

SOURCE REDUCTION FOR THE FOOD SERVICE INDUSTRY:

TOOLS AND STRATEGIES TO PREVENT FOOD WASTE

WasteWise Forum

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Andrew Shakman President | LeanPath, Inc. (877) 620-6512 ashakman@leanpath.com

Topics

- Food Waste Prevention Why it Matters
- Strategies to Prevent Food Waste
- Tracking Solutions Past, Present & Future
- Case Studies
 - Foodservice
 - Food retail
- Q&A



Food Waste by the Numbers

FOOD WASTE IS A GLOBAL PROBLEM OF BREATHTAKING SCOPE





BILLION tons of food are NOT CONSUMED.

AND IT'S A PROBLEM **THAT'S GROWING IN THE U.S.**

40% of food grown or raised in the U.S. is **NOT EATEN.**



50% RISE in U.S. food waste

1974

2003



Food Waste by the Numbers

IT'S COSTING A LOT OF MONEY... AND A LOT OF RESOURCES.





FOOD WASTE

is the single largest



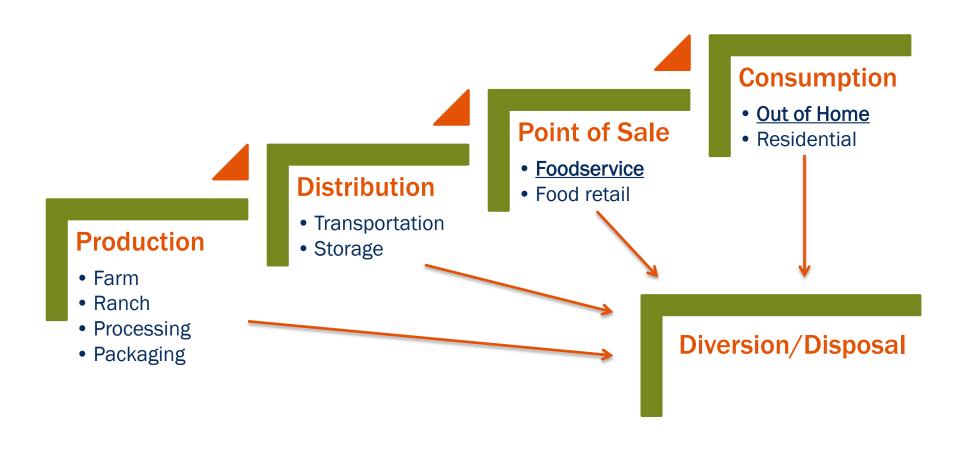
It's a significant source of

METHANE — a potent greenhouse gas with

21 TIMES THE GLOBAL WARMING potential of carbon dioxide.



The Food Waste Chain





2 Types of Food Waste in Foodservice

Pre-Consumer

("Kitchen Waste")

Due to overproduction, spoilage, expiration, trim waste, etc. Controlled by kitchen staff



Post-Consumer

("Plate Waste")

Due to behaviors, portion sizes, selfservice, etc.

Controlled *largely* by guests





Food Waste in Foodservice

HOW MUCH OF THIS PROBLEM STEMS FROM U.S. FOODSERVICE OPERATIONS?

4-10% of food purchased is THROWN OUT before reaching a plate.



\$8-20 BILLION of pre-consumer waste generated by the U.S. out-of-home restaurant and foodservice industry every year.

Pre-consumer waste is the kitchen waste that occurs before the food even reaches a guest, from OVERPRODUCTION, SPOILAGE, EXPIRATION and TRIMMINGS. It's within the control of the foodservice operator and can be prevented!



Question:

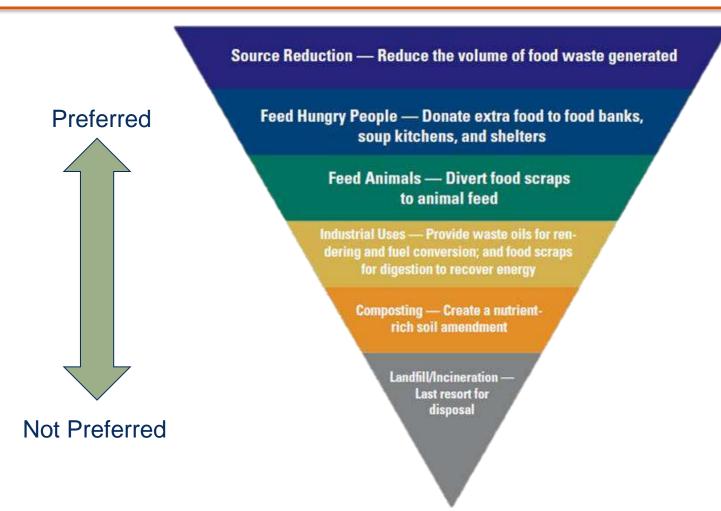
WHERE TO START?

Food Waste *Management* Practices

Portion Food Trayless Donation Control Food Waste Energy Composting Production to Agriculture Aerobic **Pulping** Dehydrating Digestion Guest Food Waste Garbage Awareness Tracking Disposers Programs



EPA Food Waste Hierarchy





Prevention's Leveraged Impact

1. FINANCIAL

Enables you to cut down not just disposal costs, but also food costs, labor and energy. Food represents one of the <u>top two</u> foodservice operating expenses.

2. ENVIRONMENTAL

Helps you run a greener operation by reducing greenhouse gas emissions not just downstream but <u>upstream</u> where most of the impact occurs (water, energy, carbon, etc.).



3. SOCIAL

Creates a positive team culture. <u>Something we do</u> <u>here that's just right</u>; not in someone else's court.



Takeaway

Prevention should

overshadow everything else [including many other

worthy things] **YOU dO...**



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Why do we waste food?

- It's expensive to run out so we make more
- We must serve safe food
- Attractive merchandising increases customer satisfaction and sales
- Labor cost control encourages large batch production
- We want convenient service, wide choice, and broad availability



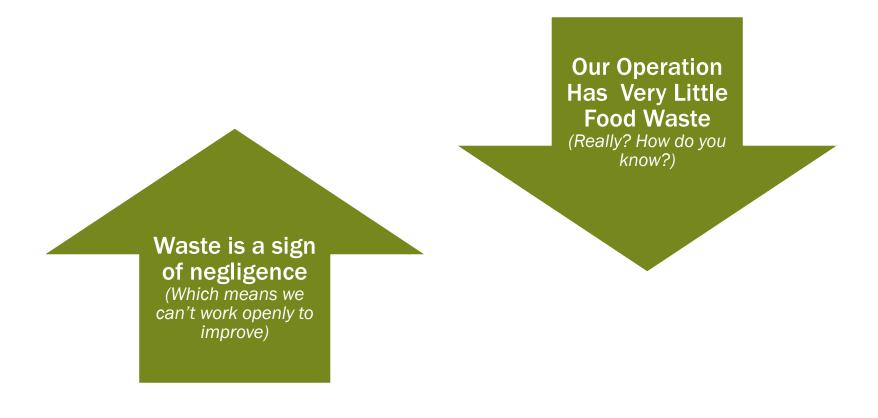
Question:

HOW DO WE FIX THIS?

Culture eats strategy for lunch.

CREATE A CULTURE THAT'S READY TO REDUCE WASTE

Culture Reset: Go Positive; Embrace Data





Inclusive; Focused

Careful planning doesn't lead to zero food waste. Why? Food waste is ultimately about behavior.

- After managers "plan the work" we need to make sure everyone on the team actually "works the plan."
- Engage teams with SMART Goals



Anti-Waste Culture

- Open, transparent and positive
- Data-driven
- Engaged and inclusive
- Goal-focused



Sorry, no box to check and forget

Food waste is a challenge which requires ongoing vigilance, just like quality, safety and sanitation. It is a matter of regular practice, not a problem to fix once and forget

We need to focus our culture on food waste...daily

But how?



Answer: Daily Waste Tracking

Tracking enables operators to:

- Obtain data
- Engage and include
- Set a positive tone
- Set SMART goals



Prevention Requires Tracking

Tracking Enables You To:

- ✓ Establish baselines and visualize trends
- ✓ Diagnose issues
- ✓ Raise employee awareness



If you're not tracking waste, how can you identify areas to improve? You manage what you measure.



What "waste" to track?

- Overproduction
- Spoilage
- Expired/Dated
- Trim Waste
- Contaminated
- Burned/Dropped





How much detail?

To be useful, track at a sufficient level of detail to diagnose food waste issues, measure specific progress and change behavior.



What to Measure?

- Food waste weight/volume
- Characterize the waste stream: Foods; Reasons
- Measure waste by source
- Measure waste by destination
- Food waste value



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Audit ≠ **Tracking**

Auditing

Point in time

SSO/mingled data collected by an audit team

Quantity and limited food detail

Tracking

Continuous

SSO Data collected by employees

Quantity, value, extensive food detail and context



Evolution of Tracking



Future: Cloud-Based Automation



Advanced: Local Automation Tools



Basic: Manual Paper/ Excel



Manual Data Collection

- Paper Log Books & PC Data Entry
- Data collected by weight, volume, count or visual estimate
- Handwritten
- Manual analysis from paper or via PC data entry (e.g. MS Excel)



Manual Data Collection

Pros

- Low cost of entry; leverages existing PC's and MS Office software
- Free resources available from EPA and others
- Fast to start

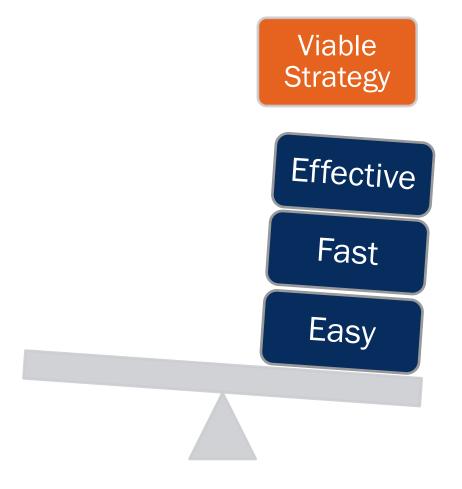
~4x Greater Waste Reduction with **Automated Methods**

Cons

- High cost long-term
 - Ongoing labor costs
- Difficult for staff and managers
 - Slow data recording process for staff
 - Managers must enter data manually
 - Challenging for low-literacy workers
 - Difficult to sustain
- Low data quality
 - Slow access to data due to lag time
 - Disorganized data
 - Lost information; sanitation issues
 - "Guestimated" measurements
- Low Impact
 - No feedback to staff
 - Lack of actionable detail
 - Lost food cost savings



Tipping Point





Evolution of Tracking





Future: Cloud-Based Automation



Advanced: Local Automation Tools



Basic: Manual Paper/ Excel



Local Automation Systems





Tracking Process

Kitchen



- Hot production
- Cold production
- Other areas





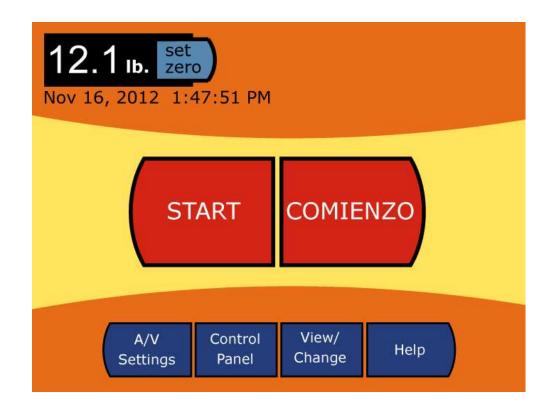




- Hot line
- Salad bar
- Other cafes and kiosks

No incremental labor required; On average, less than 1 min/per employee/day



























Convert Data to Information



Raw data organized into a dashboard, reports, and ad hoc query tool



2264 lbs

Total Waste Pounds:

Annual Waste at this Rate: \$136,775.96



Transactions this Week:

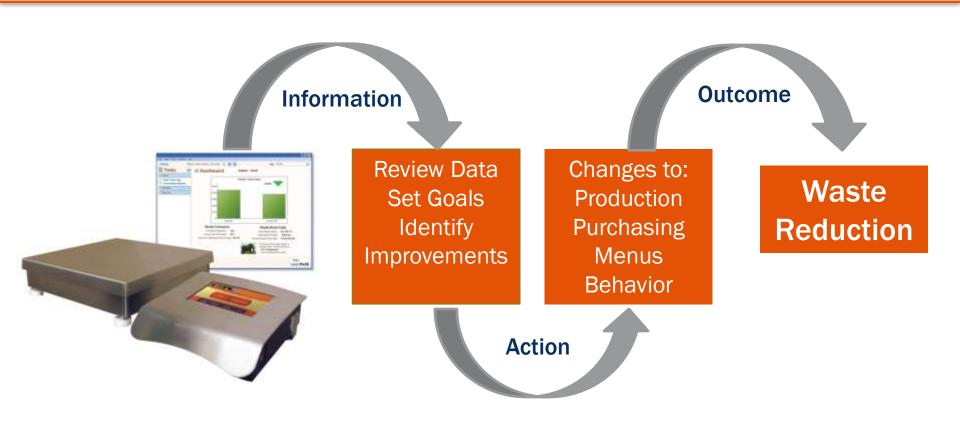
Variance to Baseline (Percentage): 80.2%

491

Spot Trends; Drive Change



Continual Process Improvement





Evolution of Tracking





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Cloud-Based Automation

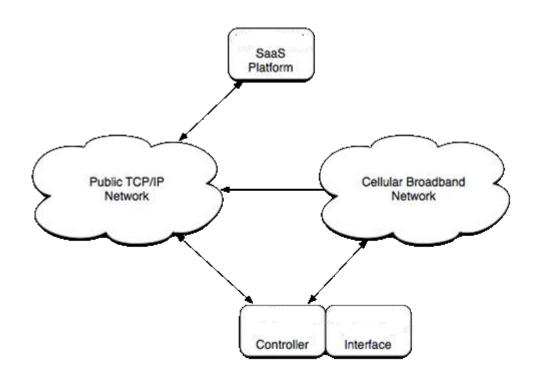
- Data available at the frontline in near-real-time
- Personalized experience
- Provides vivid context
- Accelerated management reporting





Architecture

Real time capture of detailed data, pushed to cloud, data propelled back to the workplace to drive change





LEANPATH TRACKER



TUESDAY, APRIL 30, 2013 4:26 PM

WEIGHT

LB

45.0

Value of Loss

5.50



Review & Send Your Report

Quantity:	1.0	EDIT
Event Order# (Optional):		ADD
Food:	Veggie - Specialty	EDIT
Loss Reason:	Overproduction	EDIT
Container:	Metal 2"	EDIT
Source:	Deli	EDIT
Sink:	Compost	EDIT
Daypart:	Breakfast	EDIT

Send Report

0 MESSAGES



Front-Line Data = Instant Feedback





Planning = Follow-Through





Gamification = Engagement





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Return on Investment

Typical LeanPath Customer Results

- Reduce pre-consumer food waste by 50% or more
- Save 2-4% or more on annual food purchases
- Save labor, energy and waste disposal costs





Source Reduction Examples

UMass Amherst



Results:

- According to the BLS food prices increased 3.5% overall during the fourth quarter 2012; UMass COGS increased only 1.4%.
- 2.1 point difference = \$304,000 savings
- 57% reduction in pre-consumer waste

"High-end production and high quality food are not what drives up food cost. It's waste that drives up food cost. When you see specific wasted menu items that you can quantify, you can have meaningful dialogue with your staff and begin to solve some of the problems."

- Garett Distefano, Director of Residential Dining



Tracking Success Stories

Sodexo Campus Services



Results

- 47 percent reduction in food waste across 8 universities during pilot program in 2010
- **Expanded to 50 universities in 2012**
- Preliminary results show overall cut in food waste by 1/3

"Students, faculty and administration approached us saying 'Let's compost and increase recycling. We said, we can do that, but let's also talk about source reduction." Christy Cook, Senior Manager, Sustainability Deployment



Tracking Success Stories

MGM Grand Buffet

Results

- \$7,500/month average savings in food cost
- Reduced pre-consumer food waste by 80%



"When you can zero in on your food waste, you can control your prep, ordering and production. It's all connected." Justin Fredrickson. Exec. Chef



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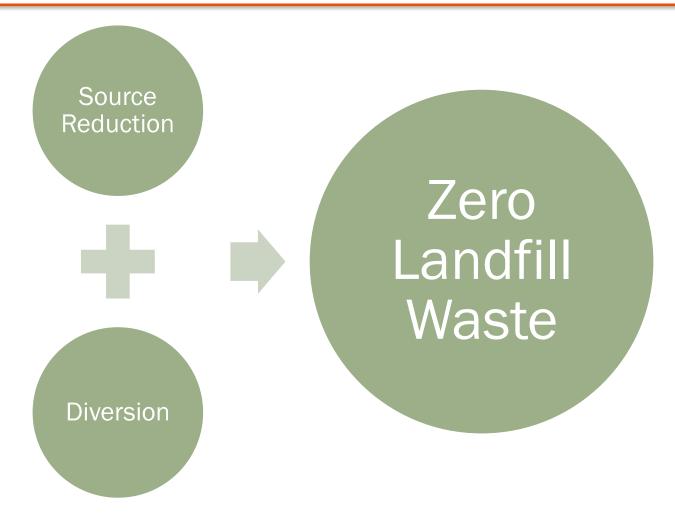


Remember

- We don't need to be perfect
- Just start moving toward our goals



Zero Landfill Waste: Don't Redefine Zero





Food Waste Stats

New infographic highlights the scope of the food waste challenge and what to do about it.

Check it out, blog about it and share it: www.foodwastestats.com





Prevention Resources

The Path to Food Waste **Reduction Starts Here**

- Food Waste Prevention e-newsletter
- Food Waste Focus Blog
- Waste Reduction Toolkit

All available at www.leanpath.com.



Questions?

Andrew Shakman

Co-Founder & President LeanPath, Inc. (877) 620-6512 x100 ashakman@leanpath.com www.leanpath.com twitter.com/leanpath



