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Volume 70, Number 5, 2011/2012

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MINNESOTA BEVERAGE ASSOCIATION
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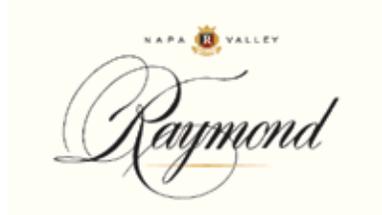
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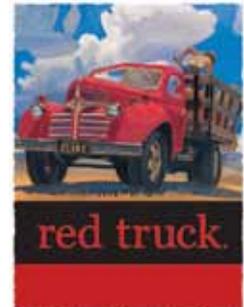
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ON THE COVER

Check the prices: \$9.99, \$19.99, \$99.99. The 9 is ubiquitous. So, why do so many prices end in 99, and does the one penny really make that much of a difference?

“For one penny, I can get you to think of it differently. If price matters, I can get you to entertain our product,” said Mark Bergen, a Professor at Carlson School of Management at the University of Minnesota. Bergen has researched pricing strategies, including the use of the 9 as a price cue.

Some marketers call the concept “psychological pricing.” The idea is that instead of thinking of \$69.99 as a price of \$70, you think of it as a price in the 60s.

“From a psychological perspective, you ground my attention to a digit that’s \$10 less,” said Bergen.

For more, see page 7



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MMBA President's Message



Tom Agnes
President

Smart phone= Smart communication?

You be the judge.

These days, information and communication move so fast. Twenty or thirty years ago you made a phone call or mailed a letter to someone if you wanted to give them information.

Then e-mail came along and you would send someone an email and expect a pretty quick response.

Now the "Smart Phone" has changed everything we know about the flow of information. Emails go directly to our phones. If we do not have a data plan we can text, basically the same thing as an email.

Then we can take it to a whole new level "Social Media." While there are many different ones out there, two are Facebook and Twitter.

We at BC liquors had a seasonal product come out a few weeks ago that was in high demand and we had people calling days before wondering when the delivery was coming. When the truck came and the product was on the shelf, people started rolling in for this unique 4-pack of beer.

About 30 minutes after it was delivered a guy came in and said he heard it was here! So I asked him if he called. He said no it was on Twitter.

I was confused because we do not have a Twitter account, I said the supplier must have "Tweeted it".

He said no a guy bought it here 20 minutes ago and sent the tweet out and now I am here! I was amazed at the power this displayed.

Then just last week, another high demand and very limited product hit stores and was pretty much sold out within hours of its release. The Social Media sites were lit up with messages on where to find this product.

Because of the limited supply, stores make a healthy GP -- we were at 34%, which works out to be a 53% mark up.

Then something really strange happened, a big store decided to run this product with 65% GP or that just under a 300% mark up.

All week long this store's own Facebook page was riddled with negative comments on their decision. Customers were very upset on this store's decision to charge

that kind of a price.

My point in bringing this up is to say that information flows so quickly these days. If this happened 20 years ago a few customers would have been mad and a couple of their buddies would have heard about it. But it would have stopped there and been forgotten about.

Now this incident has multiplied by hundreds if not thousands of comments.

So with all that being said, realize the good and the bad that can come with this fast flowing information process.

Finally, you will soon find MMBA on Facebook. We are developing a page and operating guidelines right now. If you have any ideas or suggestions on making it effective and fun give me a call or send me an e mail, Tagnes@brooklyncenterliquor.com

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One Penny DOES Make a Difference

MINNEAPOLIS (WCCO) — With all the weapons retailers have to try to get our money, it's hard to imagine that a penny has much of a pull. Yet, check the prices: \$9.99, \$19.99, \$99.99. The 9 is ubiquitous. So, why do so many prices end in 99, and does the one penny really make that much of a difference?

“For one penny, I can get you to think of it differently. If price matters, I can get you to entertain our product,” said Mark Bergen, a Professor at Carlson School of Management at the University of Minnesota.

Bergen has researched pricing strategies, including the use of the 9 as a price cue.

Some marketers call the concept “psychological pricing.” The idea is that instead of thinking of \$69.99 as a price of \$70, you think of it as a price in the 60s.

“From a psychological perspective, you ground my attention to a digit that's \$10 less,” said Bergen.

Other researchers talk about the “Left Digit Effect,” the idea that people focus on the left-most digit, instead of the pennies at the end.

Data supports the idea that people make pricing decisions based on those pennies.

Some researchers at University of Chicago looked at an experiment with a local grocery store. Margarine started at 89 cents. When the grocery store cut the price to 71 cents, sales improved 65 percent. When they dropped it two more pennies to 69 cents, sales went up a remarkable 222 percent!

“There's a magic penny from \$25 to \$24.99. That penny has way more effect, has way more power. It's magic,”

said Bergen. “You're focused on the digit that matters: the 100s, or the 50s. In that case, all the rest is just noise.”

There is also the theory that we've trained ourselves to expect the last digit, the number 9, to be a signal meaning: deal.

“When we see \$99.99, it looks like a sale. Since, you know, we're looking for a deal, we'll start there,” he said.

Not that the one penny difference always gets us to buy, but it's an extremely cheap way for retailers to get us in the door, to open the conversation.

However, the Harvard Business Review wrote about a clothing store that took a \$34 dress and raised the price to \$39. Sales went up 25 percent.

“If price matters, you want to give them a cue,” said Bergen.

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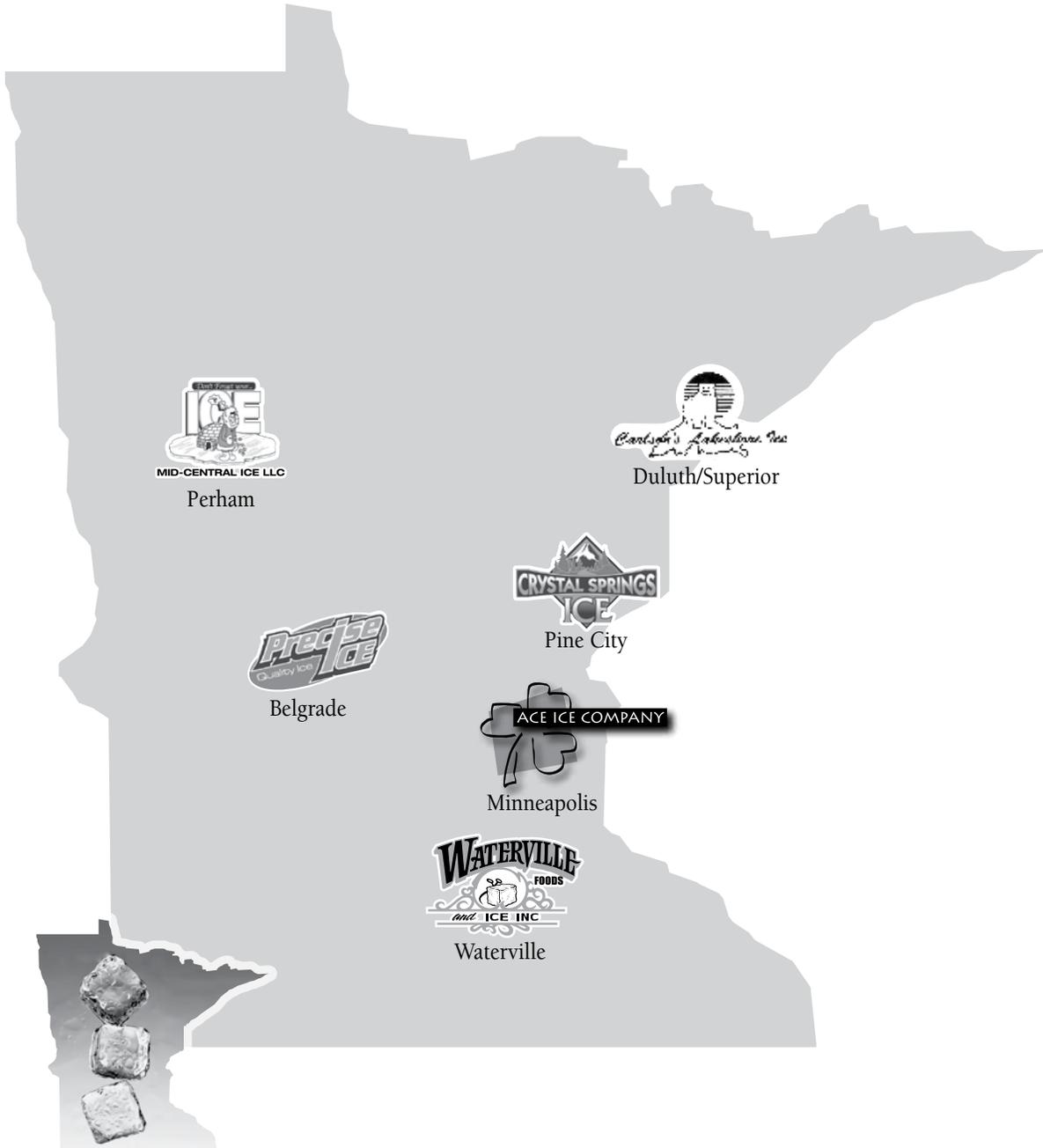
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Fair Labor Standards Act – An Overview

The MMBA Office has received many questions about paying employees overtime, who is exempt, non-exempt, salaried, hourly etc. The following information is from the League of Minnesota Cities website:

FAIR LABOR STANDARDS ACT (FLSA) AN OVERVIEW

Coverage

All cities are covered by the Fair Labor Standards Act (29 U.S.C.A. §201-219). However, some employees are “exempt” from the overtime provisions of the Act. For more information determining “exempt” vs. “non-exempt” status under the FLSA, see *Fair Labor Standards Act: Determining Exempt vs. Non-Exempt Status*.

Requirements

- The FLSA requires cities to:
- pay at least the Federal minimum wage (currently \$7.25/hour) to all non-exempt employees for all hours worked. In situations where both the federal and the state FLSA address an issue, the employer is required to follow the law that is of greatest benefit to the employee. (The state minimum wage is \$6.15 per hour for most employees.)
 - pay at least one and one-half times the employee’s *regular rate of pay* for all *hours worked* over 40 in the workweek OR grant *compensatory time* off at the rate of one and one-half hours off for each hour worked over 40 in the workweek (*words in italics are defined below*);
 - pay overtime wages on the regular payday for the pay period in which the wages were earned;
 - comply with the child labor standards; and
 - comply with the record-keeping requirements.

Note: Many cities pay overtime for hours worked over eight in one day; however this is not a requirement of the FLSA (except for certain municipal hospitals and nursing homes). Some cities have this requirement in their personnel policies or union agreements. These should be honored unless and until they are changed.

Definition of “Hours Worked”

Includes all hours that the employee actually performs duties that are for the benefit of the city, including:

- rest periods or “breaks” of 20 minutes or less;
- meetings and training programs;
- travel between work sites during the work day;
- time spent performing duties after hours or on weekends due to emergencies (call backs); and
- any time performing duties outside of the normal shift, even if it is not “authorized” (although unauthorized hours must be compensated, nothing precludes an employer from taking disciplinary action for failure to follow work schedule and work expectations).

All of the “hours worked” must be added together to determine if the employee exceeded 40 hours in one workweek. When computing “hours worked,” you do not need to include time that the employee was gone for vacation, sick leave or holidays, even if the time off is paid time off. Although some cities have policies or union contracts that require such hours to be included, it is not required under the FLSA.

There are also several examples of time that does not have to be included as “hours worked.”

- on-call hours where the employee

wears a beeper and is free to come and go as he/she chooses or merely leaves a telephone number where he/she can be reached but is not required to wait by the phone;

- meal periods of at least one-half hour where the employee is not performing any work;
- ordinary home to work travel.

Regular rate of pay

The regular rate of pay includes all compensation for employment, including base wages, longevity pay, on-call or standby pay, educational incentive pay, and most other forms of pay. It does not, however, include tuition or expense reimbursement.

Workweek

The workweek can be any period of time that the city chooses consisting of seven days in a row. It can begin at any time of day. However, the city must consistently use the same seven-day period (for example, Sunday at 12:00 a.m. through Saturday at 11:59 p.m. of every week). The city can also have different workweeks for different groups of employees as long as each employee group is told what their workweek is and it is documented in writing.

Compensatory Time Off

Cities are not required to provide the option of compensatory time off in lieu of paid overtime. (Be aware that a city policy or union contract may require the city to provide this option.) As noted above, under certain circumstances, a city may give compensatory time off in lieu of paid overtime.

Cities may do this when:

- it is established as a term or condition of employment (at time of hire);
- it is negotiated under a collective

- bargaining agreement; or
- it is mutually agreed upon with individual employees, before the overtime hours are worked.

The employee must be allowed to take compensatory time within a reasonable time period, unless it is an “undue hardship” for the city. (Courts have ruled that having to call in another employee at an overtime rate of pay does not constitute an undue hardship.) Cities cannot establish “use it or lose it” policies for compensatory time earned in lieu of overtime.

The FLSA sets a limit of 240 hours of compensatory time for most employees (160 hours at time and one-half). Police and fire employees have a higher limit (see Fair Labor Standards Act Police and Fire Employees). Most cities set a lower limit (e.g., 40 hours) because of the difficulty of granting employees so much time off. Remaining compensatory time must be paid at the time the employee terminates employment at what may be a higher rate of pay, so the cost of payout increases over time. To avoid this, some cities periodically cash out compensatory time (for example, paying off all compensatory time balances each December before starting the new year). This should be established in writing as a city policy and/or in a union agreement.

Child Labor Standards

The FLSA has certain restrictions on the type of work and the hours of work that may be performed by minors. The requirements of the FLSA must be coordinated with state laws on child labor. The HR Reference Manual on our web site at www.lmc.org has more detailed information.

Youth Minimum Wage

Cities may pay a “youth minimum wage” of not less than \$4.90 an hour to employees who are under 20 years of age during the first 90 consecutive calendar days after initial employment.

(Continued on page 15)

U of M Receives \$2.5 million Wine Grape Grant

By Matt Herbert, Minnesota Daily

In the past 30 years, the University of Minnesota has developed climate-enduring wine grapes that are now made into the four most widely produced wines in Minnesota.

A full crop of “cold hardy grapes” can withstand temperatures of up to 33 below zero.

Now, a \$2.5 million grant from the U.S. Department of Agriculture will allow researchers from the University and scientists from 11 other institutions to research more climate-resistant wine grapes, the acidity and taste within wine grapes and how best to market the wine to consumers.

Professor James Luby of the Department of Horticultural Sciences said the wine industry has been progressively growing in Minnesota for the last 15 years. “It’s a small industry, but there are now 33 wineries throughout the state and more than 1,000 acres of vineyards,” Luby said.

A bulk of the wine grape plantings in the state consists of grapes developed by the University. The four varieties include Frontenac, Frontenac gris, La Crescent and Marquette.

At the University’s Horticultural Research Center near Victoria, Minn. — about 25 miles southwest of Minneapolis — research continues to be conducted on the different tastes. Last year, researchers produced 100 different kinds of wines for genetic or optimization trials, according to Katie Cook, an enologist at the center.

Cook said all wine is experimental and used for evaluation, not sale.

Throughout the year, researchers conduct sensory and chemical evaluations, as well as tasting panels for both the wine and grapes.

Once the research center has produced a grape that generates a superior-tasting wine, it licenses the grapes to nurseries, which sell them to wineries.

Cook said she thinks the grant can really boost the wine industry as a whole.

“I hope the industry gets more advanced knowledge of the grape and learn how to make wines better,” Cook said. “I think the industry needs to learn how to market toward consumers and get the consumers interested.”

Cook said many consumers avoid new wines because they’re not familiar with them.

“Flavors change over time and people adapt to flavors,” Cook said. “Consumers flock to flavors they’re accustomed to.”

Horticultural master’s student Luke Haggerty, whose thesis involves grape and berry development, said that more knowledge is needed about wine and wine growing.

“We need to be able to produce higher-quality wines,” Haggerty said. “We need to learn more about our cultivars so we can use them in this frigid climate, both in the vineyard and in the winery.”

In 30 years I would like to be able to compare the Minnesota wine industry to what the Oregon wine industry is today.”

Fair Labor Standards Act (FLSA): Determining Exempt vs Non-Exempt

The Fair Labor Standards Act (29 U.S.C.A. §201-219) requires, among other things, that cities compensate covered employees at the rate of time and one-half for hours worked over 40 in one workweek. This Fact Sheet discusses which employees are covered (non-exempt) employees and which are not covered (exempt) employees. Cities should be aware that Police and Fire Department employees have some unique exemptions. See [An Overview of the Fair Labor Standards Act \(FLSA\)](#) and [Police and Fire Employees and the Fair Labor Standards Act \(FLSA\)](#) for more information on the FLSA.

All cities are covered by the FLSA, but some employees are “exempt” from the overtime provisions of the act.

To be “exempt,” employees must meet both of two separate tests: 1) duties test; and 2) salary basis test. Non-exempt employees must be paid overtime for all hours worked over 40 in one workweek; exempt employees do not earn overtime.

Being “salaried” does not mean the same thing as being “exempt.” With a few exceptions (e.g., doctors, lawyers), any employee who does not earn \$455/week will be considered non-exempt.

Duties Test

There are generally four types of exemptions used by cities. Employees must meet the criteria outlined in one of the following four exemptions (Executive, Administrative, Professional and Computer) in order to meet the “duties” test and be considered exempt.

Executive Duties

Executive employees must:

- Be paid at least \$455 per week on a salary basis;
- Have the primary duty of “managing”

the enterprise (e.g., the city) or a customarily recognized “department or subdivision” of the city;

- Regularly supervise two or more employees (at least 80 hours worth of employee work per week); and
- Have the authority to hire or fire other employees or have their recommendations on hiring/firing, advancement, promotion or other change of status decisions be given “particular weight.”

“Managing” includes: spending approximately 50% of work time on management activities like interviewing,

selecting and training employees; setting and adjusting employee rates of pay and hours of work; directing employee work; evaluating employee performance; handling employee complaints/grievances; disciplining employees; planning work and determining techniques; determining materials, supplies, equipment and tools to be used; planning and controlling the budget; and providing for employee safety.

“Department or subdivision” means a unit with permanent status and a continuing function. For example,

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in a larger city, there may be separate subdivisions within the Public Works Department for “Streets,” “Utilities,” and “Parks” and these subdivisions may meet the definition of a “department or subdivision” under the FLSA regulations. However, “department or subdivision” does not mean a group of employees assigned from time to time to work as a team on a specific job or project.

“Particular weight” refers to the requirement that a certain amount of consideration be given to an employee’s recommendations if that employee’s position is to meet the executive exemption.

The following questions are used to determine “particular weight”:

- Is it part of the employee’s job duties to make hiring/firing/job change recommendations?
- How often does the employee make such recommendations?
- How often are the employee’s recommendations taken (vs. overridden) by the Council or higher management?

An employee can still meet the executive exemption duties test if he or she sometimes performs nonexempt work (e.g., the labor or production work of the employees he or she supervises). However, the employee’s “primary duty” (see “General Definitions and Guidelines” section below) must be management.

Administrative Duties

Administrative employees must:

- Be paid at least \$455 per week on a salary basis;
- Have the primary duty of performing office or non-manual work directly related to the management or general business operations of the employer (the city).
- The office or non-manual work must require the exercise of discretion and independent judgment on significant matters.

If the employee’s primary duty is to administer the business affairs of a

city, the employee is likely an “administrator.” If the employee’s primary duty is providing the goods/services of the organization, the employee is likely a “production” employee. Work performed in areas such as finance, accounting, insurance, purchasing, human resources, computer network, internet and database administration is likely to be seen as administering the business affairs of the city.

To determine whether an employee exercises discretion and independent judgment on significant matters, the city should ask these questions:

- Does the employee have authority to formulate, interpret or implement management policies?
- Does the employee carry out major assignments and perform work that affects business operations to a substantial degree?
- Does the employee have authority to commit the city in matters with a significant financial impact?
- Does the employee have authority to waive or deviate from established policies and procedures without prior approval?
- Does the employee have authority to negotiate and bind the company on significant matters?
- Does the employee provide expert advice to management?
- Is the employee involved in planning long- or short-term business objectives?
- Does the employee investigate and resolve important matters for management?
- Does the employee handle complaints, arbitrate disputes or resolve grievances?

The more “yes” answers to the above questions, the more likely the employee would be considered exempt under the administrative exemption.

An employee can still qualify for the administrative exemption even if their decisions or recommendations are reviewed at a higher level and occasionally revised or reversed.

Professional Exemption

Professional employees must:

- Be paid at least \$455 per week on a salary basis and;
- Primarily perform work that requires knowledge of an advanced type in a field of science or learning (“learned professionals”) or work that requires invention, imagination, originality or talent in a recognized artistic or creative field (“creative professionals”).

In general, to meet the “learned professional” definition, the employee must do work that is mostly intellectual, requires the consistent exercise of discretion and judgment (not routine mental, manual, mechanical or physical work). The employee must use the advanced knowledge to analyze, interpret or make deductions from varying facts or circumstances. Advanced knowledge cannot be obtained at the high school level.

Lawyers, doctors, accountants (but not accounting clerks or bookkeepers), and engineers are examples of professionals that are likely to meet the requirements of this exemption. Occupations that can be performed with only the general knowledge of an academic degree in any field are not likely to qualify under this exemption. Nor are occupations in which the employees generally learn “on-the-job” rather than by obtaining an advanced degree.

To qualify for the “creative professionals” exemption, the employee must perform work in fields such as music, writing, acting and graphic arts. These must be determined on a case-by-case basis; cities may want to contact the League or work with a consultant/attorney in determining these exemptions.

Computer Exemption

Computer employees must meet the following tests:

- Be paid at least \$455 per week on a salary basis or, if paid on an hourly basis, they must be paid at least \$27.63 per hour;
- Perform work in the area of computer systems analysis, computer

- programming, or computer software engineering; and
- The employee must have a primary duty consisting of: Using systems analysis techniques and procedures to determine hardware, software or system functional specifications;
- Designing, developing, documenting, analyzing, creating, testing or modifying computer systems or programs based on and related to user or system design specifications;
- Designing, documenting, testing, creating or modifying computer programs related to machine operating systems; or
- A combination of the above duties requiring the same level of skills.

Combination Exemption

Employees who perform a combination of various types of exempt duties may qualify for exemption if the exempt duties, taken altogether, comprise the employee's primary duty. However, the employee must still be paid at least \$455 per week on a salary basis.

Highly Compensated Employees

An employee who earns \$100,000/year is exempt if the employee regularly performs any one or more of the exempt duties or responsibilities of an executive, administrative or professional employee. The employee must meet the salary basis test and be paid at least \$455/week on a salary basis. Fringe benefits may not be counted towards the \$100,000/year amount. This exemption applies only to employees whose primary duty includes performing office or non-manual work. Therefore, employees who perform physical work such as maintenance workers and laborers do not qualify for this exemption, no matter how much they earn.

General Definitions & Guidelines

Customarily and regularly

A customary and regular duty is a duty that is performed more often than just occasionally – i.e., normally performed every workweek, not isolated or one-time tasks.

Exempt vs. non-exempt work:

Exempt work is the work performed by executive, administrative, professional and computer employees. The definition of exempt work includes "closely related work" that exempt employees perform. An example of "closely related work" is when the Finance director uses computer software to prepare a budget presentation for the City Council. While technically this may be a non-exempt duty, it is closely related to his exempt duty of preparing the budget. By definition, any work that is not exempt work is non-exempt work.

Primary duty

To qualify for any of the above exemptions, an employee's primary duty must be executive, administrative, professional, or computer work. Primary duty means the principal, main, major or most important duty that an employee performs.

Factors to consider include:

- What is the relative importance of the exempt duties compared with other types of duties? (If the job exists mainly for the purpose of performing the exempt duties, it is likely to be considered exempt.)
- How much time does the employee spend performing exempt work? (Ideally it should be 50% or more of the time but this is not an absolute requirement.)
- How much supervision does the employee receive? How free is the employee to determine how to spend her time? (The more independence and freedom, the more likely it is to be considered exempt.)
- What is the relationship between the employee's salary and the wages paid to other employees for the kind of nonexempt work performed by the employee? (If the employee's pay is relatively close to the level of nonexempt workers, this may harm the employee's chance of being considered exempt).

Salary basis

To be compensated on a salary basis,

the employee:

- Must receive a predetermined amount of pay each pay period;
- Cannot be paid by the hour;
- Cannot be subject to variations in pay based on quality or quantity of work;
- Must receive the full salary for any week in which any work is performed. Deductions from the weekly salary can be made when:
 - The employee is absent for a day or more for personal reasons unrelated to illness or injury;
 - The employer imposes penalties for a major safety violation (e.g., suspension without pay);
 - No work is performed in that week.

According to the U.S. Department of Labor, public sector employers who have a personal leave and sick leave system that employees must use for partial day absences due to personal reasons or illness/injury can make deductions for these partial day absences when:

- Accrued leave is exhausted and the employee takes a partial (or full) day off;
- The employee did not request paid leave or the paid leave was denied but the employee still takes the time off as unpaid leave (partial or full day); or
- The employee requests the use of unpaid leave (partial or full day off).

Deductions from the pay of an exempt employee of a public agency for absences due to budget-required leave-without-pay programs shall not disqualify the employee from being paid "on a salary basis" except in the workweek in which the budget-required leave-without-pay occurs and for which the employee's pay is accordingly reduced.

Special Exemptions

The city may be subject to certain state law exemptions (listed below) if it meets this federal exemption:

Employees working in separate seasonal amusement and recreational

establishments are exempt from the federal wage and hour law if the establishment is physically separated from the rest of the city's operations, either by distance or structurally (e.g., a fence). In addition, it must be open no more than seven months of the year or its average receipts for any six months of the preceding year were not more than 1/3 of its average receipts for the other six months of the year.

If the city does not meet this federal exemption, then it must pay \$7.25/hour for recreation employees and time and one-half overtime for all hours worked over 40 in one workweek.

If it does meet this exemption, one or more of the following may apply:

- MN Statutes 177.23 subd. 7(14): The city is not required to pay minimum wage/overtime to any individual under 18 working less than 20 hours per workweek for a city as part of a recreational program.
- MN Statutes 177.24: The city must pay employees \$6.15/hour or more

if the city's revenues are \$625,000 or more and at least \$5.25/hour if the city's revenues are less than \$625,000. In addition, during the first 90 consecutive days of employment, the city may pay employees under the age of 20 a wage of \$4.90/hour.

- MN Statutes 177.25: The city must pay time and one-half overtime for all hours worked over 48 in one work week.
- Employees who freely choose to work part-time for the city in a different job than their normal job on an occasional and sporadic basis do not need to be paid time and one-half for the additional hours if: the duties in the two jobs are substantially different and they are working in two different departments.

If you have any additional questions, please contact the LMC HR & Benefits Department at 651-281-1200.

HR & Benefits 07/2011

Record-keeping Requirements

The FLSA requires employers to:

- Display their Minimum Wage poster (go to www.dol.gov to download a copy).
- Maintain detailed records of hours worked and wages paid to non-exempt employees and similar records on exempt employees, including: name, employee number, home address, birth date if under 19, sex, occupation, workweek, regular rate of pay, hours worked each day and total for week, total daily or weekly straight time earnings, total premium pay for overtime, total additions to or deductions from wages each pay period, total wages paid each pay period, and date of payment and the pay period covered.
- Maintain records on compensatory time earned, used and paid in cash as well as union agreements regarding compensatory time, even if they are verbal agreements.
- Preserve payroll records and union agreements for at least three years.

If you have any additional questions, please contact the LMC HR & Benefits Department at 651-281-1200.

HR & Benefits 07/2011

Quick Tip

End cap displays should grab the customer's attention and sell merchandise.

An end cap should sell as much merchandise at 50 percent of one side of the adjoining counter.

AN OVERVIEW

(Continued from page 10)

The city cannot displace an employee to hire someone at the youth minimum wage.

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W·C·W

The Power of Menu Design

By, <http://www.vaneefoods.com>

Just like the way big headlines, colorful photos and bold fonts lead us to read certain newspaper articles over others, the layout and design of a menu influence customers' ordering decisions.

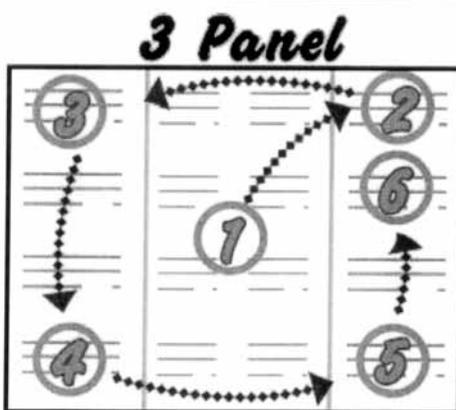
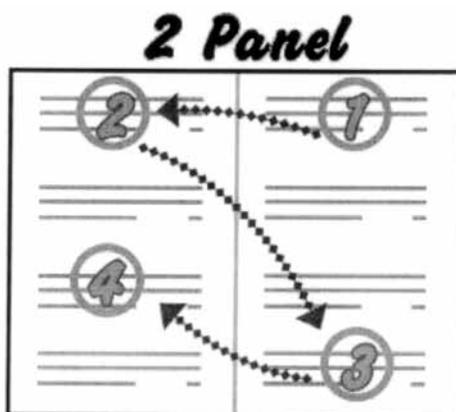
Guests look at menus for an average of 109 seconds before choosing their order, according to a recent Gallup poll. By making certain items stand out, you can increase the odds that high gross profit items, appetizers, desserts and beverages will be noticed in those short 109 seconds.

The menu is the only piece of printed advertising that you are 100 percent sure your customer will read. This being said, it is only logical to take advantage of this powerful tool by investing sufficient time, thought and resources into your menu or menu board.

Here are a few menu design techniques that will help your "silent salesperson" boost check averages and guest loyalty.

Firstly, most people do not "read" a menu from page to page like a book. Instead, they "scan" the menu with their eyes. If you want to feature specific menu items, they need to be placed where the eye goes first. Do not leave this to chance. The use of "eye magnets"

helps direct the gaze of the reader to that particular section.



• **Item Placement** People most often remember and buy the first two items or the last menu item in each menu category. Place your menu items with the highest gross profit in these spots on the menu.

• **Boxing Impact and Graphics** Highlight 10 to 15 percent of the space on your menu by boxing menu items. As a general rule box one out of every 7 to 10 items. Use type and color changes to draw attention to certain items. Add photos or graphic effects to highlight menu items with the best gross profit.

• **Page Positioning** On two-panel (page) menus people most often look at the top right-hand side first. On three-panel (page) menus, people most often look at the center panel first, and then move counter clockwise. Consider putting your high profit items such as specials or specialty drinks in these spots. (See figure right.) When choosing columns for your menu, try and keep each panel to a maximum of two columns. Any more than that and your menu could start looking like the classifieds.

• **Showcasing** Highlight types of foods by including menu headings such as "Chef Specialties" or "Fresh Salads" rather than using generic terms such as "Entrees".

• **Color and Font** Make sure your menu colors reflect your brand and overall restaurant feel. If you are a kid-friendly operation, using bright colors and graphics would be in order. However, these may not be appropriate for a French Bistro. When choosing fonts, also keep feel in mind, but remember not to choose anything that is too gimmicky or hard to read.

• **Test Run** Have a sample audience read your menu and give you feedback. And don't just give it to family and friends! Give it to people who you know will give you an honest opinion. Ask them if it is easy to read, if they understand the descriptions, and does it make your dishes sound appealing?



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Manufacturers Association

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Ste. Michelle Wine Estates

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Gold Member

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Silver Plus

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Web: www.bacardi.com

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J.J. Taylor Distributing Company of Minnesota, Inc.

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minnesota.asp

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