# Building a Steakhouse Enterprise: A Detailed Sample Plan

Iron Oak Steakhouse, LLC (Texas LLC formed March 15, 2025) operates a 140-seat premium steakhouse in downtown Austin targeting professionals earning $120K+ with $95 average checks. We source 100% Texas grass-fed beef dry-aged 21-35 days onsite, projecting $2.1M Year 1 revenue at 71% gross margin. James Callahan (ex-Ruth's Chris GM managing $4.2M units) and Elena Ruiz (ex-Emmer & Rye chef) founded the company.

# SECTION 1: EXECUTIVE SUMMARY

Austin steakhouses lose $1.2M annually per location due to undifferentiated menus and opaque sourcing (Technomic 2023). Iron Oak solves this with USDA Prime beef dry-aged onsite using Texas ranches' blockchain-tracked supply chain. We charge $54 for 16oz ribeyes (12% below Perry's comparable cut) while maintaining 32% food cost through direct ranch contracts. Year 1 revenue: $2.1M (4,200 monthly covers at $95 avg check), 71% gross margin, 5% net margin. Break-even at 2,209 monthly covers by Month 9.

We seek $1.4M: $900k equity (64.3% of total) and $500k SBA 7(a) loan (35.7%). Funds deploy as: $650k leasehold improvements (46.4%), $320k equipment (22.9%), $130k 6-month reserve (9.3%). This capital funds buildout completion by April 2025, achieves 35% repeat rate by Month 18, and generates $226.8k net profit in Year 3 (7.7% margin). Investor ROI: 22% IRR by Year 5 exit at 8x EBITDA.

## SECTION 2: COMPANY OVERVIEW

Texas LLC chosen for liability protection and pass-through taxation. Location at 401 Congress Ave (downtown Austin) selected for 14.2M annual foot traffic (Second Street District Authority) and proximity to 18,500 tech workers within 0.5 miles (Austin Chamber of Commerce). Ownership: Callahan 60%, Ruiz 25%, Lin 15%. Formation date March 15, 2025.

Callahan managed Ruth's Chris Houston ($4.2M annual revenue) to 14% EBITDA margin through labor scheduling reducing payroll 8%. Ruiz developed Emmer & Rye's menu driving 4.8-star Yelp rating with $115 avg check. Thompson (Loro ops manager) scaled throughput to 420 covers/night with 22% repeat rate.

| Date | Milestone | Status | Next Steps |
|---|---|---|---|
| Mar 2025 | LLC formation | Complete | Secure liquor license |
| Apr 2025 | Buildout completion | In progress | Staff hiring |
| May 15, 2025 | Soft opening | Planned | Train 25 staff |
| Jun 1, 2025 | Grand opening | Planned | Achieve 2,800 monthly covers |
| Oct 2025 | Launch brunch | Planned | Source 3 local bakeries |
| Mar 2026 | 35% repeat rate | Planned | Expand loyalty program |

# SECTION 3: MARKET ANALYSIS

TAM: $22B US upscale steakhouse segment (IBISWorld 2023). SAM: $180M Texas market (1.2% of TAM). SOM: $2.4M Austin addressable (1.3% of SAM), calculated as: 140 seats x 25 operating days x 1.2 turns x $95 avg check x 12 months = $4.79M theoretical capacity, adjusted to 50% utilization Year 1 per Austin startup benchmarks (Eater Austin).

Primary customers: 30-55yo professionals earning $120K+ (38% of Austin households), spending $85-$120 per dinner. 62% book via OpenTable (2024 Resy data), 41% visit 3+ times/year. Secondary: Tourists spending 22% more than locals during SXSW/ACL (Austin CVB).

| Segment | Size ($) | Growth Rate | Our Target Share | Rationale |
|---|---|---|---|---|
| Affluent Professionals | 1.1M | 4.1% | 0.22% | 18,500 within 0.5 miles; 35% capture of target demo |
| Culinary Tourists | 620K | 6.3% | 0.15% | 28M annual visitors; 0.05% conversion |
| Corporate Diners | 480K | 3.8% | 0.31% | 12 major tech HQs; 15% capture of dining budgets |
| Special Occasion | 200K | 2.9% | 0.25% | 12% of Austin weddings/events |

| Category | Total Addressable | Serviceable Available | Serviceable Obtainable | Methodology |
|---|---|---|---|---|
| US Steakhouses | $22B | $180M | $2.4M | TAM: IBISWorld; SAM: Texas Restaurant Assoc; SOM: (140 seats x 25 days x 1.2 turns x $95) x 50% Year 1 utilization |

# SECTION 4: COMPETITIVE ANALYSIS

Direct competitors: Perry's ($4.1M Austin revenue, 18% market share), Sullivan's ($2.9M, 13% share). Both use Midwestern beef with 38% food costs. Perry's charges $62 for 16oz ribeye (15% premium vs us) but lacks dry-aging transparency. Odd Duck (farm-to-table) averages $88 checks but no steak focus (28% steak dishes).

Competitive advantages: 1) Onsite dry-aging room (34F/85% humidity per USDA) cuts aging costs 18% vs offsite ($4.20/lb savings). 2) 44 Farms contract at $7.80/lb (vs industry $8.50) via 12-month fixed pricing. 3) Toast POS integration reduces table turnover time to 58 minutes (vs 72 industry avg) through digital ordering.

| Competitor | Revenue Est. | Pricing | Key Strength | Key Weakness | Our Differentiation |
|---|---|---|---|---|---|
| Perry's | $4.1M | $62 ribeye | Brand recognition | 38% food cost; no TX sourcing | $54 ribeye; 100% TX beef; 32% food cost |
| Sullivan's | $2.9M | $59 ribeye | Corporate contracts | Impersonal service (3.9 Yelp) | CRM tracks steak doneness; 4.7+ target |
| Odd Duck | $1.8M | $48 ribeye | Local sourcing | No steak expertise (28% steak dishes) | Dedicated steak menu; dry-aging room |
| Jeffrey's | $3.3M | $72 ribeye | Luxury ambiance | 85-seat capacity; 28-day wait | 140 seats; same-day reservations |

| Strengths | Weaknesses | Opportunities | Threats |
|---|---|---|---|
| Onsite dry-aging (18% cost savings) | High startup costs ($1.4M) | SXSW/F1 events (22% revenue bump) | Beef price volatility (15% swing) |
| 44 Farms fixed-price contract | Unproven brand (Year 1) | Tech corporate dining programs | Labor shortages (25% turnover) |
| Toast POS efficiency (58-min turnover) | Limited private dining (10 seats) | Brunch expansion (Month 4) | New competitors (2/yr in Austin) |
| Experienced leadership team | Dependent on 1 beef supplier | Hotel concierge partnerships | Economic downturn (10% check drop) |

# SECTION 5: PRODUCTS & SERVICES

We serve USDA Prime beef dry-aged 21-35 days onsite in climate-controlled glass room (34F/85% humidity), cooked over Texas oak at 1,200F. Each steak includes ranch provenance via QR code (e.g., "44 Farms Lot #A227: 28-day dry-aged, grain-finished"). Appetizers use Johnson's Backyard Garden produce delivered daily at 5AM. Bar features 20+ bourbons with local Austin distilleries (e.g., Treaty Oak).

Pricing set at 12% below Perry's for comparable items to drive trial while maintaining 32% food cost. Ribeye at $54 (vs Perry's $62) achieves $36.72 food cost ($7.80/lb x 1.25 yield x 16oz). Beverage pricing at 22% cost (vs 18% industry avg) funds premium spirit selection. Private dining minimums ($1,500 for 10-20 guests) generate 8% higher margins.

| Tier | Price | Features | Target Customer | % Revenue | Gross Margin |
|---|---|---|---|---|---|
| Steaks | $48-$115 | Dry-aged 21-35 days; TX ranches | Primary | 58% | 72% |
| Appetizers/Sides | $14-$18 | Daily local produce; house-made | All | 22% | 85% |
| Cocktails | $14-$16 | TX spirits; house infusions | Secondary | 14% | 78% |
| Wine | $12-$22/glass | 70% American vineyards | Tertiary | 6% | 70% |

| Metric | Value | Calculation/Notes |
|---|---|---|
| Avg check | $95 | (58% x $75 steak + 22% x $16 apps + 20% bev) |
| COGS per cover | $27.55 | (70% food x $95 x 32%) + (30% bev x $95 x 22%) |
| Gross profit/cover | $67.45 | $95 - $27.55 |
| Gross margin | 71% | $67.45 / $95 |
| CAC | $28.50 | $60k annual marketing / 2,100 new customers |

| | | |
|---|---|---|
| LTV | $285 | ($95 x 35% repeat rate x 8.5 visits) x 71% margin |
| LTV:CAC | 10.0 | $285 / $28.50 |
| Payback period | 1.2 months | CAC / ($95 x 71% x 35% repeat rate) |

# SECTION 6: MARKETING & SALES

Primary channel: Google Ads targeting "best steakhouse Austin" (1,900 monthly searches, $2.50 CPC). Secondary: Meta ads targeting 30-55yo, $100K+ income within 10 miles (250k people). Pre-launch: 10 influencer dinners (5k followers avg) generating 1,200 reservation leads at $12.50 CAC. Conversion rate: 28% website-to-reservation (OpenTable benchmark).

Sales cycle: 3.2-day average from reservation to visit. Hosts convert 68% of waitlisted guests via text alerts. Servers upsell appetizers to 42% of tables (vs 31% industry avg) through trained prompts ("Bone marrow pairs perfectly with your ribeye"). 72-hour post-visit email sequence recaptures 18% of lapsed guests.

Retention: "Iron Oak Circle" loyalty program offers 10% dining credits (redeemed at 22% rate), birthday meals (37% redemption), and priority reservations. CRM tracks 12 guest preferences (e.g., "medium-rare filet, aisle table"). Post-visit surveys with $10 credit yield 41% response rate and 0.8-point Yelp score increase.

| Channel | Monthly Budget | CAC | | L Conv. Rate | Customers/Mo | ROI | |
|---|---|---|---|---|---|---|---|
| Google Ads | $3,000 | $25.00 | | 1,200 28% | 336 | 8.3x | |
| Meta Ads | $2,500 | $31.25 | | 800 | 28% | 224 | 6.6x |
| OpenTable | $1,200 | $17.14 | | 70100% | 70 | 11.1x | |
| Corporate Programs | $0 | $0 | | 30100% | 30 | 14.2x | |
| Total | $6,700 | $28.50 | | 2,100 28% | 660 | 9.5x | |

| Month | Google | Meta | SEO/Content | Events | Other | Total | Leads | Customers |
|---|---|---|---|---|---|---|---|---|
| 1 | $3,000 | $2,500 | $500 | $1,500 | $500 | $8,000 | 1,900 | 532 |
| 2 | $3,000 | $2,500 | $500 | $1,000 | $500 | $7,500 | 1,800 | 504 |
| 3 | $3,000 | $2,500 | $500 | $500 | $500 | $7,000 | 1,700 | 476 |
| 4-12 | $3,000 | $2,500 | $500 | $0 | $500 | $6,500 | 1,600 | 448 |
| Year Total | $36,000 | $30,000 | $6,000 | $6,000 | $6,000 | $84,000 | 19,800 | 5,544 |

## SECTION 7: OPERATIONS

Daily workflow: 2AM - Beef inventory scan; 5AM - Produce delivery; 8AM - Dry-aging room humidity/temp log; 10AM - Staff briefing; 5PM - Service (peak 8-9PM); 11PM - Closing audit. Kitchen capacity: 120 covers/hour (Vulcan ranges + Rational combi oven). Table turnover: 58 minutes (Toast POS data). Waste tracking via MarketMan shows 1.8% food waste (vs 4.2% industry avg).

Key supplier: 44 Farms (beef) at $7.80/lb fixed price for 12 months (3% annual cap). Backup: Broken Arrow Ranch at $8.10/lb. Republic National Distributing (beverages) provides 2% prompt payment discount. Toast POS ($129/month/station) integrates with OpenTable, QuickBooks, and MarketMan.

| Vendor | Service | Monthly Cost | Contract Terms | Backup Option |
|---|---|---|---|---|
| 44 Farms | Beef | $21,000 | 12-month fixed price; 3% annual cap | Broken Arrow Ranch |
| Johnson's Backyard Garden | Produce | $4,200 | Month-to-month; 5% discount for 95%+ utilization | Texas Farmers' Market |
| Republic National | Alcohol | $18,500 | Net 30; 2% discount for payment in 10 days | Empire Distributors |
| US Foods | Dry goods | $3,800 | Net 15; 1.5% rebate at $50k/month | Reyes Holdings |

| Tool | Purpose | Monthly Cost | Users | Alternatives |
|---|---|---|---|---|
| Toast | POS/Inventory | $1,290 | 25 | Micros (rejected: $2,100/mo) |
| OpenTable/Resy | Reservations | $850 | 2 | SevenRooms (rejected: $1,050/mo) |
| MarketMan | Inventory Mgmt | $350 | 5 | BinWise (rejected: $499/mo) |
| QuickBooks Online | Accounting | $150 | 3 | Xero (rejected: $35/mo but no SBA loan integration) |

# SECTION 8: MANAGEMENT TEAM

25 full-time staff: 16 FOH, 9 BOH. Salary ranges: Servers $18/hr + tips (vs $15 market avg), chefs $22-$28/hr. Benefits: $250/month health stipend after 90 days, 401(k) match at 3% after 1 year. No equity grants; profit-sharing at 5% of EBITDA distributed quarterly.

Advisory board: David Chen (ex-CFO Ruth's Chris, 20+ steakhouse rollouts), Maria Lopez (Texas Restaurant Assoc VP). Compensation: $2,500/month retainer + 0.5% equity vesting over 4 years.

| Month | Role | Salary | Priority | Source | Onboarding |
|---|---|---|---|---|---|
| Mar 2025 | Executive Chef | $84,000 | High | Internal (Ruiz) | Immediate |
| Apr 2025 | GM | $78,000 | High | Indeed | 30 days |
| Apr 2025 | 5 Line Cooks | $48,000 | High | ACC Culinary Program | 14 days |
| May 2025 | 12 Servers | $38,400 | High | Craigslist | 7 days |
| Jun 2025 | Marketing Dir | $72,000 | Medium | LinkedIn | 30 days |

# SECTION 9: FINANCIAL PLAN

Key assumptions: Month 1 revenue $120k (57% capacity), growing 5% monthly to $200k by Month 12. Covers: 1,263 Month 1 to 2,105 Month 12. Food cost 32%, beverage 22%. Payroll fixed at $68k/month until Month 7, then scales to $72k. Marketing $7k/month. SBA loan payment: $3,500/month principal + $2,917 interest (7% fixed).

Revenue drivers: 660 new customers/month (from marketing), 35% repeat rate by Month 18. Corporate programs add 30 covers/week at $105 avg check. Private dining contributes 8% of revenue. Beverage sales grow to 33% of revenue by Year 3 through cocktail program expansion.

Cost structure: 58% fixed costs (rent, payroll base, loan payment), 42% variable (COGS, hourly labor, marketing). Fixed costs decrease to 52% by Year 3 as revenue grows. Variable costs scale linearly with covers (COGS 29%, labor 12% per cover).

Funding: $1.4M provides 18 months runway. $130k reserve covers 6 months of $21.7k net cash burn (Months 1-6). Milestones funded: Buildout completion (Month 2), 2,800 covers (Month 3), 35% repeat rate (Month 18).

| Category | | Item | Cost | Notes |
|---|---|---|---|---|
| Leasehold Improvements | | Kitchen buildout | $380,000 | Custom hood system, gas lines |
| Leasehold Improvements | | Dry-aging room | $120,000 | Glass enclosure, climate control |
| Leasehold Improvements | | Bar build | $95,000 | Custom wood, refrigeration |
| Leasehold Improvements | | HVAC/ADA | $57,000 | Code compliance |
| Equipment | | Vulcan ranges | $85,000 | 2x 60" charbroilers |
| Equipment | | True refrigeration | $72,000 | Walk-in + prep coolers |

| | | | | |
|---|---|---|---|---|
| Equipment | | Rational combi oven | $63,000 | Single unit |
| Equipment | | Dishwasher | $45,000 | Hobart 120-rack |
| Equipment | | POS hardware | $35,000 | 10 terminals, printers |
| Furniture | | Tables, banquettes | $85,000 | Custom walnut tops |
| Furniture | | Lighting/art | $35,000 | Local artists |
| Initial Inventory | | Food/beverage | $65,000 | 2 weeks supply |
| Pre-Opening | | Marketing | $50,000 | PR, influencer events, photos |
| Legal | | Licensing | $20,000 | TABC, health permits |
| Reserve | | 6-month operating | $130,000 | $21,667 x 6 months |
| Total | | | $1,400,000 | |

| Category | Type | Monthly Cost | Annual Cost | | Notes |
|---|---|---|---|---|---|
| Rent | Fixed | $28,000 | $336,000 | | NNN lease |

| | | | | |
|---|---|---|---|---|
| Payroll | Fixed | $68,000 | $816,000 | 25 staff; 20% benefits |
| COGS | Variable | $60,900 | $730,800 | 29% of $210k avg revenue |
| Marketing | Fixed | $7,000 | $84,000 | |
| SBA Loan | Fixed | $6,417 | $77,000 | $3,500 principal + $2,917 interest |
| Insurance | Fixed | $1,500 | $18,000 | General liability, workers' comp |
| Utilities | Variable | $4,200 | $50,400 | Gas-heavy kitchen |
| Repairs | Variable | $1,250 | $15,000 | |
| POS/Software | Fixed | $2,640 | $31,680 | Toast, OpenTable, MarketMan |
| Accounting | Fixed | $1,250 | $15,000 | BDO USA |
| Fixed Total | | $117,207 | $1,406,484 | |
| Variable Total | | $66,350 | $796,200 | |
| Combined Total | | $183,557 | $2,202,684 | |

| Line Item | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 | Y1 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | $120,000 | $138,000 | $158,700 | $182,505 | $209,881 | $241,363 | $260,672 | $281,526 | $304,048 | $328,372 | $354,642 | $383,013 | $2,711,122 |
| COGS | $34,800 | $40,020 | $46,023 | $52,926 | $60,866 | $69,995 | $75,595 | $81,643 | $88,174 | $95,228 | $102,846 | $111,074 | $786,219 |
| Gross Profit | $85,200 | $97,980 | $112,677 | $129,579 | $149,015 | $171,368 | $185,077 | $199,883 | $215,874 | $233,144 | $251,796 | $271,939 | $1,924,903 |
| Marketing | $8,000 | $7,500 | $7,000 | $6,500 | $6,500 | $6,500 | $6,500 | $6,500 | $6,500 | $6,500 | $6,500 | $6,500 | $84,000 |
| Payroll | $68,000 | $68,000 | $68,000 | $68,000 | $68,000 | $68,000 | $72,000 | $72,000 | $72,000 | $72,000 | $72,000 | $72,000 | $840,000 |

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Rent | $28,000 | $28,000 | $28,000 | $28,000 | $28,000 | $28,000 | $28,000 | $28,000 | $28,000 | $28,000 | $28,000 | $28,000 | $336,000 |
| Loan Payment | $6,417 | $6,417 | $6,417 | $6,417 | $6,417 | $6,417 | $6,417 | $6,417 | $6,417 | $6,417 | $6,417 | $6,417 | $77,000 |
| Other OpEx | $16,383 | $15,883 | $15,383 | $14,883 | $14,883 | $14,883 | $14,883 | $14,883 | $14,883 | $14,883 | $14,883 | $14,883 | $178,600 |
| Total OpEx | $126,800 | $125,800 | $124,800 | $123,800 | $123,800 | $123,800 | $127,800 | $127,800 | $127,800 | $127,800 | $127,800 | $127,800 | $1,515,600 |
| EBITDA | ($41,600) | ($27,820) | ($12,123) | $5,779 | $25,215 | $47,568 | $57,277 | $72,083 | $88,074 | $105,344 | $123,996 | $144,139 | $409,303 |
| Depreciation | $10,833 | $10,833 | $10,833 | $10,833 | $10,833 | $10,833 | $10,833 | $10,833 | $10,833 | $10,833 | $10,833 | $10,833 | $130,000 |
| EBIT | ($52,433) | ($38,653) | ($22,956) | ($5,054) | $14,382 | $36,735 | $46,444 | $61,250 | $77,241 | $94,511 | $113,163 | $133,306 | $279,303 |
| Interest | $2,917 | $2,917 | $2,917 | $2,917 | $2,917 | $2,917 | $2,917 | $2,917 | $2,917 | $2,917 | $2,917 | $2,917 | $35,000 |
| Taxes (25%) | $0 | $0 | $0 | $0 | $2,866 | $8,455 | $10,882 | $14,583 | $18,581 | $22,892 | $27,561 | $32,559 | $128,336 |
| Net Income | ($55,350) | ($41,570) | ($25,873) | ($7,971) | $8,651 | $25,363 | $32,645 | $43,750 | $55,743 | $68,702 | $82,685 | $97,830 | $105,967 |

| **Line Item** | | **M** | **M M3** | **M4** | **M5** | **M6** | **M7** | **M8** | **M9** | **M10** | **M11** | **M12** | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Beginning Cash | | [illegible] | [illegible] | $1,173,080 | $1,147,207 | $1,139,236 | $1,147,887 | $1,180,532 | $1,224,282 | $1,279,985 | $1,348,687 | $1,427,389 | $1,510,074 |
| Cash In | | [illegible] | [illegible] | $182,505 | $209,881 | $241,363 | $260,672 | $281,526 | $304,048 | $328,372 | $354,642 | $383,013 | |
| Funding | | [illegible] | [illegible] | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | |
| Total Cash In | | [illegible] | [illegible] | $182,505 | $209,881 | $241,363 | $260,672 | $281,526 | $304,048 | $328,372 | $354,642 | $383,013 | |
| Cash Out | | | [illegible] | $161,573 | $174,526 | $201,230 | $216,000 | $228,027 | $237,782 | $258,245 | $280,029 | $306,309 | $332,184 |
| Total Cash Out | | [illegible] | [illegible] | $174,526 | $201,230 | $216,000 | $228,027 | $237,782 | $258,245 | $280,029 | $306,309 | $332,184 | |
| Net Cash Flow | | [illegible] | [illegible] | $7,979 | $8,651 | $25,363 | $32,645 | $43,744 | $45,803 | $48,343 | $48,333 | $50,829 | |
| Ending Cash | | [illegible] | [illegible] | $1,139,236 | $1,147,887 | $1,180,532 | $1,224,282 | $1,279,985 | $1,348,687 | $1,427,389 | $1,510,074 | $1,560,903 | |

| **Metric** | **Y1** | **Y2 Q1** | **Y2 Q2** | **Y2 Q3** | **Y2 Q4** | **Y3 Q1** | **Y3 Q2** | **Y3 Q3** | **Y3 Q4** | **Y3 Total** |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | $2,711,122 | $813,337 | $853,999 | $896,699 | $941,534 | $1,035,687 | $1,087,471 | $1,141,845 | $1,198,937 | $4,463,94 |
| COGS | $786,219 | $235,868 | $247,660 | $259,043 | $271,045 | $299,349 | $313,279 | $327,935 | $343,328 | $1,283,89 |
| Gross Profit | $1,924,903 | $577,469 | $606,339 | $637,656 | $670,489 | $736,338 | $774,192 | $813,910 | $855,609 | $3,179,04 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| OpEx | $1,515,600 | $454,680 | $477,414 | $501,285 | $526,349 | $580,037 | $609,039 | $639,491 | $671,466 | $2,500,03 |
| EBITDA | $409,303 | $122,789 | $128,925 | $136,371 | $144,140 | $156,301 | $165,153 | $174,419 | $184,143 | $679,016 |
| Net Income | $105,967 | $31,795 | $33,391 | $35,456 | $37,548 | $40,538 | $42,939 | $45,361 | $47,829 | $176,668 |
| Ending Cash | $1,560,903 | $1,654,693 | $1,753,084 | $1,858,540 | $1,972,088 | $2,112,626 | $2,257,565 | $2,407,926 | $2,563,755 | |

| **Metric** | **Value** | | **Calculat** |
|---|---|---|---|
| Monthly Fixed Costs | $117,207 | | Rent $28k + Payroll $68k + Loan $6.4k + Marketin $7k + Other $7.8k |
| Variable Cost per Cover | $27.55 | | COGS $27.55 (29% of $95) |
| Price per Cover | $95 | | |
| Contribution Margin per Cover | $67.45 | | $95 - $27.55 |
| Contribution Margin % | 71% | | $67.45 / $95 |
| Break-Even Covers/Mo | 1,738 | | $117,20 / $67.45 |

| | | | |
|---|---|---|---|
| Break-Even Revenue/Mo | $165,110 | | 1,738 x $95 |
| Expected Break-Even Month | Month 5 | | Month 5 revenue $209,881 > $165,110 |
| Safety Margin | 21.3% | | ($209,881 - $165,110 / $209,881 |

| Metric | Y1 | | Y2 | Y3 | Industry Benchmark |
|---|---|---|---|---|---|
| Gross Margin % | 71.0% | | 71.0% | 71.2% | 68-72% (steakhouse) |
| Operating Margin % | 4.0% | | 5.5% | 7.7% | 4-8% (Year 3) |
| Net Profit Margin % | 3.9% | | 4.8% | 4.0% | 3-6% (mature) |
| Current Ratio | 1.8 | | 2.1 | 2.3 | 1.5+ healthy |
| CAC Payback | 1.2 mo | | 1.1 mo | 1.0 mo | 3-6 mo acceptable |
| LTV:CAC | 10.0 | | 10.9 | 12.0 | 3.0+ strong |
| Monthly Burn (Y1) | $21,667 | | | | |
| Runway (Y1) | 18 mo | | | | |

## SECTION 10: RISK ANALYSIS

Top risks: 1) Beef price volatility (Probability 4/5, Impact $180k/year loss at 15% price hike). 2) Labor turnover >25% (Probability 5/5, Impact $48k recruitment costs). 3) Slow ramp (Probability 3/5, Impact $210k revenue shortfall at 20% below projection). 4) Negative review virality (Probability 2/5, Impact 15% reservation drop).

Mitigation: Beef contracts with 44 Farms include 3% annual price cap; diversify to Broken Arrow Ranch by Month 6. Pay 15% above market wages ($18/hr vs $15.65 Austin avg); ACC culinary program partnership guarantees 10 trainees/year. Pre-launch marketing targets 1,900 Month 1 leads; soft opening with 100 influencer guests. 24/7 social monitoring via Mention.com; staff empowered to comp meals for service failures.

| Risk | Probability | Impact | Risk Score | Mitigation Strategy | Contingency Plan | Owner |
|---|---|---|---|---|---|---|
| Beef price volatility | 4 | 4 | 16 | 12-month fixed contract with 3% cap; diversify suppliers by Month 6 | Introduce $29 lunch special (15% margin) to offset costs | Callahan |
| Labor turnover >25% | 5 | 3 | 15 | $18/hr base wage (15% above market); health stipends | Cross-train FOH staff for BOH roles | Thompson |
| Revenue 20% below target | 3 | 5 | 15 | Pre-launch influencer campaign; corporate dining partnerships | Negotiate 3-month rent abatement with landlord | Callahan |
| Negative review virality | 2 | 4 | 8 | 24/7 social monitoring; staff empowerment to resolve issues | PR agency retainer for crisis management | Kim |
| SBA loan denial | 1 | 5 | 5 | Pre-approval secured; 25% equity cushion | Alternative: $400k equipment financing + $100k angel top-up | Callahan |
| Health code violation | 3 | 3 | 9 | Monthly internal audits; certified food safety manager | Emergency deep-cleaning vendor on call | Ruiz |
| Economic downturn | 2 | 4 | 8 | Loyalty program drives 35% repeat rate; value menu items | Shift focus to takeout (40% margin potential) | Kim |
| Key personnel loss | 2 | 5 | 10 | Non-competes; profit-sharing incentives | Advisory board access to interim leadership | Callahan |

# SECTION 11: IMPLEMENTATION TIMELINE

Critical path: Buildout completion (Month 2) enables staff training (Month 3). Soft opening (Month 3) validates operations before grand opening (Month 4). Month 6 focuses on achieving 2,800 covers through corporate programs. Month 9 targets break-even via repeat rate growth to 28%. Month 18 locks 35% repeat rate through loyalty program expansion.

| Month | Milestone | Deliverables | Resources Needed | Success Metric | Owner |
|---|---|---|---|---|---|
| 1 | Buildout completion | Inspection sign-off | $650k capital; contractors | Occupancy permit issued | Callahan |
| 2 | Staff hiring | 25 trained employees | $20k recruitment budget | All roles filled | Thompson |
| 3 | Soft opening | 500 covers served | 10 influencer events | 4.5+ Yelp rating | Ruiz |
| 4 | Grand opening | 2,800 covers | $15k launch marketing | $266k revenue | Kim |
| 5 | Break-even achieved | 1,738 covers | Optimized scheduling | $165k revenue | Callahan |
| 6 | Corporate program launch | 3 contracts signed | Sales materials | 90 covers/week | Kim |
| 7 | Brunch rollout | 50 brunch covers/day | 3 baker partnerships | $14k weekend revenue | Ruiz |
| 8 | Loyalty program launch | 500 members | CRM integration | 22% repeat rate | Kim |
| 9 | 28% repeat rate | 1,176 repeat covers | Personalized service | 28% of total covers | Thompson |
| 12 | Year 1 review | $2.7M revenue | Financial audit | $105k net profit | Callahan |
| 15 | Staff development | 5 promoted employees | Training budget | 15% turnover rate | Thompson |
| 18 | 35% repeat rate | 1,470 repeat covers | Loyalty expansion | 35% of total covers | Kim |