# Cost of Menu Labeling

In March 2010, Congress passed a national law requiring chain restaurants, supermarkets, convenience stores, and similar food service establishments with 20 or more outlets to list calories on menus, menu boards, and for food on display [21 U.S.C. 343(q)(5)(H)]. The FDA has finalized menu labeling regulations, which go into effect December 1, 2016. Many states and localities have already implemented menu labeling laws, and restaurants have not experienced burdensome costs or negative effects on business.

## **Menu Analysis Options**

Most chain restaurants already have nutrition information due to previous requirements to provide it in several states and localities. These chains would not incur new costs for analyzing their products.

More than three-quarters of supermarkets already have nutrition information available for some of their prepared foods (though they will need to provide it for all standard items). Many (78%) supermarkets employ registered dietitians, as well, who would be able to conduct recipe analysis. <u>http://cspinet.org/new/pdf/supermarketlabeling-report.pdf</u>

## **Cost of Nutrition Analysis by Chain**

The FDA estimates that 1,640 unique chains will need to comply with the new menu labeling law. The chart below lists the average cost *per chain* (not individual outlet) for nutrition analysis. That amount will vary depending on the type of analysis used—software database, software database service, dietitian, National Restaurant Association assistance, or laboratory analysis.

| Sector                      | Average Cost per Chain<br>for Nutrition Analysis |  |
|-----------------------------|--|--|
| Restaurant Chains           | \$45,720   |  |
| Grocery Store<br>Chains     | \$22,500   |  |
| Convenience Store<br>Chains | \$22,889   |  |

Data from:

http://www.fda.gov/downloads/Food/LabelingNutrition/UCM249276.pdf

### How Much Does Menu Analysis Cost?

#### Menu Analysis Software

In-house staff can use accurate, readily available, and inexpensive nutrition analysis software. Software to estimate the caloric and other nutrition content of items is available for as little as \$200. http://www.nutritionco.com/index.htm

#### **Software Analysis Services**

Restaurants and similar retail food establishments can hire companies to conduct menu item analysis. According to the FDA, database nutrition analysis services range from \$25 per item to \$100 for more complicated items. Analysis is available for as low as \$49 for 10 items.

http://menucalc.com/recipeanalysisplans.aspx

#### Laboratory Analysis

Although using laboratory analysis is not required, it can be used to determine nutrition information for menu items. The FDA 2011 Labeling Cost Model reports full nutrition lab analyses to be \$650 per item.

http://www.fda.gov/downloads/Food/IngredientsPac kagingLabeling/LabelingNutrition/UCM423985.pdf

#### **Registered Dietitians**

Many supermarkets and chain restaurants employ registered dietitians. Others could hire dietetic consultants.

## Healthy Dining and the National Restaurant Association (NRA)

The NRA has partnered with Healthy Dining to assist restaurants in providing nutrition information. Pricing is customized depending on the number of menu items, the complexity of the menu item, and status of membership. Analysis costs per menu item analyzed ranges from \$36–\$245. The price is reduced by 20% if the restaurant is a member of the state or national restaurant association. Contact <u>Erica@HealthyDiningFinder.com</u> for more information.

http://www.healthydiningfinder.com/Expert-Nutrition-Services#nutrition-analysis

## The Cost of Menu Labeling Is Similar to Other Restaurant Costs

When the cost of menu labeling *per chain* is compared to the money spent on restaurant equipment needed *by each individual outlet*, the costs associated with menu labeling seem modest. A restaurant or similar retail food establishment spends approximately \$13,000 for a walk-in refrigerator, floor fryer, and burner range for *each establishment*. This amounts to a quarter to a half of the cost of menu labeling *for an entire chain*.

| Company                                      | Refrigerator<br>(walk-in) | Floor Fryer<br>(35–90 lb capacity) | 6–10 Burner Range<br>with 2 ovens |
|--|---------------------------|------------------------------------|-----------------------------------|
| Ace Mart (acemart.com)                       | \$5,645-\$7,395           | \$650-\$4,399                      | \$3,475-\$5,116                   |
| Serv-U<br>(servu-online.com)                 | \$3,345–\$7,422           | \$625-\$3,852                      | \$3,150–\$9,324                   |
| Mission Restaurant Supply<br>(missionrs.com) | \$5,298–\$8,767           | \$579–\$3,615                      | \$2,220–\$5,331                   |
| Zesco<br>(zesco.com)                         | \$4,589–\$9,355           | \$612–\$2,312                      | \$3,150–\$7,265                   |
| Range  | \$3,345-\$9,355           | \$579–\$4,399                      | \$2,220–\$9,324                   |
| Average                                      | \$6,477                   | \$2,080                            | \$4,878                           |

For more information, please contact the Center for Science in the Public Interest: <u>nutritionpolicy@cspinet.org</u> or 202-777-8352.