



+



multi-unit management and rapid growth

Photo by Emily Ferretie

# A CLOSER LOOK...

## LOCATION

New Orleans and Denver

## TYPE

Polished casual

## TOTAL UNITS

2

## TECH STACK

Toast, QuickBooks

## KEY FEATURES

Pricing Changes

## The challenge

Thanks to the pandemic, Pomegranate Hospitality was being challenged by the rising cost of ingredients and pivoting to take-out options while their dining rooms were closed. They needed to be able to quickly price out plate costs and pivot at the drop of a dime.

## [me] solution <sup>\*</sup><sub>\*</sub>

MarginEdge provided real-time cost analysis by combining actual inventory data with integrated sales from the POS system. This feature allows Pomegranate Hospitality to track and monitor costs closely, enabling better financial decision-making and cost control during the turmoil caused by the pandemic.

# Pomegranate Hospitality's pandemic story

We last spoke with Pomegranate Hospitality Director of Operations, Amanda Quintal, back in December of 2020, about how MarginEdge helped their restaurants Saba and Safta, pivot through the whirlwind of changes the early pandemic brought to their businesses. Since then, the world has changed a little- ehm ok, a lot - and so we wanted to check back in with Amanda and our friends there, to hear their story throughout the last two years of the pandemic. Here's what she had to say.

## Continuing to Pivot

While the beginning of our chat started with a painful realization of the fact that it will soon be the third (!!) March of the pandemic, Pomegranate Hospitality has overall been thriving. Amanda admits, "We're really humbled and fortunate to be able to say that, because we know that not everyone in the industry has even survived. We know how fortunate we are to be entering the third March of the pandemic and feel like we're in a good spot, but that did not come easily."

She explains the success has in large part been thanks to her teams' tireless work and ability to pivot. "All we have done for the past two years is pivot. We pivot, and then feel like we get



Photo by Emily Ferrettie

our legs steady again, and then they're wiped out from underneath us. I know a lot of other restaurants feel that way too."

Part of Pomegranate Hospitality's pivoting has been adopting what Amanda refers to as, "extracurriculars." While their New Orleans location is in more of a neighborhood-type area, they still rely on tourism, and these additional projects helped make up for what was lost due to the pandemic. She explains, "We're actually trying to strategize those a little bit more this year and even call back on some of them, so we can focus more on what we originally set out to do, which was Full Service dining within our four walls and creating great guest experiences."

These extracurriculars range from mail orders, including a ridiculously delicious babka King Cake with pomegranate and cinnamon streusel (we'll give you a moment to go ahead and wipe



Photo by Emily Ferrettie

up any drool that may be on your keyboard), subscription kits with Table 22, virtual cooking classes and local-pickup packages, like one they did for Passover, so people can still enjoy Chef Alon's creations at home.

Amanda points out that for 2022, "We've gotten really good at these packages, but now we can also do these things again in the restaurant and really knock that out of the park."

## A Recipe For Success

When we last spoke, Amanda's team was using MarginEdge's recipe tool to price out to-go items, incorporating costs into their menu prices for those extra materials like packaging. Now, she says, they still use the tool just as often but more so as a stable reference for their operations.

"Any time we run specials or build out new menu items we plug them in there, but we also use it when we need to quote something different for someone," Amanda explains.

**It is nice to be able to do internal transfers especially when you are a growing business and you have recipe development costs or things that you need to transfer out."**

**Amanda Quintal**

VP of Operations

"We just did these corporate gifts for a client where they wanted to send out a hundred little Saba gift packages for their clients. And so even for items that haven't continued on our menus, it's all stuff that's in our recipes arsenal. I can just go in and quickly cost those items out and determine what kind of markup I want and quickly get to a fair cost for both us and for the guest."

She also admits that the tool is handy even just as a calculator.

"Sometimes I don't even save the adjustments in the software and just use it as a calculation tool. I'm done with it in like 5 minutes and have a better idea of how to cost things."

That easy access to information has also benefited teams outside of their kitchens. Recently, Pomegranate Hospitality brought on a PR team and gave them access to MarginEdge. Now that team can look up and reference information on recipes or other data without having to chase someone else down and wait for a response.

“They can still ask us questions, but it was such an easy way to give them access to our information so that they have something to cross-reference. It saves us a lot of back and forth for sure,” Amanda says.

## Fighting Back Against Rising Food Costs

Amanda notes, “Something else that is so powerful about the recipe tool is the real-time price updates based on our invoicing. Our biggest challenge now is the rising cost of everything. We build out a menu aimed at hitting a specific food cost, but we have to look at that every week to make sure that we’re still going to be able to hit that food cost, because the price of lamb doubles whenever you get your next order.”

While using fresh, local ingredients is normally seen as an advantage in the restaurant world (and no doubt from a taste perspective, too), it can also have its drawbacks. She notes, “At Saba, we have this really amazing blue crab hummus on the menu. As it’s gotten colder lately, and with rising costs, we have to look at that recipe often and watch how the price changes because everything is getting so expensive.” The recipe costing and menu



Photo by Randy Schmidt

analysis tools help her team to understand how those trends are changing and if they need to tweak their portion size or raise menu prices.

## It’s Challah ‘Bout Planning Ahead

Having the ability to dive in deeper to their menu also came in handy when they formed a partnership with the New Orleans Four Seasons Hotel to create Miss River- Chef Alon’s love letter to Louisiana, Southern cuisine and its Vietnamese and French influences.

Amanda says, “We’re so proud to be partners with Four Seasons and Miss River to bring Alon and Pomegranate Hospitality’s vision to life.” Though the restaurant is owned and operated by the Four Seasons, the Pomegranate Hospitality team was still able to cost out menu items during the initial recipe development process and make sure that partnership was set up for success with help from MarginEdge.

While they were building out the menus for their partnership with Four Seasons, they wanted to keep all of the inventory and recipe development expenses separate from their expenses for Saba. She explains, “That way we could track those recipe development costs that were going out of Saba to another business.”

One of the ways they were able to do this was through internal transfers being recorded within MarginEdge. Although our platform has a seamless tool within the software to do internal transfers today, Amanda’s team completed this process with a manual workaround that our team helped them record within the software. Amanda jokes, “I like to think that we helped move that process forward for MarginEdge,” and we’re incredibly grateful that they did.

Joking aside, she emphasizes, “It is nice to be able to do internal transfers especially when you are a growing business and you have recipe development costs, or things that you need to transfer out.”

As the parent company of two restaurants, sometimes there are things that Saba’s food costs should not take the hit for if Pomegranate Hospitality is going to be counting the revenue. Amanda further explains, “It keeps it much cleaner before we get to the end of the month and have to do those transfers ourselves.”

## Ari-ly Bright Future

Naturally, after hearing about Miss River, we’re excited to know what’s next for Pomegranate Hospitality. More partnership restaurants? Another corporate-owned location? Bigger babkas? (A girl can dream!) As a relatively young business, their team doesn’t have much in terms of historical data because their first year was spent ramping up and the two since were impacted by COVID craziness.

With that in mind, Amanda tells us, “We’re just looking forward to a little bit more normalcy, and then looking at how we can continue to grow.” She means this not only just in terms of a business footprint, but also in terms of internal growth, focusing on their teams and gaining an even deeper understanding of how to take individual ownership over running their operations.

When invoices go missing, or things don’t quite line up on their P&L’s, Amanda tells us her teams turn to MarginEdge to find out where and when they need to do a little more digging. She notes, “Our teams’ use of MarginEdge has really helped them understand the P&L process even more, and how important it is to get those things done in a certain amount of time.”



Photo by Emily Ferrettie

Being in charge of uploading invoices and viewing budgets from our platform any time they want gives her operations teams powerful insight.

Amanda mentions, “We just started paying for a new service with a pretty hefty monthly fee. Even just yesterday, our chef at Saba sent me a message saying, ‘Hey I saw this invoice in MarginEdge and I want to make sure I fully understand it, that this is what we’re paying them, and that we’re absorbing this whole cost.’ It drives our team to ask those types of questions that really help them manage their business, because they have exposure to it all.”

Although Amanda admits her role gives her more time in front of a computer to dig into their data than her kitchen-counterparts, she explains that she’s not the only voice in the Pomegranate choir singing MarginEdge’s good graces, noting, “The teams that run our kitchens everyday also love MarginEdge and what it does. They find it super easy to use and that it’s such a good resource. That’s sometimes a hard sell to the teams on the ground in this industry because they don’t have time to be on a computer all day. Our teams all really like using it, and everything they can access.” 🍷