

Breaking Even in the Pandemic



With everything changing in restaurant operations during Covid-19, managing to break even every period may seem impossible.

Wasabi – a conveyer-belt sushi restaurant in Tysons, Virginia – proves it can be done! Even with sales down a whopping -67%, they still squeezed out a few hundred dollars last period. While inside a mall with limited hours and about 50% of its traffic, and no opportunity for delivery or outdoor seating – Wasabi, against all odds, is not losing any money.

But they do have something working in their favor – the tools in the MarginEdge platform. They've leveraged

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the software's features to scale back their menu, reduce waste, monitor margins through the period, and save their staff time.

Wasabi is co-owned by MarginEdge founders, Bo Davis and Roy Phillips. We spoke with them, along with their General Manager, Alex Le, to get some insights on what they're doing to see profits during the pandemic.

Real time data, real time actions.

Wasabi has a conveyer belt rotating around the restaurant with menu items from appetizers, to sushi rolls, to desserts, that customers can pick and choose from. This makes for a fun dining experience, but waste is inevitable! So, the more expensive, less popular menu items have to be ordered from Wasabi's menu.

With MarginEdge, Wasabi is able to determine which items to place on the conveyer belt, which items should be order-only, and which items should be removed from the menu entirely while mall traffic is light.



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Alex configures his Price Alert settings in MarginEdge to ensure that any meaningful price increases to his ingredients send him an alert through email. He can see how much prices change per quantity of the ingredient, and then how much that affects his menu items in terms of dollars and COGS%.

“I know our food costs right away,” Alex tells us. “For example, recently our vendor of Unagi Eel had an export problem causing the price to go from \$250/case to \$300/case, so we ordered from someone else.”

The Price Alert tool also helps Wasabi keep an eye on the seasonality of ingredients. While watermelon is in season, the prices are lower, making it a great item to put it out on the conveyer belt. Price Alerts let Alex know when the prices shift back to their higher off-season prices.

On a broader scale, the team at Wasabi evaluates their performance on controllable profit on a weekly basis, rather than after the period ends. This is only possible because MarginEdge gives them a rolling controllable P&L as invoices come in (24-48 hours after their team sends in photos of them). These checkpoints during the period have been vital for staying on top of their profit margin goals.

Time savings.

Restaurants are tasked with doing more with less. That’s felt by Wasabi’s staff who are on smaller shift teams and still looking to deliver an amazing experience to guests. One thing that’s given them some time back is only having to snap photos of invoices with the MarginEdge app both to record them in their systems and have them paid.

“We’re so busy, so taking pictures of invoices is huge.” Alex notes. “MarginEdge even keeps track of credits for us, making sure we’re only ever paying vendors what is fairly owed.” Just with MarginEdge’s Bill Pay feature, Wasabi’s owners estimate they save over \$150 per month from the cutting out the time it takes to pay bills and reconcile credits.

“If every restaurant had MarginEdge, it would be huge for the industry.” Alex concludes. “You gain much more control of what’s happening in your restaurant.”



Co-owner Roy Phillips with General Manager, Alex Se.

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