

# Food Service Advisory Committee

November 30, 2012

# Catering Executive Chef

- James Colson replacing Brent Gorman as Executive Chef of Catering on Cullen.

# Dietitian Updates

- Eat Well, Live Well event was Nov. 28 at Campus Rec
- 10 groups set up booths
- About 100 attendees
- Gave away a wellness gift pack with yoga supplies, relaxing teas and candles, and healthy snacks.

# Finals & Spring Hours

- Approved at last meeting.
- View spreadsheet.
- Data from Cougar Woods 7pm – 8pm

# Meal Plan Pricing Proposal

2013 - 2014

# The Future of Our Program

- To provide an affordable solution for our students in alignment with President Khator's goal of graduating students with the least amount of debt.
- To provide a plan that greatly enhances perception of value.
- To sustain the quality, variety, and viability of the program in the years ahead.

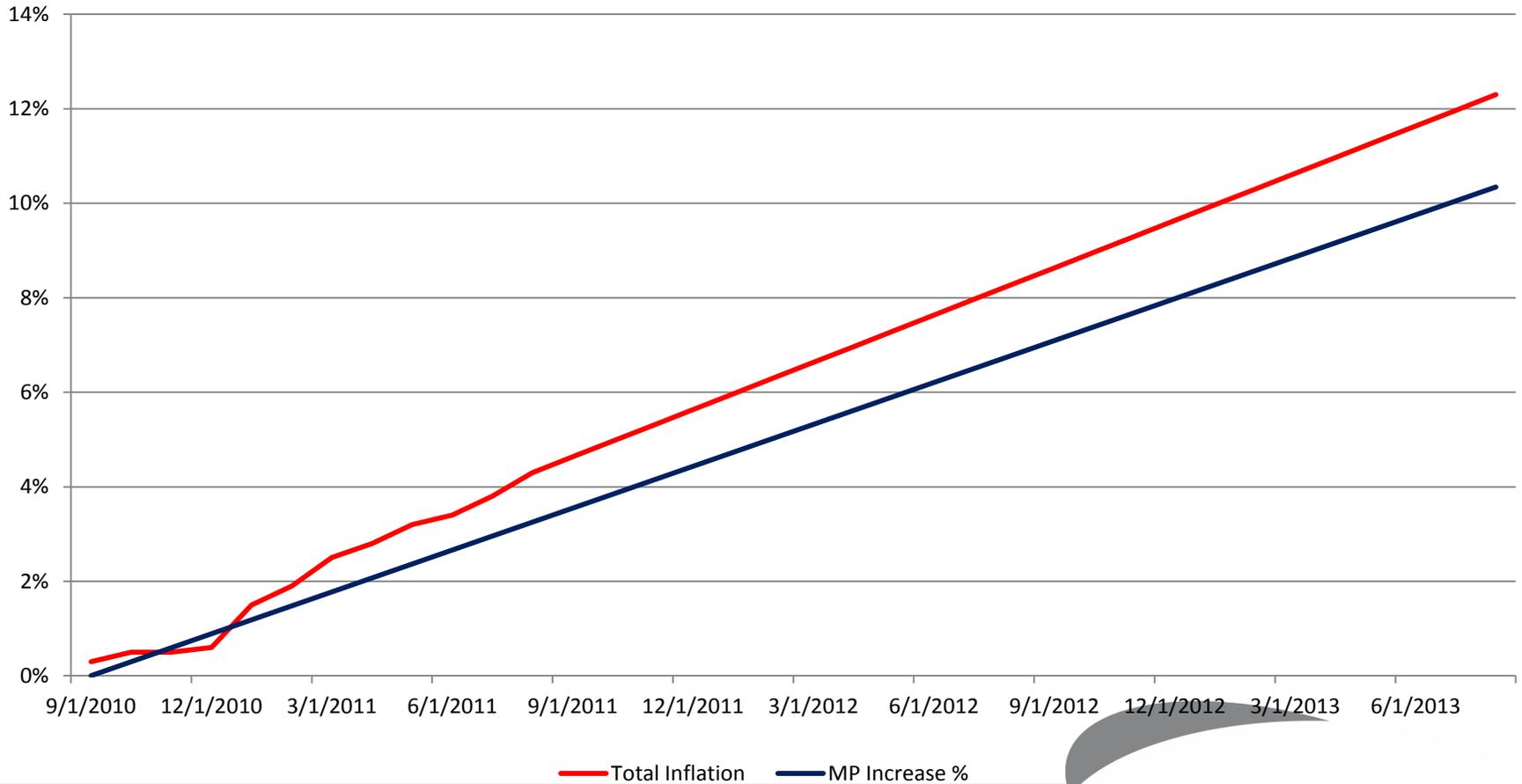
# 2012-2013 Meal Plans

Meal Plan Pricing	
All-Access 7	1800
All-Access 5	1800
Lifestyle 21	1700
Lifestyle 15	1700
Lifestyle 160	1700
Block 120	850
Block 80	640
Block 40	390
Block 20	210

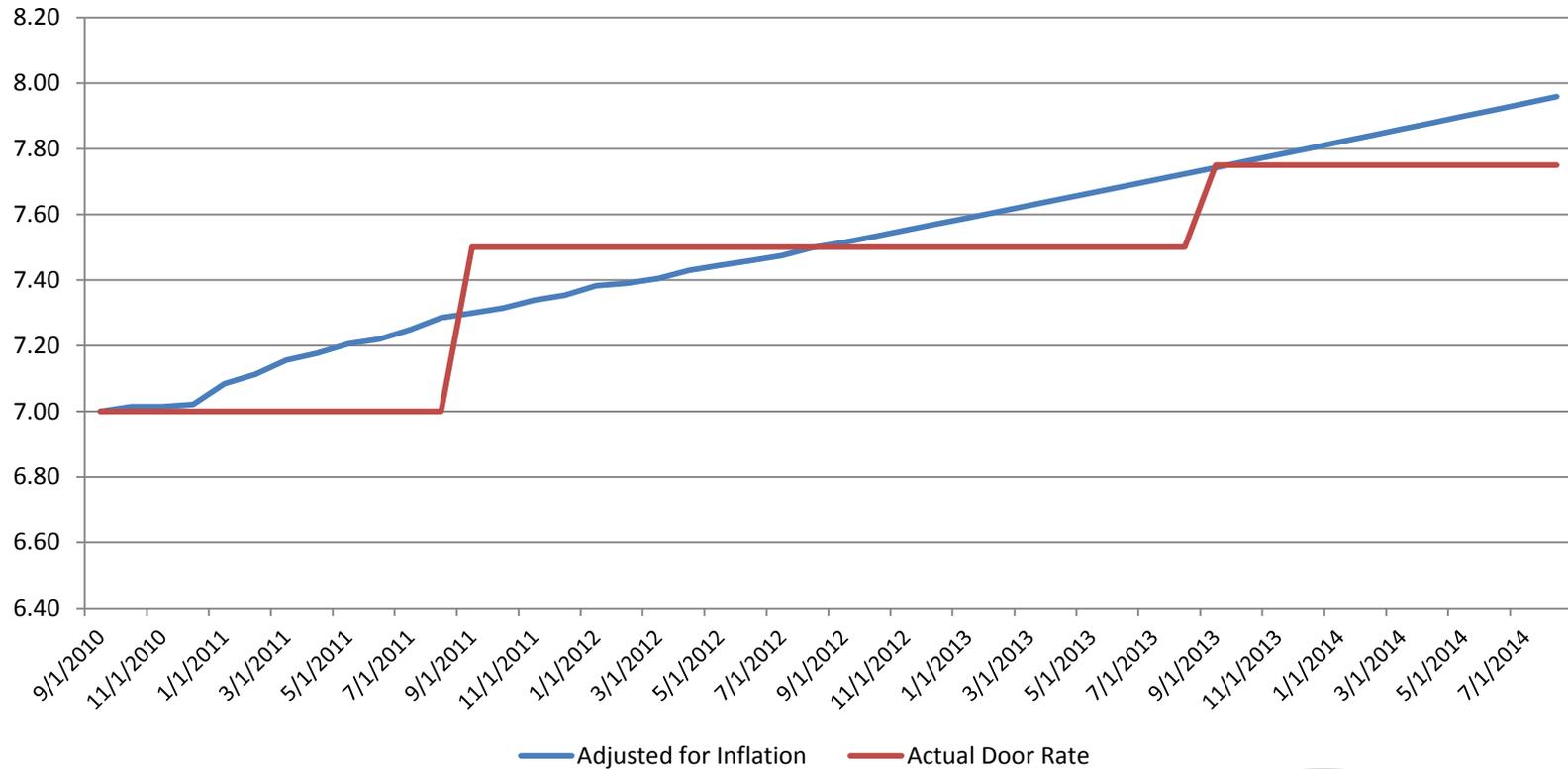
Door Rates	
Breakfast	6.50
Lunch	7.50
Dinner	8.50

\*Taxes are charged in the meal plan portion of the plans. Taxes for Cougar Cash will be added at the time of purchase in the retail location on campus.

# Historical Meal Plan & Inflation Rates



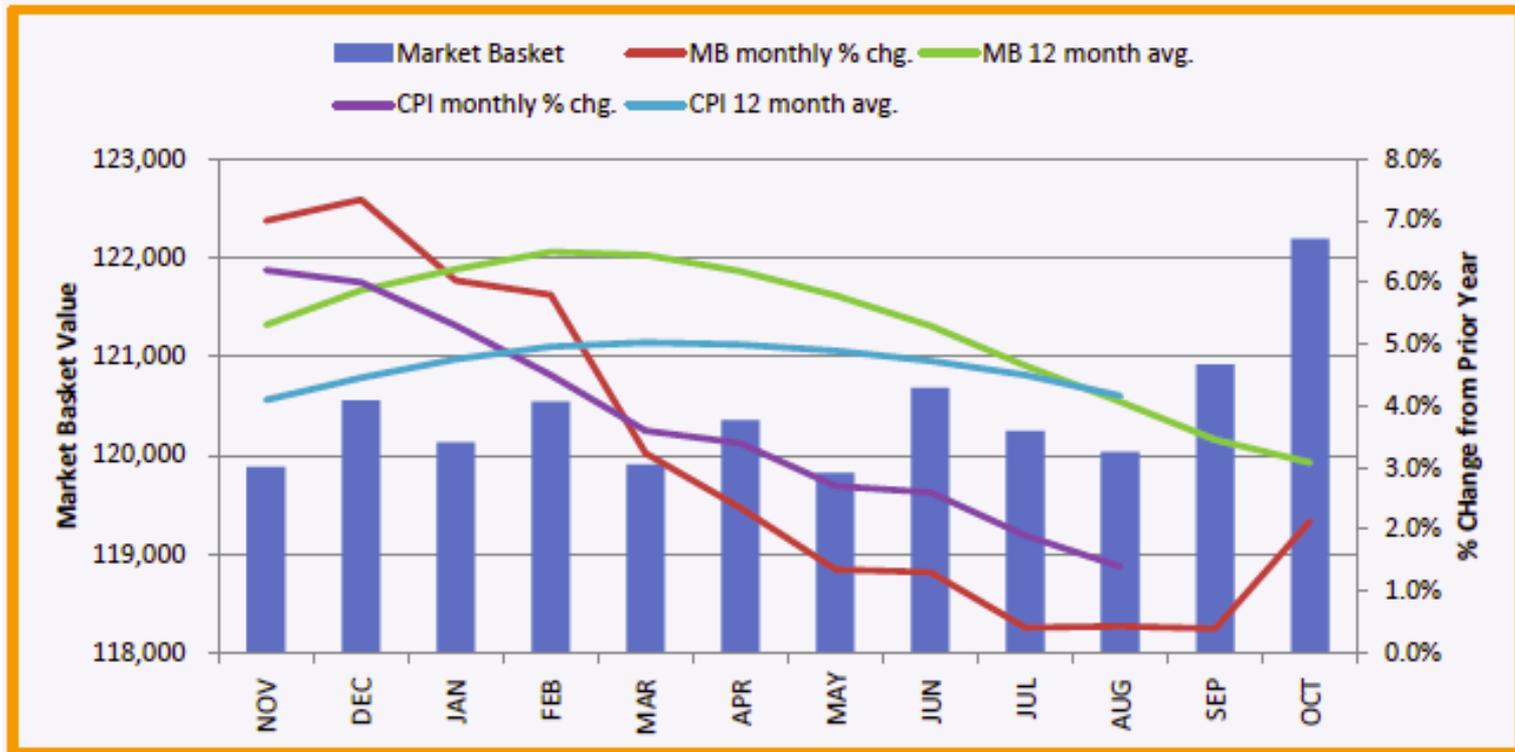
# Inflationary Impact on Door Rates



# CPI & Market Basket Indexes

- Market Basket is 2.1% over PY. May mark beginning in upward shift in prices from drought.
- Several categories changed significantly:
  - Produce up 3.9%
  - Groceries up 4.9%
  - Eggs up 8.2%
  - Cheese/yogurt down 5.2%
- Upcoming year inflation projected 4-5%

# CPI & Market Basket



Please note that the Product Market Basket deals with the October situation prospectively, while both the Producer Price Index and the Consumer Price Index reflect historical moves for August 2012, two months earlier.

# CPI & PPI Indexes

<b>Consumer Price Index (CPI)</b> <i>Food at Home</i>		<b>Producer Price Index (PPI)</b> <i>All Finished Consumer Goods</i>	
Change from Prior Month	+ 0.17%	Change from Prior Month	+0.91%
Annual Rate of Increase	+ 1.44%	Annual Rate of Increase	+3.90%

# Projected Food Cost Changes (%)

Item	Annual	Annual	Forecast	Forecast
	2010	2011	2012 <sup>2</sup>	2013
<b>Consumer Price Indexes</b>				
<b>All food</b>	<b>0.8</b>	<b>3.7</b>	<b>2.5 to 3.5</b>	<b>3.0 to 4.0</b>
<b>Food away from home</b>	<b>1.3</b>	<b>1.9</b>	<b>2.0 to 3.0</b>	<b>2.5 to 3.5</b>
<b>Food at home</b>	<b>0.3</b>	<b>4.8</b>	<b>2.5 to 3.5</b>	<b>3.0 to 4.0</b>
<b>Meats, poultry, and fish</b>	<b>1.9</b>	<b>7.4</b>	<b>3.0 to 4.0</b>	<b>3.0 to 4.0</b>
<b>Meats</b>	<b>2.8</b>	<b>8.8</b>	<b>3.5 to 4.5</b>	<b>3.0 to 4.0</b>
<b>Beef and Veal</b>	<b>2.9</b>	<b>10.2</b>	<b>3.5 to 4.5</b>	<b>4.0 to 5.0</b>
<b>Pork</b>	<b>4.7</b>	<b>8.5</b>	<b>1.0 to 2.0</b>	<b>2.5 to 3.5</b>
<b>Other meats</b>	<b>-0.1</b>	<b>6.4</b>	<b>2.5 to 3.5</b>	<b>3.0 to 4.0</b>
<b>Poultry</b>	<b>-0.1</b>	<b>2.9</b>	<b>3.5 to 4.5</b>	<b>3.0 to 4.0</b>
<b>Fish and seafood</b>	<b>1.1</b>	<b>7.1</b>	<b>3.0 to 4.0</b>	<b>2.5 to 3.5</b>
<b>Eggs</b>	<b>1.5</b>	<b>9.2</b>	<b>2.5 to 3.5</b>	<b>3.0 to 4.0</b>
<b>Dairy products</b>	<b>1.1</b>	<b>6.8</b>	<b>2.0 to 3.0</b>	<b>3.5 to 4.5</b>
<b>Fats and oils</b>	<b>-0.3</b>	<b>9.3</b>	<b>5.0 to 6.0</b>	<b>2.0 to 3.0</b>
<b>Fruits and vegetables</b>	<b>0.2</b>	<b>4.1</b>	<b>0 to 1.0</b>	<b>2.0 to 3.0</b>
<b>Fresh fruits &amp; vegetables</b>	<b>0.6</b>	<b>4.5</b>	<b>-0.5 to 0.5</b>	<b>2.0 to 3.0</b>
<b>Fresh fruits</b>	<b>-0.6</b>	<b>3.3</b>	<b>1.0 to 2.0</b>	<b>2.5 to 3.5</b>
<b>Fresh vegetables</b>	<b>2.0</b>	<b>5.6</b>	<b>-2.0 to -1.0</b>	<b>3.0 to 4.0</b>
<b>Processed fruits &amp; vegetables</b>	<b>-1.3</b>	<b>2.9</b>	<b>3.0 to 4.0</b>	<b>2.0 to 3.0</b>
<b>Sugar and sweets</b>	<b>2.2</b>	<b>3.3</b>	<b>2.0 to 3.0</b>	<b>2.0 to 3.0</b>
<b>Cereals and bakery products</b>	<b>-0.8</b>	<b>3.9</b>	<b>3.5 to 4.5</b>	<b>3.0 to 4.0</b>
<b>Nonalcoholic beverages</b>	<b>-0.9</b>	<b>3.2</b>	<b>1.5 to 2.5</b>	<b>2.5 to 3.5</b>
<b>Other foods</b>	<b>-0.5</b>	<b>2.3</b>	<b>3.0 to 4.0</b>	<b>3.5 to 4.5</b>

# Outlook 2013

LOS ANGELES TIMES Oct 14 2012

- **Drought leads restaurants to raise prices, cut portions**
- Restaurant prices have been rising for more than a year. Wholesale food costs rocketed 8.1% last year, the largest jump in more than three decades. The [Olive Garden](#)'s Never-Ending Pasta Bowl, offered at \$8.95 for the last five years, jumped to \$9.95 in late August, partly because of higher food costs.
- Those increases will continue, but at a faster pace.
- The price of corn — a key component in livestock feed and an ingredient in powdered sugar, salad dressing, soda and more — catapulted 60% in early summer. A British trade group recently predicted "a world shortage of pork and bacon next year," which most analysts interpreted to mean that higher prices are ahead.
- In the meantime, chickens and turkeys are getting more expensive just in time for the holidays. Already, chicken prices are up 5.3% from a year earlier, while the cost of turkey and other poultry is up 6.9%. Eggs cost 18% more in September than they did a year earlier.
- Analysts expect overall food costs to rise 5% to 20% by the end of the year — a painful squeeze for businesses that, even in the most prosperous times, operate on tight margins with little room to maneuver.

# Impact of Volume (Business Plan)

- Increase in number of customers allows us to be more efficient.
  - Staffing
  - Bulk ordering
- Increase of hours at Cougar Woods increases costs.

# Key Points to Consider

- Weekend flexibility for all, none or some weekends.
- Sophomore housing w/ full-size fridge in Cougar Place.
- Extending availability of all Cougar Cash plan.

# Residential Plans Proposal

Meal Plan Pricing						
	# of Meals	Cougar Cash	Proposed Price	Price per Meal	Current	% Change
All-Access 7	Unlimited M-Su + 15	\$100	1800	\$4.87	1800	0%
All-Access 5	Unlimited M-Fri + 10	\$200	-	\$6.25	1800	0%
Lifestyle 21	21 per week	\$100	-	\$4.78	1700	0%
Lifestyle 15	15 per week	\$200	1700	\$6.10	1700	0%
Lifestyle 160	160 per sem.	\$400	1700	\$8.13	1700	0%

# Key Points Revisited

- Weekend flexibility provided by Lifestyle 15 plan – can use all meals M-F or space out for 7 days.
- Lifestyle 160 provides maximum flexibility for Cougar Place, but with no oven or stove still gives 10 prepared meals per week.
- Cougar Cash continues to move out of the program through other businesses, so not in best interests of program to open that plan up further.

# Commuter Plans Proposal

Commuter Plan Pricing						
	# Meals	CC	Proposal	Price per Meal	Current	% Change
Block 120	120	\$200	850	\$5.42	850	0%
Block 80	80	\$150	640	\$6.13	640	0%
Block 40	40	\$100	390	\$7.25	390	0%
Block 20	20	\$50	210	\$8.00	210	0%

# Door Rate Proposal

Door Rates			
	Proposal	Current	% Change
Breakfast	6.75	6.50	3.8%
Lunch	7.75	7.50	3.3%
Dinner	8.75	8.50	2.9%

### All Plan Pricing

	# Meals	CC	Proposal	Price per Meal	Current	% Change
<b>All-Access 7</b>	Unlimited M-Su + 15	\$100	1800	\$4.87	1800	0%
<b>All-Access 5</b>	Unlimited M-Fri + 10	\$200	-	\$6.25	1800	0%
<b>Lifestyle 21</b>	21 per week	\$100	-	\$4.78	1700	0%
<b>Lifestyle 15</b>	15 per week	\$200	1700	\$6.10	1700	0%
<b>Lifestyle 160</b>	160 per sem.	\$400	1700	\$8.13	1700	0%
<b>All Cougar Cash</b>	-	\$1,350	1350	-	1350	0%
<b>Block 120</b>	120	\$200	850	\$5.42	850	0%
<b>Block 80</b>	80	\$150	640	\$6.13	640	0%
<b>Block 40</b>	40	\$100	390	\$7.25	390	0%
<b>Block 20</b>	20	\$50	210	\$8.00	210	0%
<b>Select 300</b>	-	\$300	300	-	300	0%
<b>Select 500</b>	-	\$500	500	-	500	0%
<b>Select 800</b>	-	\$800	800	-	800	0%
<b>Select 1,000</b>	-	\$1,000	1000	-	1000	0%

# Conclusion Points

- We do not want to raise any plan prices next year since we will have the additional boarders and want to keep student costs low.
- We do need to raise door rates to keep up with inflation.
- We do need to streamline our offerings to eliminate confusion.

# Retail Pricing Proposal

- Geoff to add?

# Finals Mania

- Monday, December 10
- 9 p.m. – 11 p.m.
- Hosted by University administration
- Free pancakes, turkey sausage and drinks
- Free massages provided by CSI

**THANK YOU!**