

Catering Service Financial Performance & Operational KPIs

A Strategic Guide to Maximizing
Yield, Efficiency, and EBITDA

Year 1 Target:
\$650k EBITDA



The Profit Equation: From Covers to Capital Return



INPUT

Volume & Yield
(Covers & Orders)



PROCESS

Efficiency Filters
(COGS & Labor Control)

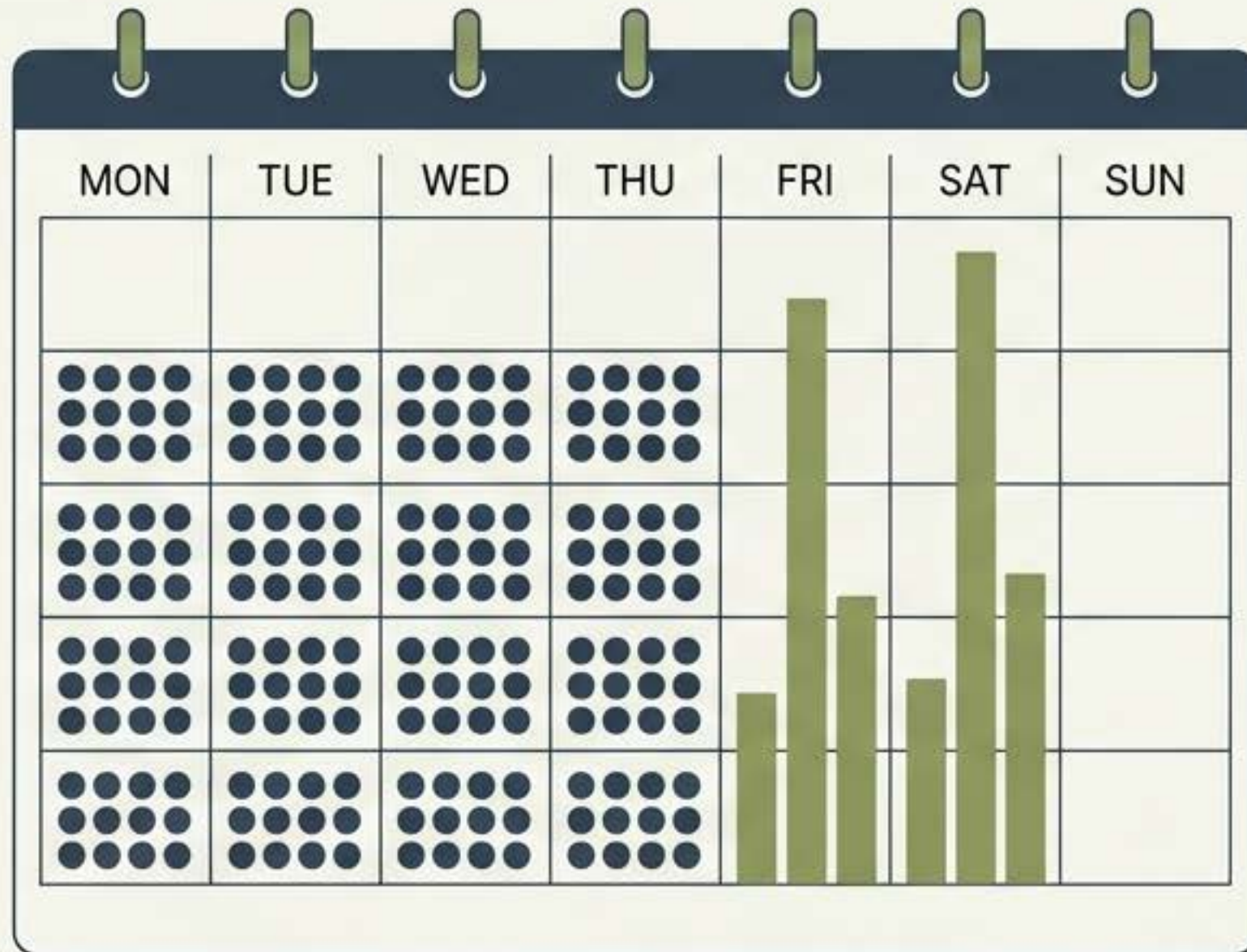


OUTPUT

Returns
(Net Profit)

True profitability requires mastering three levers: Volume (ACPD), Yield (AOV), and Efficiency (Labor/COGS). The objective is a \$650k EBITDA in Year 1.

Driving Volume: The Stability of Average Covers Per Day (ACPD)



Strategy: Midweek Density vs. Weekend Spikes

81+

Target Covers / Day

ACPD links daily activity to fixed cost coverage (\$57,649/month). A target of **81+ covers daily** is required to cover overhead.

WARNING: ACPD < 75 triggers immediate sales review.
Action Item: Increase midweek corporate event frequency to build reliable daily volume density.

Maximizing Yield: The Weekend Premium Strategy

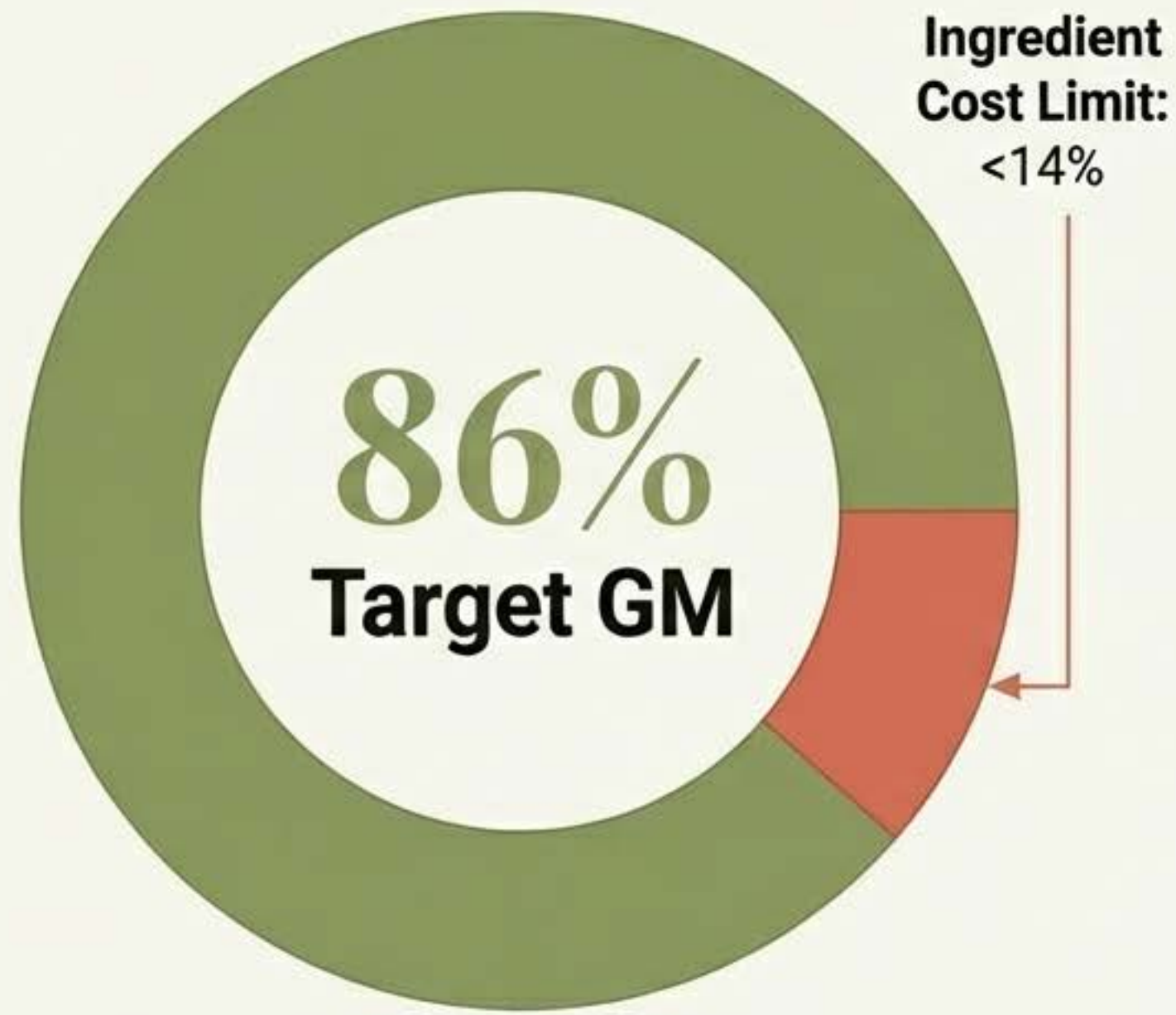
Midweek focuses on order density; Weekends focus on high margin per event. The \$750 weekend target is critical for 2026 profitability.



Tactics to Protect Yield

- Push beverage packages to protect the \$750 target.
- If Midweek AOV < \$550, raise minimum order sizes.
- Upsell premium desserts for corporate lunches.

Protecting the Product: Gross Margin & Ingredient Control



Gross Margin is the first line of defense.

If you don't control food costs, nothing else matters.

Leakage Alert

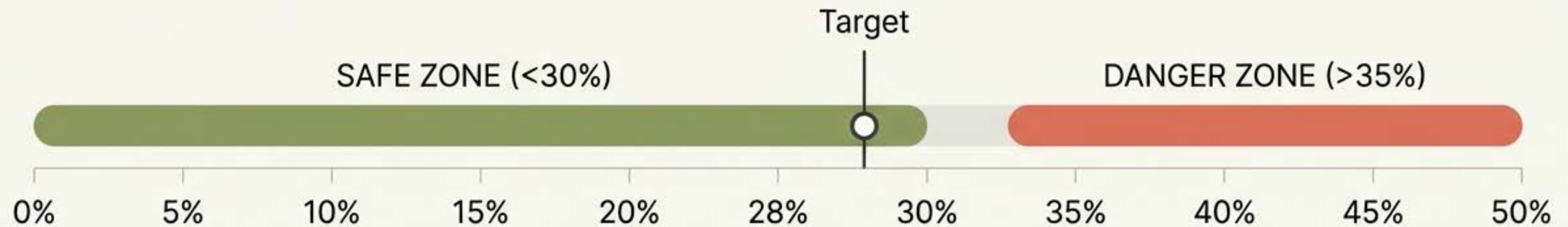


RED ZONE: Ingredient Costs > 140% Index destroy value.

Operational Rules:

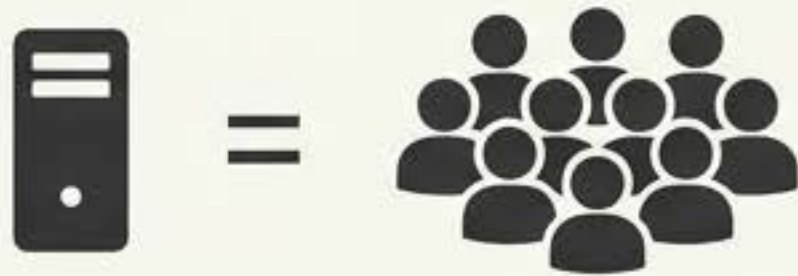
1. Finalize orders using confirmed counts 72 hours prior.
2. Monitor inventory turnover weekly.
3. Calculate waste percentage as direct profit loss, not overhead.

Managing the Team: Labor Cost Percentage



Fixed monthly wages: ~\$40,249. Labor efficiency must match event complexity.

The Golden Rule

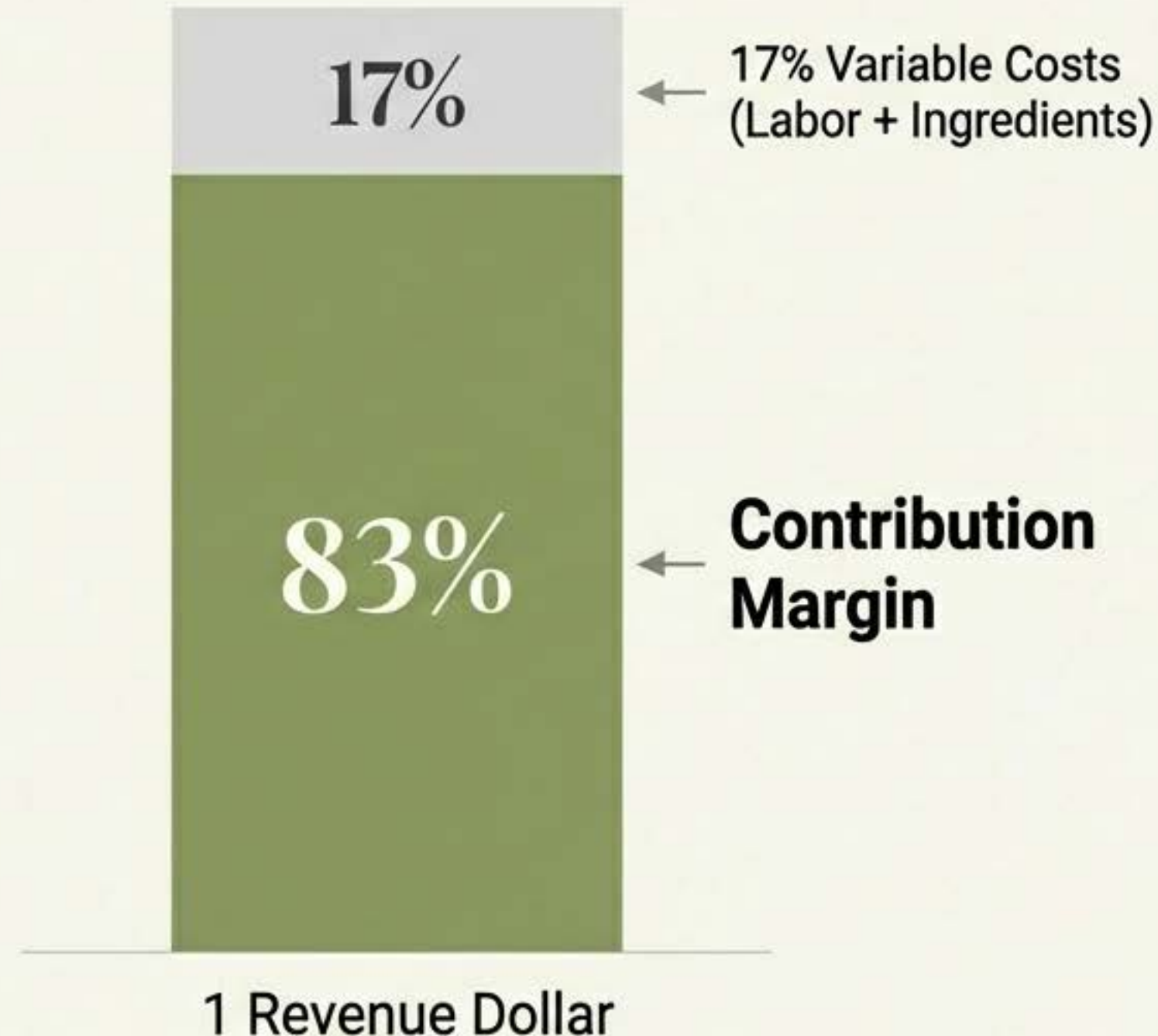


1 Server = 15 Covers (Standard Service)

Action Item

Conduct weekly scheduling reviews. If revenue drops, immediate schedule cuts are required to maintain the <30% ratio.

The Bottom Line: Contribution Margin (CM)



Contribution Margin is the revenue remaining after variable costs to cover fixed overhead (Rent/Salaries).

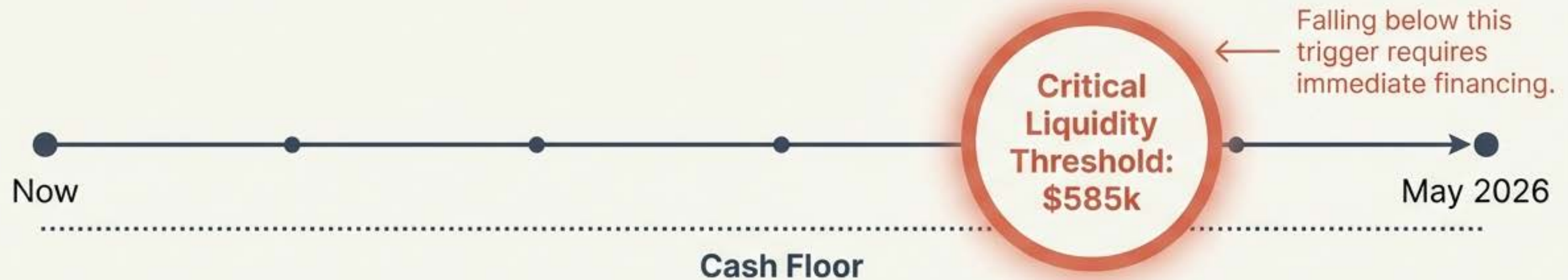
High-touch weddings target 35-45% CM.
Low-touch corporate targets 55%+ CM.



CRITICAL CHECK: If CM drops below 40%, immediate pricing intervention or cost cutting is required.

Operational Health: EBITDA Targets & Cash Runway

Year 1 EBITDA Projection: **\$650,000**



Scaling from Year 1 stability to aggressive Year 2 growth requires maintaining the 14% ingredient / 30% labor discipline.

Capacity Planning: Preparing for the 2026 Peak

This spike dictates maximum kitchen and service team size. Onboarding lag (14+ days) creates churn risk—hire ahead of the curve.



**Saturday Peak Capacity
(2026) - 150 Covers**

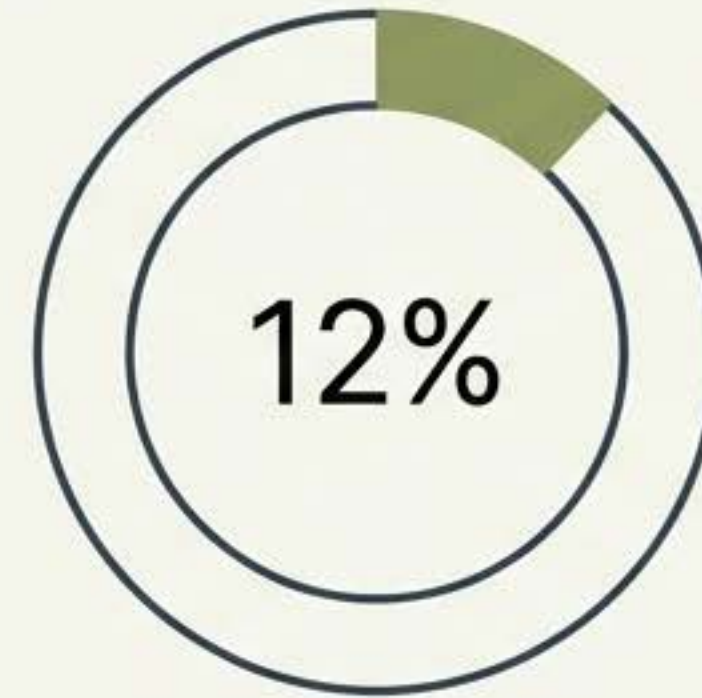
Strategy: Use off-peak days to test new menu items and train staff for the Saturday surge.

Investor Returns: Payback Period & IRR

Payback Period



Time to recover initial capital investment
(Industry Avg: 18-30 Months).



Internal Rate of Return (IRR)
Effective annual yield on investment.

A 14-month recovery indicates a lean operation and high capital efficiency.

The Manager's Weekly Dashboard

VOLUME (ACPD)

> **81**

Red Flag: < 75

YIELD (AOV)

> **\$750**

Midweek Alert: < \$550

LABOR COST

< **30%**

Red Flag: > 35%

INGREDIENTS

< **14%**

Index Alert: > 140%

Use this dashboard for Friday operational reviews.

Strategic Cadence & Execution

Sustainable growth comes from balancing **Volume** (ACPD) with strict **Efficiency** (Labor/COGS).



DAILY

- Check Average Covers
- Spot no-shows



WEEKLY

- Review Labor Cost %
- Monitor Inventory Turnover



MONTHLY

- Analyze Contribution Margin
- Review EBITDA

Final Focus: Watch the May 2026 cash floor (\$585k) and protect the Weekend AOV (\$750).