Spotlight on SUSTAINABILITY

Experts offer tips, insights at NRA Show 2014
Dear Readers:

For the second year in a row, the Conserve team is sharing sustainability tips and real-world advice from the National Restaurant Association Restaurant, Hotel-Motel Show.

The information in this report was compiled from eight environmentally focused education sessions held at this year’s NRA Show and features input from speakers who participated in the program, many of whom are independent and chain restaurant operators making a difference when it comes to sustainability.

We hope you will take the following insights and information and apply them to your own business strategies. You will save money, help improve the environment and satisfy customers and employees alike.

The Conserve team is proud to help you learn more about sustainability from this report and looks forward to seeing you at NRA Show 2015 in Chicago, May 16-19. Please send any questions or comments to Conserve@restaurant.org.

Sincerely,

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Sustainability may be good for the environment, but it also can be a profit driver for restaurants large and small, industry experts said at NRA Show 2014.

“Incorporating sustainable practices can have significant operational and financial impact,” said Jim Young, a senior consultant on energy policy for Navigant Consulting Inc.

Operators can reduce utility costs and water bills with energy-efficient appliances, save on waste removal by recycling and composting, and save on food costs with rooftop gardens or urban farms.

“I look at waste as a resource,” said Tim Trefzer, sustainability coordinator for the Georgia World Congress Center Authority in Atlanta. The authority operates three facilities: the 20-acre Centennial Olympic Park; the Georgia World Congress Center, a 4 million-square-foot convention center; and the Georgia Dome, home of the National Football League’s Atlanta Falcons.

The authority has been able to reduce or divert waste, thereby decreasing water costs and waste removal expenses, he said. For example, the facilities compost food scraps from the kitchen, which cuts down waste and improves purchasing practices. Fryer oil is reused or donated to companies that convert it to biodiesel. And excess materials from conventions are donated to a neighboring school for art and school supplies. After one conference at the convention center, hundreds of leftover backpacks were distributed to a local public school’s students.

“While some of the other ideas may not have an immediate ROI to the practices, there is a lot of community engagement and brand recognition you can really take advantage of,” he noted.

Solar/thermal panels, a rooftop garden with drip irrigation, high-efficiency appliances, LED lighting and other sustainable practices have made Uncommon Ground in Chicago environmentally responsible, but owner Helen Cameron is still surprised by its bathroom hand dryers.

She installed six accelerated hand dryers in her two restaurants for approximately $3,000. In the span of a month, she saved $1,000 on paper towels. As a result, her investment turned into annual savings of $24,000.

White Castle Systems Inc., the 93-year-old quickservice restaurant company, has been recycling since the 1960s when it started reusing boxes from its bakery, said Shannon Tolliver, its manager of social responsibility and environmental sustainability.

“We look at recycling as thinking outside the box,” she said. “It’s no longer enough to just say you recycle. We have a great waste-reduction program.”

Today, approximately 16 White Castle restaurants compost their waste material, which is converted into landscaping mulch. On Earth Day this year, employees used the mulch to plant flowers outside some of the restaurants.

“Our team members seem to love it and it’s a lesson for them,” Tolliver said. “Your cheapest resource tool is education and engagement.”

Tips to save money and create revenue:

- **Evaluate your waste.** What can be reused or given away saves on waste disposal costs.
- **Plant a rooftop or urban garden** to reduce produce purchases and lower food costs.
- **Form partnerships** with organizations that will accept compost, excess paper and school supplies, and convert used fryer oil into biodiesel.
- **Reinvest your savings** into other projects. Helen Cameron of Uncommon Ground took money saved by using electric hand dryers to buy LED lights for her restaurants.

**Photo: Speaker Tim Trefzer**
Reach out to millennials on sustainability to grow your business

Restaurant operators need to get better at telling their millennial-generation customers about all they do to be more environmentally responsible, the National Restaurant Association’s Hudson Riehle told attendees at NRA Show 2014.

“The green message is critical to attracting and retaining their loyalty,” said Riehle, senior vice president of research and knowledge. “Organic, local and environmentally-friendly foods are important to their value set.”

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Millennials born between 1980 and 1992 now number around 77 million in the United States, compared with 75 million baby boomers born between 1945 and 1964. Their economic impact on restaurants is only going to increase as they grow older and make more money, Riehle said.

“Millennials grew up on “Captain Planet and the Planeteers,” the cartoon about an environmental superhero who teamed up with five children, each from a different continent, said Laura Turner Seydel, an environmentalist and daughter of billionaire entrepreneur Ted Turner, who created the TV series in the 1990s.

“Millennials grew up on “Captain Planet and the Planeteers,” the cartoon about an environmental superhero who teamed up with five children, each from a different continent, said Laura Turner Seydel, an environmentalist and daughter of billionaire entrepreneur Ted Turner, who created the TV series in the 1990s.

Turner Seydel, chairwoman of the Captain Planet Foundation in Atlanta, and an owner of the Ted’s Montana Grill restaurant chain, said millennials are “concerned about global warming and climate change, and are more attracted to restaurants that source their food locally and help reduce their carbon footprints.”

Christian Hardigree, director of the Institute for Culinary Sustainability and Hospitality at Kennesaw State University in Kennesaw, Ga., agreed. “Millennials expect you to be eco-friendly and it’s an expectation in the sense of entitlement. If you are not, it’s more likely to hurt than be a driver that attracts them.”

At a panel discussion during this year’s NRA show, Riehle, Turner Seydel and Hardigree encouraged restaurant operators to not be shy about informing the public about their sustainability efforts, even if they are just starting out or have a fledgling program. They also should not worry about a millennial backlash if they are perceived as not doing enough.

Operators should not be afraid to start a dialogue about what they are doing and what their sustainability goals are, Hardigree said.

“Chick-fil-A set a goal that by 2016 it would have no antibiotics in their chicken,” she said. “No one is saying, ‘Well, I’m not going to eat at Chick-fil-A until 2016.’ As you move forward, it’s OK. Don’t be too afraid to have the dialogue about what you are doing.”

Who are the millennials?

- There are roughly 77 million in the United States, larger than the baby boomer group and three times the size of Gen-X, the post-baby boom generation.
- 62 percent earn less than $50,000 a year.
- One in 10 earn more than $100,000 a year.
- They spend $600 billion annually.

Building the millennial customer base through sustainability

- Attract and retain millennial loyalty with a green message.
- Communicate whatever sustainable actions you are taking. It will help you retain customers.
- Start the dialogue and don’t forget to share your sustainability goals.

Photos, left: Speakers Laura Turner Seydel and Hudson Riehle; Right, Christian Hardigree
Scaling waste costs down, a pound at a time

Even though the amount of restaurant food packaging found in U.S. landfills is small, its high visibility to consumers makes it a challenge for operators to reduce that waste, speakers at NRA Show 2014 said.

According to Natha Dempsey, vice president of the Foodservice Packaging Institute, a study conducted by the U.S. Environmental Protection Agency found that foodservice packaging refuse accounts for only 2 percent to 3 percent of material sent to landfills.

“We acknowledge that most foodservice packaging is not being recovered,” she said. “We have to figure out what is in the way.”

Jim Hanna, director of environmental impact for Seattle-based Starbucks Coffee Co., said some 70 million people visit the chain’s more than 17,000 stores worldwide on a daily basis, and that approximately 80 percent of them walk out the doors with their coffee cups and food wrappers.

“We know that to succeed we have to find solutions outside of our stores,” he said. “People are disposing of products in their homes, offices and public spaces. For companies to be able to declare victory when it comes to sustainable packaging, in-store is just the first piece of the puzzle.”

Hanna said Starbucks has spent considerable time focusing on recycling and reducing its packaging. “The sleeve was invented to end the use of double-cupping hot beverages.”

He added that when the company first declared its goal to make all of its cups recyclable by 2015, only 5 percent of its markets had the capability to do so. Today 39 percent can.

“It’s a big shift, but a slow shift,” he said. “The ability to move something out of the waste stream is such a hyper-local issue that there is no silver bullet. It has to be community by community.”

Finding enough recyclable and affordable material also is a challenge, as is having local facilities and recyclers who can process it, said John Mulcahy, vice president of sustainability for Georgia-Pacific Professional. The company manufactures disposable products, including towels, tissue, napkins, plates, cups and cutlery.

According to Mulcahy, 89 percent of napkins used in all foodservice operations are made of recyclable materials and 2 percent of spoons are made from compostable plant starch.

“Napkins made out of recyclables look the same, act the same, cost the same,” he said. But spoons made from plant starch can cost three times as much as traditional plastic spoons, he said. He also noted that the plant-starch spoons don’t work well with hot foods. “And unless you live in San Francisco, you can’t compost them. What works for one product doesn’t always work for another.”

Infrastructure has to be a part of the solution, the FPI’s Dempsey said.

“We know that to succeed we have to find solutions outside of our stores.”

–Jim Hanna
Energy-efficient appliances and equipment may cost more at the start, but they will save money, energy and water in the long run, making sustainability goals attainable for restaurants, said Richard Young, director of education for the Food Service Technology Center in San Ramon, Calif.

“Efficiency is saving you money,” he said. “It impacts sustainability. Sustainability is money. The market wants it, and it’s the right thing to do. But really, it’s good business.”

For example, he said a $1,400 energy-efficient fryer, versus a $700 standard fryer, could save a restaurant $600 a year in utility costs.

“The more expensive fryer operates better, extending the life of the oil, providing additional savings,” he said. “Add in rebates from local utility companies for having the more efficient fryer and the appliance quickly pays for itself, making the extra $700 investment worth every penny in the long run.”

At this year’s NRA Show, Young and restaurant designer Tarah Schroeder explained to attendees how they could create a modern, sustainable kitchen. The ideal kitchen would have such technology and equipment as induction cooking, efficiency fryers and griddles, variable-speed hoods that adjust to the level of heat on the stoves and ovens underneath them, and parallel refrigeration.

Those high-tech kitchens are being designed and built today to improve efficiency, reduce energy and waste, and become role models for sustainability, the two said.

“Foodservice is very energy-intensive,” Young said. “Purchasing and using sustainable equipment is the best thing you can do to create a sustainable kitchen.”

Schroeder, a principle with Denver-based Ricca Newmark Design, has helped clients plan kitchens that improve output and save money as well as help achieve sustainability goals to reduce energy and waste.

“Having clear goals and a vision are really important to maintain sustainability throughout the process,” she said.

One of Schroeder’s projects was a café for the Environmental Science and Forestry School at the State University of New York in Syracuse. Energy efficiency, she said, was as critical to the school’s criteria as waste reduction.

To meet those goals, the kitchen was designed with Energy Star-rated equipment, variable-speed hoods and parallel refrigeration, where a single compressor powers different refrigerators. Even after all that, the kitchen’s energy output was too high. After sitting down with the chef to discuss his menu plans, a decision was made to remove a charbroiler from the line and replace it with a griddle.

“We not only reduced the energy used for the cook line, but also for the exhaust hood,” she said. “Eliminating a charbroiler is not always going to be the best strategy for every project, but here it was the right thing to do.”

- Choose the right equipment.
- Support green champions in your organization. They can defend decisions and keep a team on track in pursuing its goals.
- Have a clear vision. Understanding what your goals are leads to the right design and equipment choices for the project.

Access this online tool to calculate energy/water savings: www.fishnick.com/saveenergy/tools/calculators/
Learn about the benefits of energy-efficient appliances www.energystar.gov/cfs
Also look for rebates offered by local utility companies and governments.

“Efficiency is saving you money. Sustainability is money.”
–Richard Young
Sustainability on your menu requires knowledge, confidence

Incorporating sustainability goals onto your menu requires working with local suppliers, making different choices and sticking to decisions made, a panel of restaurant and foodservice experts said at NRA Show 2014.

The panel featured former restaurateur-turned-sustainability-advocate Barton Seaver, Dan Simons of Vucurevich Simons Advisory Group and the Farmers Restaurant Group in Washington, D.C., and Richard Jamusz, executive chef for Fletcher Allen Health Care in Burlington, Vt. All agreed that serving sustainable foods is good for the public, the environment and business.

Before joining Harvard University’s sustainable food program, renowned chef-author Seaver served nearly 80 different species of fish at Hook, the restaurant he owned in Washington, D.C.

Rather than create a menu around commonly consumed seafood, like shrimp, salmon, catfish and cod, Seaver, a pioneer of the “trash fish” concept, would use whatever local fishermen brought him: flying fish, pigfish, haddock, skate and monkfish, to name a few.

“We have created an irrational economy that is based on demand rather than based on supply,” the director of Harvard’s Healthy and Sustainable Food program told audience members. “Instead of asking a fisherman what is the catch of the day, we are too busy sending him to all corners of the globe to find us cod.”

Simons said the Farmers Restaurant Group was formed in partnership with the North Dakota Farmers Union to promote the financial and sustainable growth of the state’s local businesses and agencies. The union, which represents 42,000 family farms in the state, got involved with restaurants to create more demand for North Dakota-grown and sourced products, he explained.

“We define our mission as it relates to sustainability as running our company through the eyes of the farmer,” he said. “Our definition became a balanced way for how we source and how we buy [food].”

For Jamusz, who came to Fletcher Allen to revitalize the cafeteria and cafe menus at the 560-bed facility, offering more sustainable food items was a top priority.

Dedicated to recycling and composting since 2006, the facility has made a sustainability pledge to improve the health of its patients, community and the environment, he said. It began by looking at how far food had to travel. Today the health center buys produce from 70 different local farmers and purveyors in Vermont, and up to 90 percent of the beef it uses is sourced within the state. Eighty percent of the seafood it uses is fished along the Atlantic coast, and the company is focused on serving organic food to its customers.

How to develop a sustainability-focused menu

Dan Simons of the Farmers Restaurant Group offers the following tips on how to develop a menu focused on sustainability:

• Clearly define what sustainability means for your restaurant, whether it means sourcing locally, serving sustainable seafood or supporting area farmers and manufacturers.

• Walk the talk even if some criticize you or customers complain when a favorite item is no longer seasonal and off of the menu.

• Think long term and don’t abandon programs you started, like supporting a certain farmer or buying compostable straws, even if sales are down in winter.

“We’re not so much about local as we’re local when it’s sensible and when it’s available,” he said. “But I don’t take the tomatoes off of the menu when they are out of season. For our business model, we can’t say to the guest that we don’t have them. Still, I know where they come from.”

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“It’s not we’re local when it’s sensible and when it’s available.” — Dan Simons
Farm to fork: Explore local-sourcing strategies

For restaurant operators wanting to offer more local or seasonal ingredients on their menus, experts offer this advice: Start small.

“I just went to farmers’ markets,” said Chef Zak Dolezal, owner of Duke’s Alehouse and Kitchen, a 120-seat restaurant in Crystal Lake, Ill. “It’s a very open community. If they don’t have it, they will tell you who does.”

Ryan Stone, executive chef at Levi’s Stadium in Santa Clara, Calif., the 50,000-seat home of the National Football League’s San Francisco 49ers, said he started out pretty much the same way when he came to the property from Vancouver, British Columbia.

“There were some products in Vancouver we were getting from California, so I knew of a few companies,” the chef for contract foodservice company Centerplate said. “But farmers’ markets are a great place to start. I also started reading labels on products in grocery stores to see what was out there.”

On the road to practicing sustainability, one step leads to another, experts at NRA Show 2014 said. Offering locally sourced or organic foods will take time, effort and require good communication with staff and customers.

In addition to visiting farmers’ markets, operators can develop their sustainable-food supply by working with growers’ associations, cheese-maker guilds, and exploring other restaurants’ menus that list food sources.

Greg Christian, CEO of Beyond Green Sustainable Food Partners, said keeping the menu small makes it easier to get started. His Chicago-based foodservice and consulting company promotes scratch-cooked foods, local sourcing and zero-waste initiatives.

“The smaller the menu, the easier it is to cook seasonally,” he said. “If we are going seasonal, then we have to work ahead. It often is easiest to do that at fine-dining restaurants. For example, if brussels sprouts come in, they are on the menu in eight different ways the next day.”

The lesson, he said, is to “learn what is coming up next and start planning ahead.”

Operators also need to be prepared to deal with customer complaints when their favorite dish is out of season and no longer on the menu.

“It’s not always easy to explain to habituated customers that even though they loved the parsnips they had one day, they may not find that same thing on the menu a week later,” said Karen Malody, a consultant for Culinary Options in Santa Fe, N.M.

But chefs and restaurants can continue to change and mold customers’ expectations, said Beth Kuczera, president of Equipment Dynamics, a Chicago-based kitchen designer and equipment provider for commercial foodservice facilities.

Decades ago, chefs began shopping at locals farmers’ markets and emphasizing local, organic foods. Now, many customers expect it.

“Large suppliers are now finding local sources for the client — the chef,” she said.

She added that improvements in kitchen appliances also can preserve organic and locally grown produce that often is picked at its ripest.

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4 TIPS ON HOW TO SOURCE LOCALLY

1. **Start small** and attend local farmers’ markets.
2. **Visit farmers**, view their farming practices and establish relationships with them.
3. **Connect** with farmers’ associations and specific product organizations, such as cheese-maker guilds.
4. **Create co-ops** with other restaurants to increase buying power and help farmers grow enough product to make a profit.

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Photo: Speakers Ryan Stone and Zak Dolezal

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Waste not, want not: Minimize your waste production

A panel of experts at NRA Show 2014 told attendees that managing food waste by preventing it in the first place, composting it or participating in food donation programs, can save money, replenish soil used to grow crops and feed those who are hungry.

According to Christy Cook, senior manager of sustainability for contract foodservice provider Sodexo Inc., the key to reducing food waste is to start thinking about it from the very beginning.

“Thinking about waste in this manner is helpful when choosing the right reduction practices for your operation,” she said. “First, prevent waste from happening before it ever gets into your kitchen or operation. This is really important for many reasons. Having positive practices for source reduction will not only help financially, but also the environment. And it’s great for the community, too.”

To do this, the operator must assess the amount of waste created at his or her establishment, she said. “You need to understand your waste stream — what food and recyclables are coming through your back door. Education is important, and looking at portion control is a part of that. The best way is to track your food waste and figure out where it’s being generated.”

Other ways to reduce food waste include reaching out to local farmers to offer them unused items for animal feed and selling used grease and oil to produce biofuel. “You can talk to farmers you’re already working with or look to your distributors to identify farmers to reach out to,” Cook noted. “Your food waste is a great asset to them, especially the pig and chicken farmers. Getting this material helps them reduce their costs and builds community relationships at the same time. Also, if you’re interested in trying to get rid of your fat, oil and grease, there’s a lot of opportunity there, too. This used to be something you had to pay people to come and pick up, but no longer.”

She also said restaurants with composting programs should dehydrate their waste, something that is becoming more prevalent now. “This offers a great opportunity to bring down the volume of your waste and lower your tipping fees.”

Contributing to a food donation program is one of the best ways to reduce a restaurant’s food waste, said John Pacitti, program development coordinator for Food Donation Connection, which brings restaurants and charitable organizations together to provide food for the hungry. “By donating food, your restaurant can achieve two corporate responsibility goals at the same time: fighting food waste and feeding hungry people,” he said. “Since our founding in 1992, restaurants participating in our program saved 340 million pounds of food. It’s not going to the landfill or other uses. It’s actually going to feed people.”

Karen Hanner, director of manufacturing partnerships at Feeding America in Washington, D.C., agreed with Pacitti, saying: “We’re really all in this together, trying to get food to those in our communities who need it. I don’t stand here as a charity, but as a business partner, because we want this to be beneficial, a win-win relationship. It’s not about a hand out; it’s about a help up.”

HOW TO DONATE FOOD PROPERLY

1. Track the food you’re donating. Weigh it, count it. Whatever you do, you want to know the impact you’re making on your community and your bottom line. Track your food donations and food waste and modify your food ordering accordingly.

2. Ask the right questions first. Do you want to save the leftover food? Has it passed its internal hold time? Is it still within correct temperature limits? You must always be mindful of proper food safety rules. You can only donate edible food, so make absolutely sure it’s still edible.

3. Store it properly. Food safety is key. Whether you’re in a large chain or independent restaurant, make sure the food is stored safely. Chill or freeze it, and if it’s prepared food, make sure it drops rapidly through the temperature danger zone.

4. Donate it. Find a local charity or someone with a local foodservice program — a soup kitchen or food bank — that has safe food-handling processes in place and can come in regularly to collect the food.
Food for thought: Eataly shares sustainability lessons learned

When Eataly began its journey in 2007, its executive team had to make strategic decisions that would allow them to follow an environmentally stable path while running a profitable business.

Owned by celebrity chef Mario Batali and partners Joe and Lidia Bastianich, the high-end Italian market/food court is known for its ability to mix artisanal products from Italy with locally sourced products that are sustainable and, in some cases, organic.

“Eataly is a place where you can learn, eat and shop for the best Italian foods in the world,” said Alex Saper, managing partner with Eataly, which opened in May. “We like to say we cook what we sell and we sell what we cook, and we use as many local and sustainable ingredients as we can for that.”

Saper, along with Batali & Bastianich Hospitality Group’s director of food safety and sustainability, Elizabeth Meltz, and construction project manager Caolan Sleeper told attendees at NRA Show 2014 that the vision for their brand is to combine the best Italy and America have to offer in as sustainable a manner as possible.

“We believe sustainability is about health, safety and the environment,” Meltz said. “It’s about the health and safety of your employees, your guests and the environment. When you have healthy, happy and safe employees, you have healthy, happy and safe guests.”

She noted that one of the most important aspects of a successful sustainability program is acceptance from employees. Without that, the program won’t work.

“If you are not communicating with your employees, if you don’t have buy-in from them, if you are not training them properly, your program will not work the way you want it to,” she said. “In order to implement anything like this, whether it’s building a LEED-certified building, or using new, more sustainable chemicals or to-go containers, you need to have feedback from your people, from the dishwasher to the line cook, the managers and your owners. I think that is why we’ve been successful with our program.”

But there have been some lessons learned along the way, said construction project manager Sleeper. For example, when the New York location was built eight years ago, some missteps were made, particularly in terms of lighting.

“In New York, there were things we could have improved upon,” she said. “One of those was related to LED lighting throughout the location. You have to remember the technology of LED lighting has really improved since then, as have its prices. We initially got a proposal for the lighting and had sticker shock so we decided to go with a metal halide light instead. Unfortunately, we found out the bulb degenerates fast and uses up a lot of energy. Plus, it puts a lot of heat into the store.”

Because each light produced so much heat, they had to counteract the effect by keeping the cooling system running all day, she said. That increased energy usage and utility bills. After six months, the lighting was replaced and retrofitted with LED bulbs.

Meltz told the audience that a sustainable program must blend with the operation seamlessly to succeed.

“There has to be a reconciliation of your sustainability initiatives with what works for you,” she said.

• Tailor your program to fit your needs. Remember that first and foremost you are running a business.
• Train your employees properly. If they don’t know what to do, they can’t achieve your goals.
• Communicate clearly with the staff. If you don’t have buy-in from them, you will not succeed. You have to have feedback from the people who are working your program.
• Be transparent with your customers. People should understand where their food is coming from. Traceability is really important.

“... sustainability is about health, safety and the environment.”
—Elizabeth Meltz
Whether you missed the Show or just a session, get caught up with audio recordings and copies of presentations delivered by industry leaders, available at Restaurant.org/Show.