



CASE STUDY

Bubba Gump Cuts Costs with Enterprise Business Platform

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Based off the hit movie “Forrest Gump”, Bubba Gump Shrimp Company is a seafood chain that is committed to great food in a fun, casual dining environment. The company opened its first location in 1996, and now operates 32 locations worldwide.

With ambitious goals to double the number of locations over the next few years, the company knew that managing their business through excel spreadsheets was no longer an option. From inventory management to reporting, spreadsheets proved to be time consuming, inefficient and prone to human errors.

With a clear vision and determined goals, Bubba Gump turned to CrunchTime! Information Systems for an enterprise back office solution to streamline operations, cut food costs, and increase accountability throughout the organization.

The transformation from excel spreadsheets to a web-based centralized solution was a culture change for the organization, and was naturally met with some internal resistance. Central real-time data shed light on large variances and key areas where process improvements were needed. The management team at Bubba Gump seized this opportunity and began transforming their business. From reducing food costs and waste, to better menu planning & management, the Bubba Gump team has exceeded their goals and is “taking it to the next level”.

Results – When Shrimp Meets Back Office

Shortly after rolling-out, Bubba Gump was able to identify a number of substantial benefits from the CrunchTime! solution. First, Bubba Gump realized a 1.5% reduction in food costs across their restaurant chain largely attributed to centralized inventory management, greater internal accountability, reducing targeted variances, and portion control. The robust supply chain functionality empowers Bubba Gump to control their top priorities, including buying and selling shrimp. Moreover, new stores quickly brought their costs in-line, as opposed to the one year curve experienced before CrunchTime!.

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By using 'Actual vs. Theoretical' targeted variance reports and portion control tools, costs for core items such as shrimp, clam chowder and French fries have been significantly reduced. Initially, with only six stores live with CrunchTime!, Bubba Gump was losing several hundred cases of French fries per period. A year later, with four times as many stores using CrunchTime!, the variance in French fries is half of that. The change is largely attributed to more diligent preparation, less over-portioning, and accountability.

After the initial success of managing food items with CrunchTime!, Bubba Gump began using the solution to track and manage supply items and merchandise. From chemicals and paper to T-shirts, CrunchTime! is being used to order and monitor non-food and merchandise items, which is expected to deliver further cost reductions.

Bubba Gump stays ahead of the competition by focusing on food as the "hero". With several menu roll-outs per year, the company relies on CrunchTime! for menu planning, recipe costing, regional price analysis, and profit margin estimations. Once the menu is rolled out, the system provides Bubba Gump with dynamic profitability analysis to determine the profit margin impact of the new menu items.

CrunchTime! has proven to be an invaluable tool not only for reducing costs and streamlining operations, but for reducing managers time in the back office. Bubba Gump managers now spend more time ensuring a fun, unique and delicious dining experience for customers, and less time counting shrimp.