Margins on the Table

What prime cost doesn't show, and the KPIs that do

Restaurant means to restore.

David Cantu, CEO, Craftable

Craftable: AI-native back office that forecasts

WHY WE EXIST

We restore margin and time, so hospitality can invest in people and guests.

1. **Built into the workflow**
   Every task feeds the data
2. **Forecasts each location**
   In-store and off-premises sales
3. **Suggests orders and prep**
   Managers approve, not calculate

LIVE Sales forecasting, suggestive ordering, receiving invoices, forecast, inventory
NEXT Labor and autonomy GMs switch on as trust is earned across the workflow

José Andrés Group · FB Society SAVORY · MFG Major Food Group · TAO Group Hospitality · Woods Coffee · Union Square Hospitality Group · barcelona · bartaco

Four forces could make 2027 another volatile year

1 · HIGH CONFIDENCE

83%

A record El Niño

NOAA's chance of a historic event

2 · KNOWN TODAY

$6.35

Diesel, up 74%

a gallon, lifted by the Iran war

3 · SHIFTING

78%

Tariffs and costs

of operators expect rising food costs

4 · LEAST CERTAIN

–2.0%

Consumer and rates

same-store traffic; rates a risk

Show of hands: is it in your P&L, and does your plan assume relief?

Sources: NOAA, AAA, EIA, Restaurant365, Black Box (Oct to Nov 2026).

2027 commodities: beef high, dairy calm, produce the wildcard

+4.7%

Beef: slower rise
2027 retail, after +8.7% in 2026

~$64

Pork: flat
per cwt, about 2% below 2026

120.5¢

Chicken: steady
a pound wholesale, production up 1%

+1.5%

Dairy: calm
2027 retail, as milk output rises

+5.8%

Produce: wildcard
fresh vegetables 2026; 2027 range is wide

Mixed

Seafood
No USDA forecast. Shrimp low, crab high

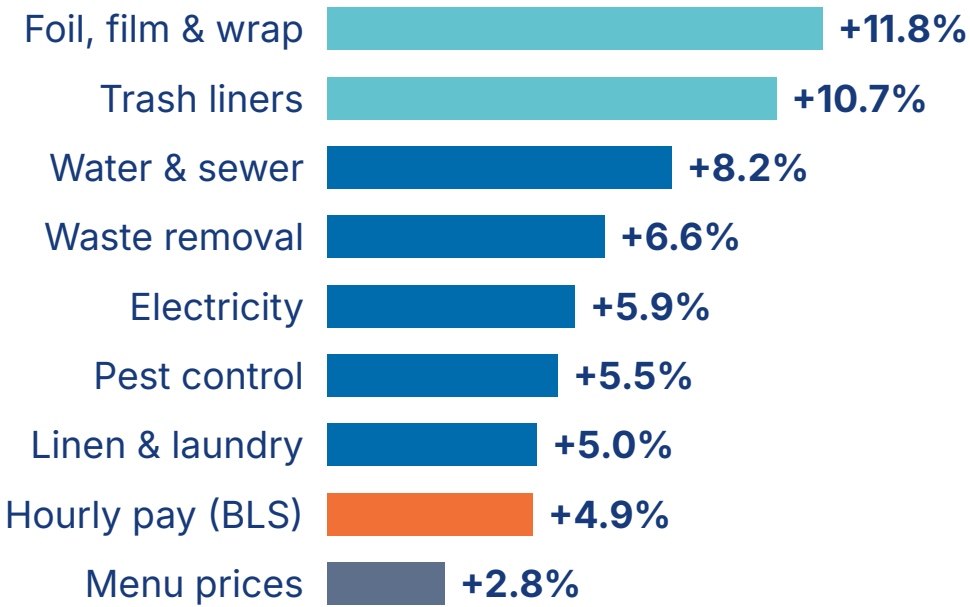
USDA: menu prices up 2.8% in 2027

Sources: USDA ERS (Sept and Oct 2026); USDA Livestock Outlook (Oct 2026); trade reports.

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Beyond food costs, the quiet bills are outrunning menu prices

Change vs. a year earlier: bills (blue), supplies (teal), pay (orange)



About 3%

of sales. A 6% rise costs 0.2 points of margin.

1 in 5

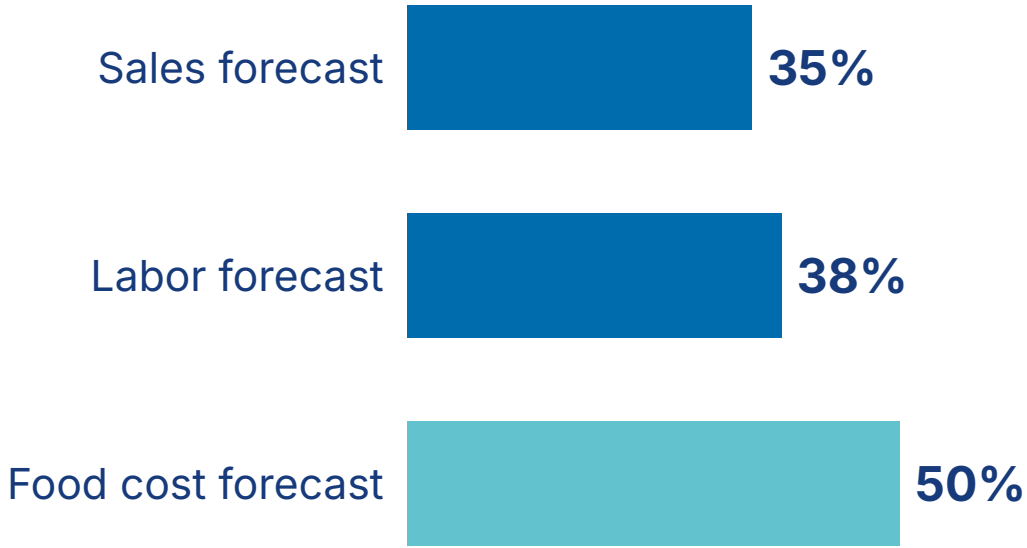
of controllable cost is beyond prime

Chipotle 22.5%
Texas Roadhouse 17.3%

Craftable, same restaurants, 2026 vs. 2025. Hourly pay: BLS, leisure and hospitality nonsupervisory, Sept 2026, national. 1 in 5: other operating costs as a share of food, labor, and other costs, no rent (Chipotle Q3 2026: 16.0 of 71.2; Texas Roadhouse Q2 2026: 14.2 of 82.1).

Only a third of brands forecast sales within 5%

Share of operators with under 5% forecast variance



68% vs 7%

top vs bottom tier forecast sales within 5%

Only 14%

of 100+ location brands reached the top tier

Fourth and QSR Magazine, 2026. 112 leaders, self-reported, about 9 point margin of error.

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A forecast is only as trustworthy as its inputs

WHAT GOES IN

1. **Sales by channel**
   POS history: in-store, off-premises
2. **Real-time orders**
   Third-party and catering tools
3. **Weather & Events**
   A signal, not exact
4. **What you buy**
   Invoices: pack, price, swaps, portions

ONE FORECAST

By location, channel, and menu item, with a range

DRIVES

Orders
Prep
Labor (pilot)

Ask any vendor: what goes in, and what happens to my price?

Inputs reflect Craftable's design. Weather is a signal, not exact. Labor planning is in pilot.

Five numbers you may not be seeing

1. **Forecast error**
   Only 35% of brands forecast sales within 5%
2. **The quiet bills**
   About 3% of sales, rising 2x as fast as menu prices
3. **Recipe costs**
   2.4% of recipe lines are off by 3x or more
4. **Buying beyond need**
   Average 6¢ of every perishable dollar
5. **Traffic behind the check**
   Traffic down 2.0% while sales rose 1.8%

Sources: Fourth and QSR (2026); Craftable data (internal); Black Box (May 2026).

Waste has a twin: running short

TOO MUCH

Over-ordering

6¢

of every perishable dollar bought beyond need, at 22 restaurants

TOO LITTLE: THE FOOTPRINTS

86'd items
Out-of-stock flags in the POS

Grocery runs
10 a year at the median, about $1,167

Hot shots
1 in 13 deliveries arrive off-schedule

Same root cause: orders not built from the forecast.

Sources: Craftable customer data (internal); grocery runs are logged runs only.

New KPIs from the store to the board

STORE · DAILY

- Forecast error by daypart
- Actual vs. theoretical top 5 sold items of food and LBW
- SPLH/GPLH

REGION · WEEKLY

- Forecast bias by store (daypart)
- 86s, store runs, hot shots
- Price-adjusted traffic
- SPLH/GPLH

BOARD · MONTHLY

- SLEBITDA, year over year
- Forecast accuracy by store
- Food waste, % of purchases
- GM turnover

What gets measured gets managed. Can you report these?

Suggested KPIs, not benchmarks.