

Turnkey Waste Management

Program takes the 'waste' out of waste for New World

By Marianne Wilson

A comprehensive waste-management outsourcing program helps New World Restaurant Group keep a lid on costs and focus attention where it matters most: on managing its restaurants and taking care of customers. The program, which includes waste hauling and recycling, also provides the quick-casual restaurant operator with consistency, both in terms of price and service, across locations nationwide.

"This program has been a real win-win for us, with both hard and soft savings," said Keith Isoldi, VP, development, New World Restaurant Group, Golden, Colo., which operates 432 company-owned units, with the majority under the Einstein Bros banner.

Isoldi took over facilities nationally for New World several years back. At the time, there was no national program for waste management. He subsequently met with Oakleaf Waste Management, which guaranteed a minimum of 15% annual savings. One of the first things Oakleaf did was review and organize the retailer's waste-hauling contracts.

"Oakleaf got us out of a lot of contracts that didn't make sense," Isoldi said. "They took control and brought us savings immediately. And the savings turned out to be more around 17%."

Another feature of the program, invoice consolidation, took a time-consuming burden off the chain.

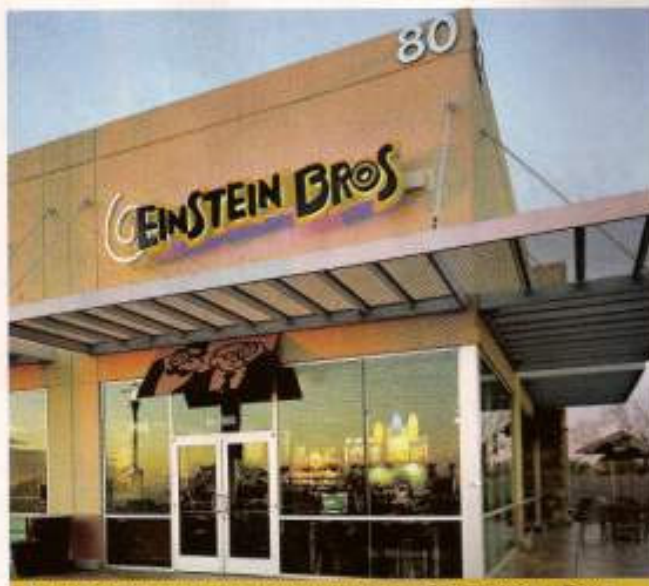
"Instead of paying multiple vendors, we just pay the one bill every month," Isoldi said. "That's a big time-saver."

With Oakleaf, New World's store man-

agers have a single point of contact for any waste-related problems that arise.

"Our manager's job is to manage the restaurant and we believe in giving them every tool we can to make their jobs more efficient. Oakleaf helps us do just that," Isoldi said.

Right size: New World has also benefited from Oakleaf's "right-sizing" program, in which the level of waste service each location receives is tied into its sales. The program, which is based on the idea



New World's waste-management outsourcing program allows store managers to focus on the customer experience.

that stores with the highest volume will generate more garbage than stores on the lower end, minimizes pickups and reduces costs.

"It ensures that the service level is adequate to the amount of waste hauled," Isoldi said. "A store that does half as much volume as our best store should not get the same amount of service as that best store. It doesn't need it."

Under the right-sizing program, Oakleaf grouped New World's locations into five different categories based on store sales and compared the sales against the

amount of waste being generated and the service level. Using a computer modeling program, it determined the adequate service level for each of the categories.

"With multi-site operations, waste-service levels get out of whack over time," said Jim Barnes, president and CEO, Oakleaf Waste Management, East Hartford, Conn. "A dumpster, for example, gets picked up three times a week when it's really only full on Monday. It's our goal to make sure that no one gets more service than they need."

Fuel charge: New World recently renewed its contract with Oakleaf, which Isoldi credited to the supplier's expertise and proactive stance with regard to cost containment.

"When the price of gas started going up, Oakleaf was very proactive and called me up right away about changing some of our haulers," he said. "The end result is that from last October to today, not one waste hauler has passed on a fuel surcharge to us. By contrast, nearly every other vendor we deal with has added on a fuel surcharge."

Currently, New World's waste-management costs are the same or slightly below where they were five years ago.

"We've been able to maintain our costs, which is pretty remarkable and says a lot about how well Oakleaf manages our waste," Isoldi added.

Isoldi added that New World benefits from Oakleaf's size and customer portfolio, which give it clout with waste haulers.

"We're part of a larger organization instead of being out there all alone," he explained. ■

—mwilson@chainstoreage.com