





BAKERstreet

STEAKS ◆ SEAFOOD ◆ SPIRITS

"A great Prime Rib is slow cooked for at least 12 hours. Our equipment had temperature fluctuations so great we could never have cooked it that long and still had a great product." - James Kahn, Owner

BakerStreet Steakhouse opened in September of 2008 during one of the toughest economic climates we've seen. Through hard work and a fervent commitment to consistently great service and cuisine, BakerStreet Steakhouse was not only able to sustain itself through the economic downturn but has been able to establish itself as one of the best-rated restaurants in the state of Indiana.



# 1. Abstract

Prime Rib is considered by many to be one of the most delicious and choicest cuts of meat available. As a premium cut of steak, Prime Rib can command top dollar and can provide a great return on investment. However, due to factors such as cost, waste and product limitations, many restaurants do not offer Prime Rib regularly. Despite the enhanced flavor and tenderness, many restaurants are hesitant to offer Prime Rib on a consistent basis. Why is it that restaurants and foodservice providers cannot successfully offer Prime Rib without excessive cost and waste? Through interviews with restaurant proprietors, market research and customer feedback, we will determine factors that dissuade owners and chefs from offering Prime Rib as a regular or specialty menu item. This case study aims to understand from user experiences what factors forced Prime Rib removal from their menus, what equipment limitations exist, and what changes would allow resturaunts to serve Prime Rib consistently.

## 2. Introduction

Prime Rib typically costs between \$8-\$20 per pound; however, it can command upwards of \$30-\$60 per portion for a restaurant patron. Prime Rib is the section of meat that is cut from the center rib area of a steer. The cut itself consists of seven full ribs with a section of meat running along the back side. Known for its succulence, Prime Rib is extremely flavorful due to the extra fattiness. According to the USDA, there are three grades of Prime Rib: Prime, Choice, and Select.

- Select Grade Prime Rib: features a uniform look with practically no marbling. The meat itself is tender, but due to the low fat content, the loin typically will have less natural juices and flavor.
- **Choice Grade Prime Rib:** typically has little to no marbling and weighs between 10-11 lbs. This cut of meat features a much higher fat content than Select Grade Prime Rib, giving it a more distinct flavor.
- **Prime Grade Prime Rib:** has a distinct marbling pattern and can weigh anywhere from 13-18 lbs. This is the highest quality and grade of Prime Rib on the market. It is taken from larger animals that have been fed better and that have been kept off their hoofs longer.

Basically, the better marbled the cut of meat, the higher the grade of Prime Rib.



## 3. Context

At a typical fine-dining or steak-house-style restaurant, you will notice the menu doesn't always include Prime Rib as a selection. Often, if it does include Prime Rib, there is a very limited supply depending on the day of the week. As a premium piece of meat, the demand for Prime Rib can be high and thus the cost would be high for the customer who orders the meal. However, preparing Prime Rib can be very labor intensive and takes between 12-16 hours to properly cook. Many restaurants and foodservice operators are reluctant to offer Prime Rib due to fear of wasted product. Depending on the volume of customers that order Prime Rib, up to 50% of a loin could be wasted on any given night. Equipment limitations, the rising cost of beef and the high cost of labor are also factors that dissuade foodservice operators from offering Prime Rib on a more consistent basis.

### 4. Literature Review

Discussion on Prime Rib Feasibility and Serving Capabilities with the Managing Partner from BakerStreet Restaurant, James Kahn.

With years of fine-dining experience, James has a unique insight into the restaurant industry, specifically restaurant management and hospitality. We sat down with him at BakerStreet to learn more about their Prime

Rib offering and what factors contribute to its availability.

*Question:* What is your menu price for Prime Rib? *Answer:* \$30, which includes a side and a soup or salad.

*Question:* How many slices per Prime Rib on average? *Answer:* On average, we are getting about 15 cuts per loin.

*Question:* Why did you stop serving Prime Rib initially?



**Answer:** We stopped serving the Prime Rib for multiple reasons. First, the equipment we had was not adequate to prepare the Prime Rib the way we like to...it was very limiting in what it could do. A great Prime Rib is slow cooked for at least 12 hours. Our equipment had temperature fluctuations so great we could never have cooked it that long and still had a great product. Second, it was very difficult to develop an actual par for what we needed on an evening. Anything we made that we didn't sell became scrap and had to be re-used in other areas....A few slow nights and we were left with 15-20 lbs of Prime Rib sitting around that we tried to re-invent it in other areas. Lastly, because we couldn't develop actual pars, it was too difficult to offer Prime Rib daily to our guests and build the momentum to say we had it.

### 4. Literature Review (Continued)

#### Question: Is Prime Rib on your menu now, or is it only offered as special?

**Answer:** Yes, it is technically on our menu in that we offer it every day as long as supplies last. We have only run out on a handful of occasions. However, it isn't printed on the menu for two reasons: one, we do not want it to get lost on the menu because we are really proud of the product we've been able to produce; and two, there will be times when we run out so we do not want something in print if we can't guarantee it will always be available.

**Question:** I don't see Prime Rib mentioned on the website or online menu. How are others finding out about it? **Answer:** Primarily word of mouth, as well as our server staff I would imagine. We did send a notice about it out in our last newsletter. You bring up a good point though; I will see if we can't get it mentioned on our Facebook page and website as well.

The two primary drawbacks to serving Prime Rib for BakerStreet where the amount of waste that was involved and the quality standards of the product. Without a way to cook and hold Prime Rib at a consistent, even temperature, the restaurant faced limitations on the type and consistency of Prime Rib it could produce. While the establishment did offer Prime Rib, it only made so much in order to avoid wasting as much as 20 lbs. of product on slow nights. Oftentimes, leftovers were used for Beef Wellington and for Prime Rib sandwiches. For this reason, the restaurant only made a limited quantity of the product on any given night. Additionally, it was not able to advertise Prime Rib as a regular menu offering due to the restricted availability. For BakerStreet, more adequate equipment was needed to cook and hold Prime Rib, at an exact and even temperature for extended periods of time. With the ultimate goal of both making a profit from Prime Rib and serving a product that was up to its standards, BakerStreet removed Prime Rib from its offering.



# 5. Findings

#### **Productivity Gains**

Prior to installing the Prime Minister, BakerStreet often experienced up to 50% waste with a Prime Rib loin, the cooking of which was highly labor intensive. For these reasons, they had not offered Prime Rib consistently – usually only during the holidays. The Prime Minister, on the other hand, cooks the product overnight so it's ready the next afternoon. This profit center has proven so productive that it consistently realizes 96% yield from each loin.

"Prime Rib has become a small-but-consistent profit center, yielding twice the margin of an 8-ounce filet," says Kahn.

Space and electrical service in any commercial kitchen is always at a premium. The Prime Minister takes up only ten square feet of floor space, so it was easily incorporated into the Baker Street kitchen. Also, it operates on 120V 15-amp service, which is abundant in most kitchens.

"On a Saturday night, we can have 15 people working in the kitchen, so the unit's small footprint is a must," says Kahn.

Serving time is cut greatly because the meat is ready almost immediately when the order comes in. It takes as little as 30 seconds to take the meat from the oven, slice it and put it on the plate.

Training the staff was the easiest part: set the temperature to 147°F, and leave it overnight. When the meat is done the next afternoon, reset the Prime Minister temperature to 137°F for holding.

"Restaurant owners have been conditioned to accept mediocrity," says Kahn. "We don't have to do that with our Prime Minister"

# 7. Conclusion

With enhanced flavor, tenderness, and appeal, Prime Rib is a favorite of steak connoisseurs throughout the world. The investment in Thermodyne's FluidShelf Technology, allows restaurateurs to successfully offer Prime Rib. For fine dining establishments and steak houses in general, not offering Prime Rib could negatively affect your bottom line as well as your customer base. As the goal is to successfully offer Prime Rib without losing money, an alternative cooking apparatus such as the Prime Minister provides the tools and capabilities to see immediate profit increases.

