



Diversified Restaurant Holdings, Inc. Success Story

Diversified Restaurant Holdings, Inc. ("DRH" or the "Company") is the owner, operator, and franchisor of the unique, full-service, ultra-casual restaurant concept, Bagger Dave's Legendary Burger Tavern® ("Bagger Dave's") and is a leading Buffalo Wild Wings® ("BWW") franchisee. Between the two concepts, the Company currently operates 41 restaurants in Michigan, Florida, Illinois, and Indiana with an additional Bagger Dave's and two BWW restaurants scheduled to be opened by year end 2012.

Bagger Dave's offers a full-service, family-friendly restaurant and bar with a casual, comfortable atmosphere. The menu features freshly-made burgers (never frozen), accompanied by more than 30 toppings from which to choose, fresh-cut fries, hand-dipped milkshakes, and a selection of craft beer and wine. Signature items include Sloppy Dave's BBQ®, Train Wreck Burger®, and Bagger Dave's Amazingly Delicious Turkey Black Bean Chili®. The Bagger Dave's concept emphasizes local flair by showcasing historical photos of the city in which each restaurant resides and features an electric train that runs above the dining room and bar areas.

Challenge

Prior to using Cduit (now Compeat), consolidating restaurant-level performance data for weekly review of COS and hourly labor was a labor-intensive process. Management would either have to log on to each restaurant's server and run reports or have General Manager's fax their individual reports and manually enter the data. This was a very time consuming task, particularly as

"I was truly impressed DRH needed one solution for financial reporting, payroll information, inventory, and accounts payable. The savings to date are immeasurable and we plan to use RADAR as a key component of our growth strategy"

- David Burke
Chief Financial Officer

COMPANY OVERVIEW

DRH, Inc. is the owner, operator, and franchisor of the full-service, ultra-casual restaurant concept, Bagger Dave's Legendary Burger Tavern® and is a leading Buffalo Wild Wings® franchisee.

BUSINESS SITUATION

DRH needed a better solution to give management the ability to easily access daily sales from each location and on a consolidated basis.

KEY RESULTS

DRH selected RADAR as a cost effective, easily scalable solution to achieve business insight into all of its locations to gain a comprehensive suite of configurable tools.

DRH grew its number of locations. In addition, as owner of its own concept, Bagger Dave's, DRH needed a better solution to give management the ability to easily access daily sales from each location and on a consolidated basis. David Burke, CFO at Diversified Restaurant Holdings, Inc., stated, "Years ago, this technology wasn't affordable for companies our size, but it became an easy decision once we learned of Compeat's offerings and reasonable pricing."

Strategically looking to acquire new concepts and franchisees, DRH needed a flexible solution that was compatible with all major POS systems. Anticipating this type of growth, DRH needed a partner they could trust to integrate with the variety of POS systems. With their growth comes the need for a scalable solution with a simple integration process that's concurrent with new store openings. The only viable option was a workable cloud-based system that would link to each location's POS server and provide real-time consolidated data so that management could make timely decisions. Mr. Burke continued, "growing our store count from 28 at the end of 2011 to an estimated 44 by the end of this year both organically and through acquisition, demands a system which requires no additional hardware, no additional setup and could be tied into all popular POS systems."

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Solution

DRH selected RADAR as a cost-effective, easily scalable solution to achieve business insight into all of its locations. RADAR provided a comprehensive integrated suite of highly configurable modules allowing DRH to support Labor Scheduling, GL Sales (to integrate with their accounting and financial reporting processes), Accounts Payable, Inventory, and Recipes.

Results

With RADAR, DRH immediately gained consolidated business insight on sales, labor, inventory, and overall business operations, irrespective of the concept or the POS system. RADAR helps DRH control their food costs and manage vendor pricing. With the integration of sales trends into the labor scheduling module, hourly labor can be managed more effectively and efficiently.

RADAR is used at all levels of the organization and all departments. Store-level managers use it extensively to help manage their business and it's also used daily by operations, accounting, marketing and DRH's leadership team. "The most important advantage that we gain from RADAR is consistency of data across all locations - from recipes to inventory items and GL accounts - because it's one database; we only have to maintain one source of data. This allows us to generate and manage results that we know are consistent. It's allows us to make significant strides in reducing waste and maintaining a tight tolerance of our actual vs. theoretical food costs," states David Burke, CFO.

 To learn more about Compeat, please call us at (512) 271-0771 or email info@compeat.com.