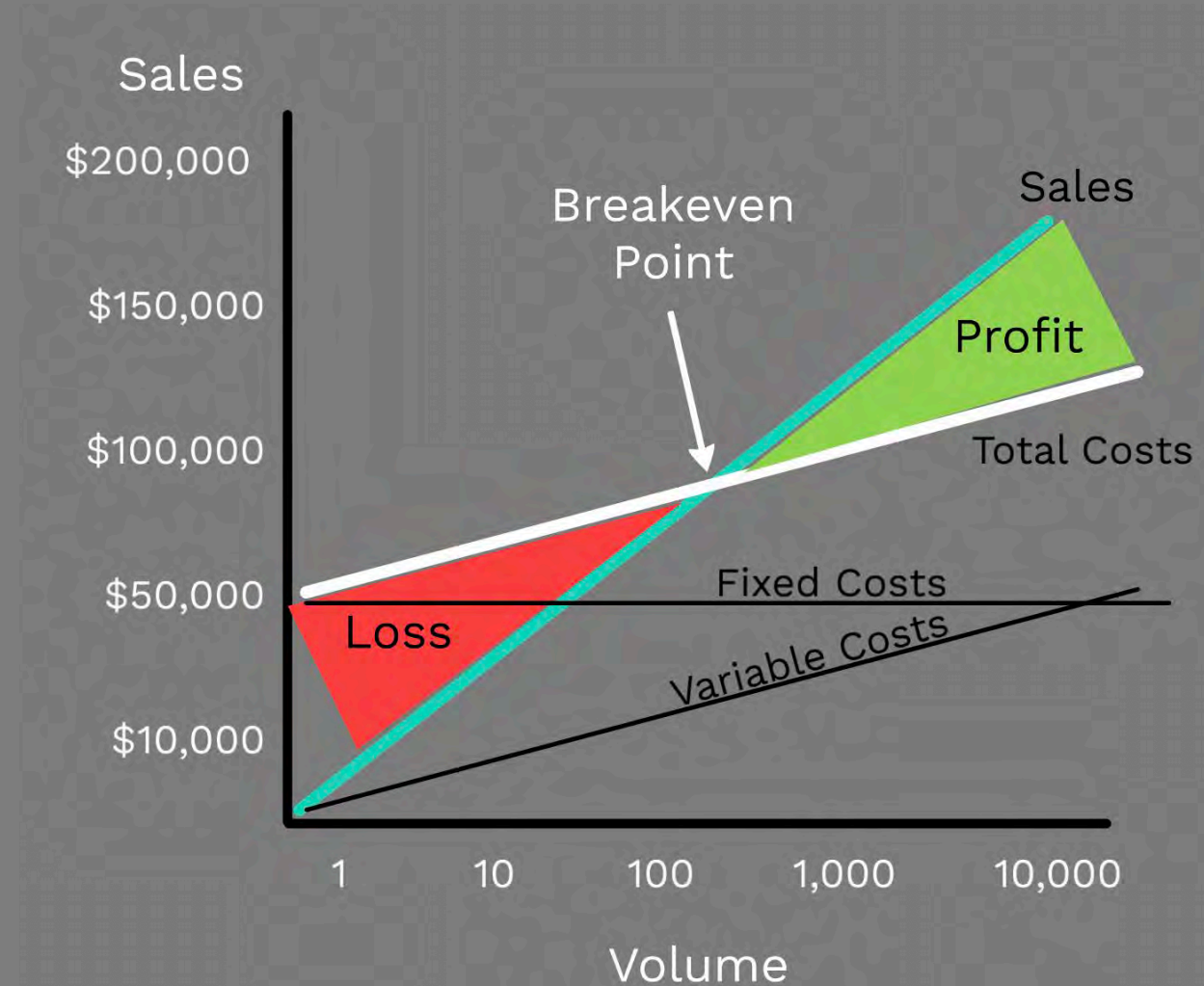
Gross Margin = 1-COGS

Fixed Costs = \$50,000

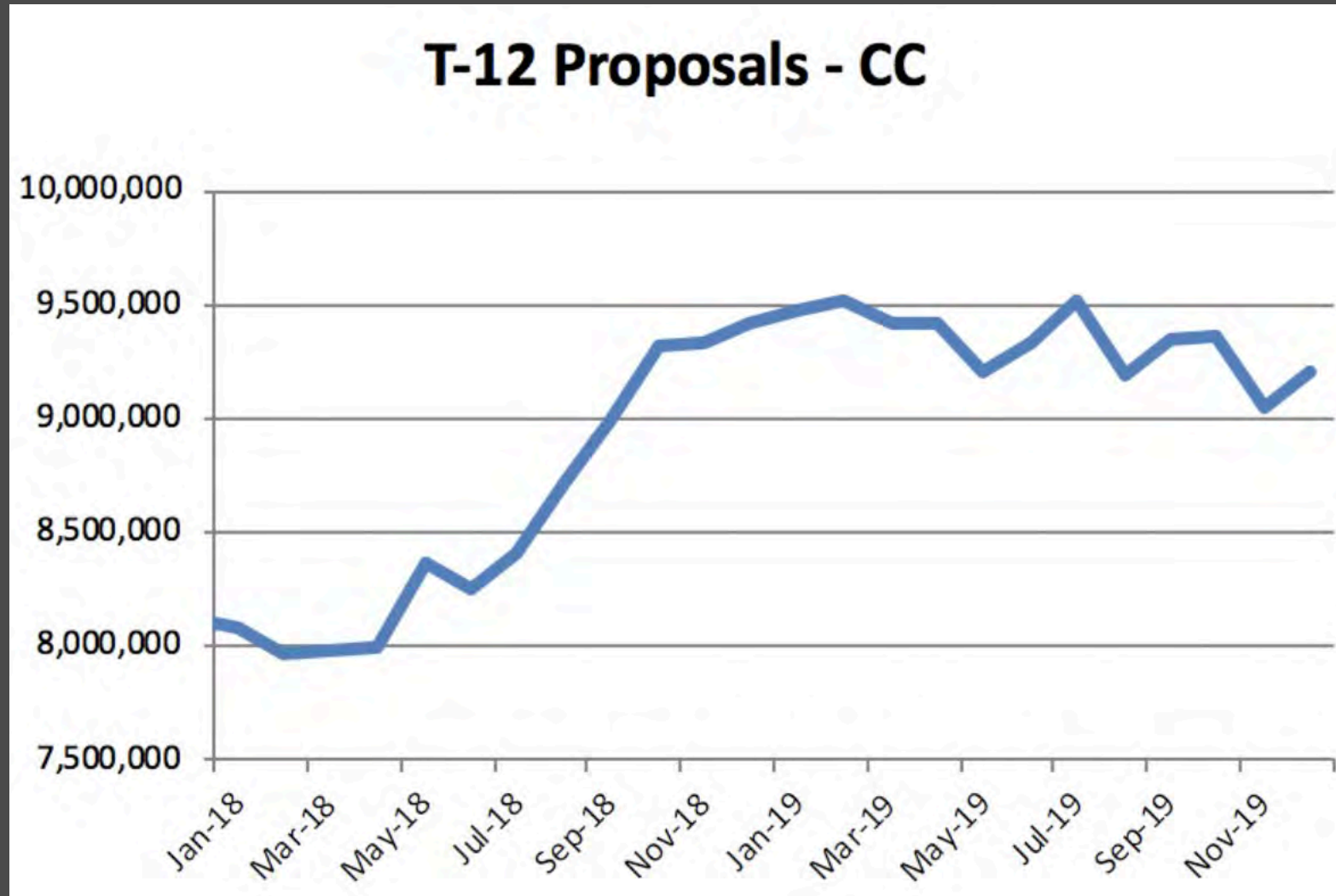
COGS = 45%

Gross Margin = 1-.45 = .55

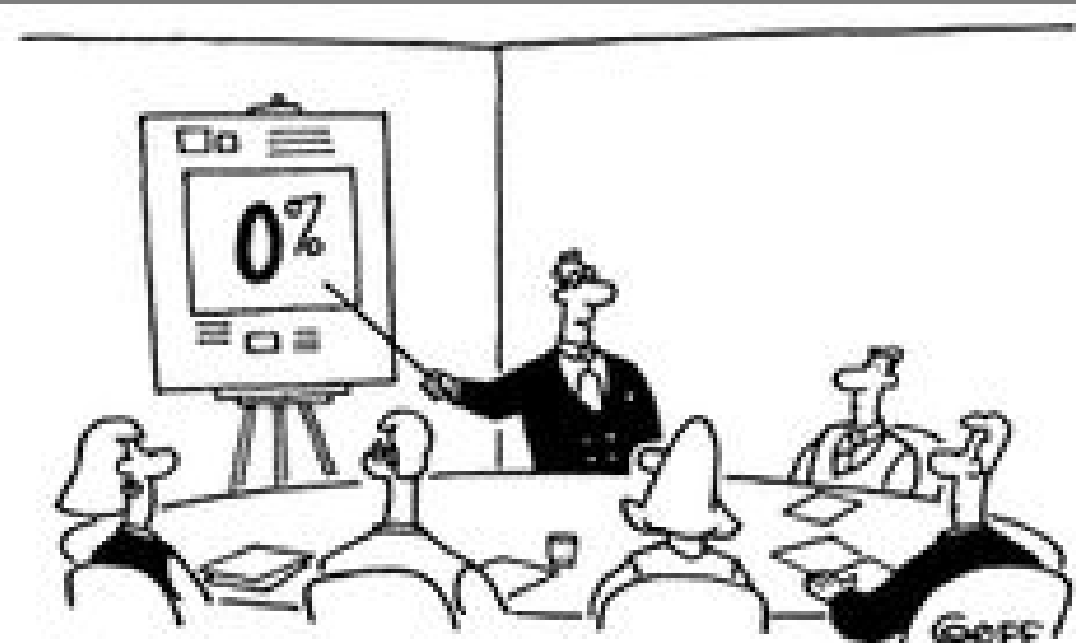
**Break-even = \$50,000/.55
= \$90,909/Month**



#5: Proposals

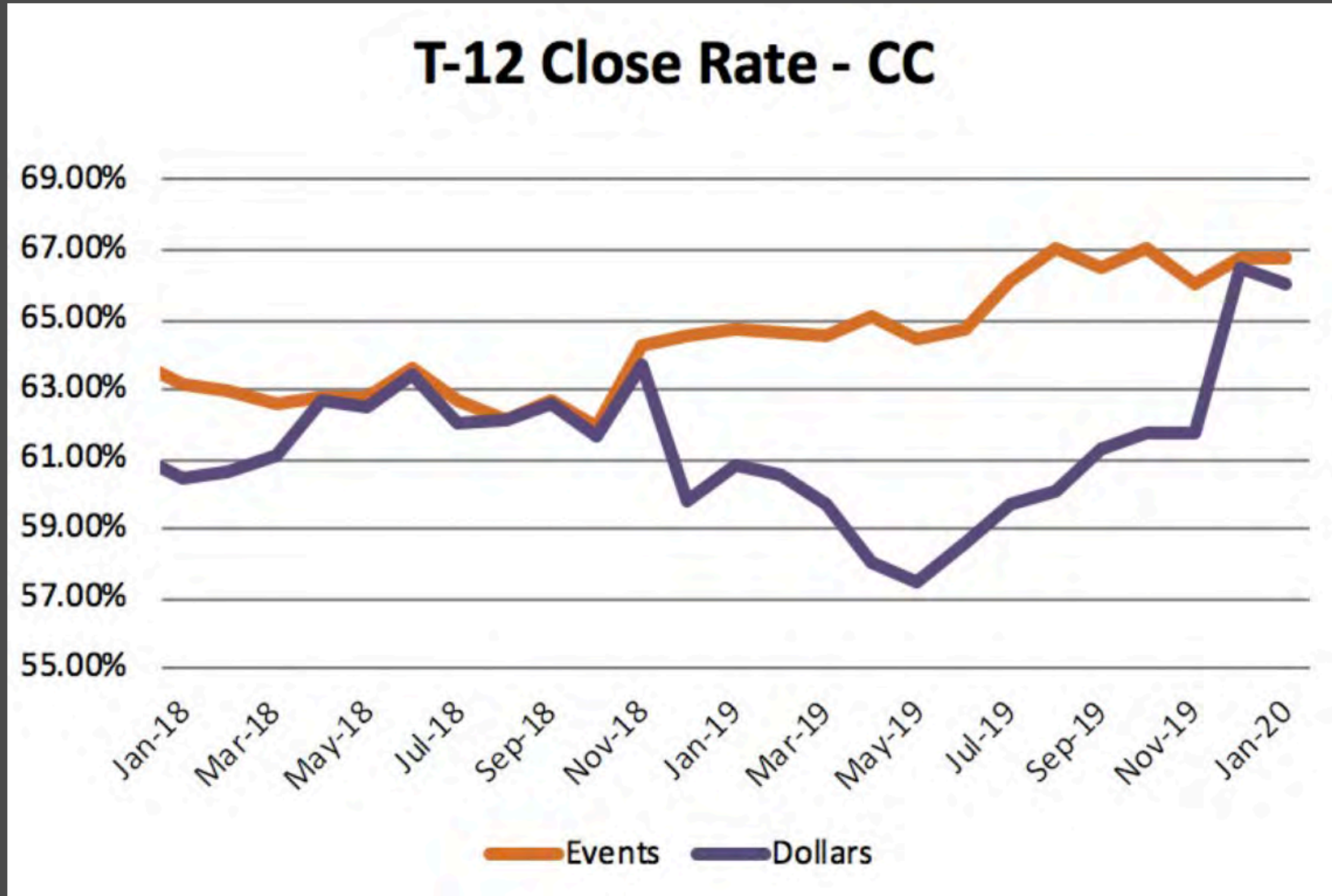


What Causes Sales?



"Our study concludes that this is the percentage of our customers who will buy from us without any effort whatsoever on our part."

#6: Close Rate



Close Rate Statistics

- Measure by Month
- Measure by Salesperson
- Measure by Event AND Dollars

CR = confirmed events/proposed events

Propose: 15 Confirm: 6

Close Rate = $6/15 = 40\%$

CR = confirmed \$/proposed \$

Propose: \$100,000 Confirm: \$60,000

Close Rate = $60,000/100,000 = 60\%$

#7: Culture



MIBE Culture Assessment



INTRODUCTION

We surveyed your team in four categories: Lead, Love, MIBE, and Vibe. The four categories dive into the corresponding convictions at MIBE and how your team feels relative to the factors that make up those convictions. Scores are calculated based on the weighted responses of "Strongly Disagree", "Disagree", "Agree" and "Strongly Agree." A maximum score of 100 is possible for each question, each category and overall. The higher the score, the more favorable the responses were from your team. The results are also a comparison to the other companies who have taken the MIBE Culture Assessment. This should provide you with an overview to discuss with your team. Remember, it is equally important to spend time and energy reinforcing what you are doing well, as it is to focus on the areas for improvement.

Overall Score: 78%.

This puts you slightly above the average compared to other companies surveyed. It appears your team is generally well aligned and feels positive about the culture and work environment. You have done work on your culture and the results show that this is starting to have an impact on your team. While most responses were positive, there are a number of areas where team members disagreed with the statements, signaling opportunities for growth. When focusing on these areas, it's important to also maintain the progress that you have already achieved in the other areas.

Please do not get caught up in the overall score for this survey. Every organization is at a different milestone in working on their culture. No matter where your organization is on the journey, everyone has room to improve. The important thing is that you are taking the steps required to **Make It Better Everyday**.



LEAD

Your company scored: 82%.

In this category, we measure how team members personally feel about the way they are treated at work. A sense of belonging and feeling valued leads to higher levels of performance and productivity. Your company scored slightly above the average in this category compared to other companies surveyed. It appears your team feels valued, and you're working on ways they can grow both personally and professionally. Below you will see your scores for each of the statements and opportunities where you may be able to improve. We also encourage you to take inventory of the activities you are doing that have led to the scores below and find ways to "MIBE" what is already in place!

Question

Question	Team Score
Our leaders in our company are very effective	75%
Even if I work hard, I will be rewarded	78%
My opinions matter at work.	83%
I feel as a person when I come to work	89%
Opportunities to pursue personal interests outside of work	86%
My work is not just about getting my job done and not micro-managed.	94%
People are treated as the most valuable resource.	64%
My team cares about both my person and professional growth.	86%



VIBE

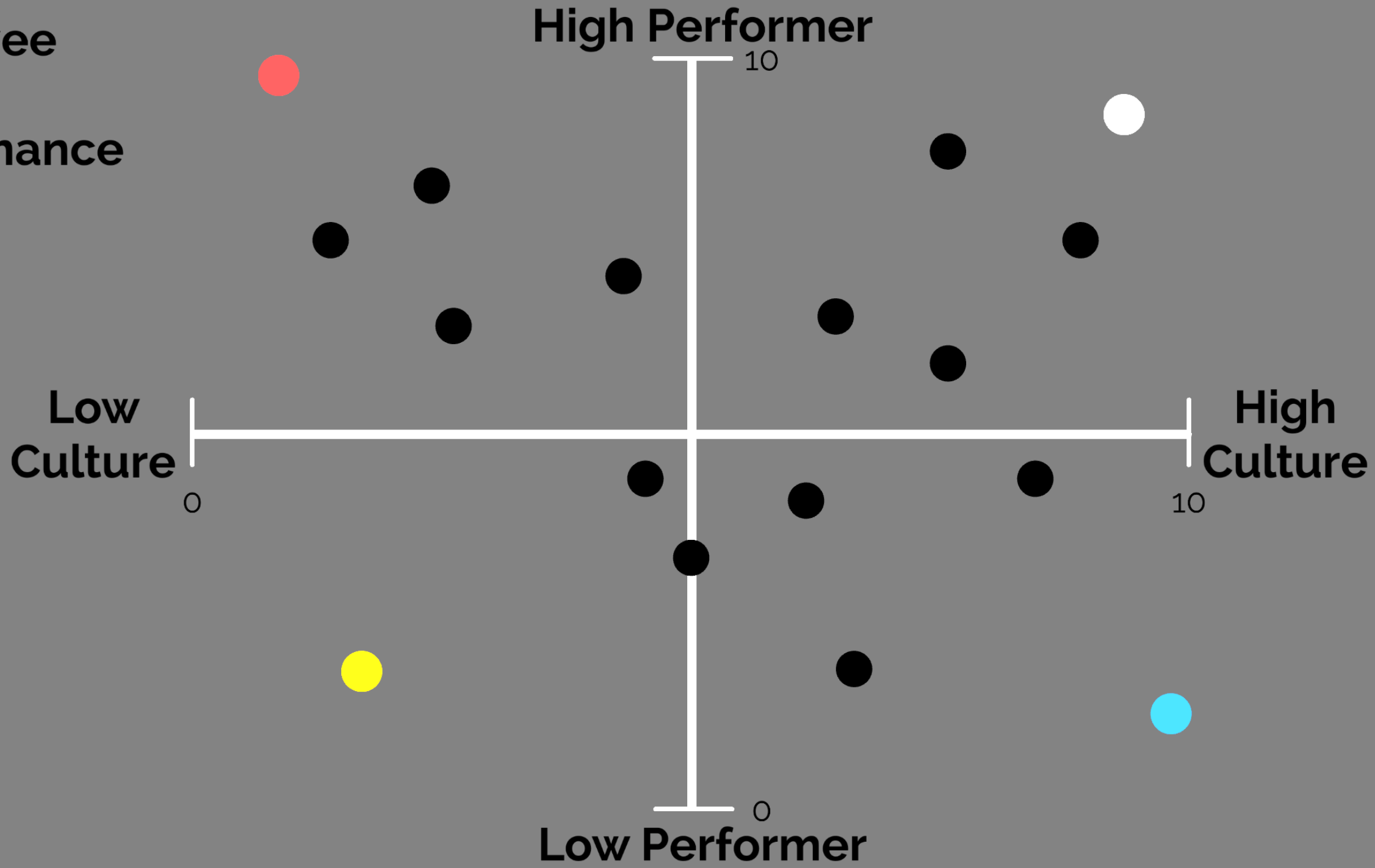
Your company scored: 72%.

In this category we measure the perceived quality of your team members, and the relationships they have with one another. Hiring and retaining great people is critical to the success of an organization. While this responsibility primarily falls on managers, it is important for all team members to protect the culture and create an environment in which everyone can thrive. In this category your company scored slightly above the average of all companies surveyed. You may be able to improve by evaluating your hiring process, being intentional about how you integrate new employees into your culture, and doing more to help team members build strong relationships with one another. Your team most likely works well together and executes at a high level, but they could benefit from initiatives in this area. Focusing attention here will help you reach higher levels of productivity and lower your turnover. Specific opportunities for improvement can be found in the responses below.

Questions

Questions	Team Score
My company creates opportunities for me to get to know my coworkers.	78%
We are clear on what is expected of new team members.	58%
Our team works well together across department lines, we don't have silos.	67%
I feel equally accountable to my co-workers as I do to my bosses.	94%
We have an in-depth hiring process that weeds out bad apples.	67%
When someone is not a cultural fit in our organization, they are removed quickly.	67%
My co-workers are awesome at what they do.	90%
I have close friends at work.	58%

Employee Culture Performance Matrix



What Gets Measured, Gets Done!

- Accounts Receivable
- Employee Turnover
- Marketing Costs
- Customer Acquisition Costs
- Staffing Costs
- Outside Vendor Costs
- On Time Delivery
- Customer Satisfaction
- Accuracy Reports



Seven Numbers

- 1) **Cash**
- 2) **Sales**
- 3) **Cost of Goods Sold**
- 4) **Net Income**
- 5) **Proposals**
- 6) **Close Rate**
- 7) **Culture**



What's Next?



"The new font is great, but I still don't like the look of these numbers."

Your Opinion Matters!

Please complete the education
evaluation for **EVERY** session
you attend!

Thank you!





Anthony Lambatos

✉ anthony@footerscatering.com

🌐 footerscatering.com | themibe.com

in @anthonylambatos

Win a FREE registration to our 2025 MIBE Summit!
(\$2195 value)

