

ALERT: MEALS TAX WILL NEED TO BE COLLECTED DURING THE SALES TAX WEEKEND

Governor Baker and the Legislature have worked together to arrive at a solution after realizing that most restaurant systems are not equipped to handle both taxable and nontaxable items on the same transaction.

As you know, the Massachusetts Department of Revenue came out with a bulletin two weeks ago informing operators that meals, for the first time, would be included in the annual sales tax holiday on August 17 and 18. Included in that release was the news that alcohol sold as part of a meal would not be exempt and



would still be subject to sales and local option taxes.

After the DOR release, we heard from many of you that this would be truly be a burden for owners, employees and the general public. There were questions about local option taxes in addition to not having systems equipped to tax one item while exempting another. Additionally, the function business had numerous issues: questions about events scheduled for those days but paid in advance or partially paid with a deposit, functions booked on that day for the future, among numerous other potentially problematic situations.

Last night, Governor Baker signed legislation to have meals continue to be subject to the sales tax as has been the case for previous sales tax holidays.

This brings an end to a two week ordeal that would have required every restaurant in MA to invest countless hours of programming and cost to comply, for two days, which as you know are already two of the busiest days of the week. Restaurant owners and their employees would have been left to explain why part of their meal was tax free, while another part of their meal was not, to an uneducated dining public. Certainly the burden far outweighed any potential benefits.

Restaurant owners should suspend any efforts to comply with the DOR announcement and proceed with business as usual.

LETTER FROM THE CHAIRMAN



Dear Members,

Here we are in the dog days of summer and I hope all of you have found time to enjoy some time with family as well as some great sales at your restaurants. It is important that we all balance our lives and prioritize, and I know firsthand that is an awful lot easier to say than it is to sometimes accomplish.

August is also the time to make certain we are ahead of the hiring curve, as we

all know there will be surprises come the second and third week this month with employees deciding to go to school, or transfer to another school further away making it difficult to continue in their position with you. This is always a challenge for us, but it's far more amplified this year with the staffing shortage as difficult as it is in our industry. Never in my career have I seen it this tight – it is a crisis without exaggerating the situation at all. There is no easy answer, but what it does is remind me just how important spending time with our employees is, making certain we can do whatever possible to make their work experience a positive one.

Cross training our staff has become more critical as a result. Taking dishwashers and training them to be prep cooks, and then starting to work them onto the cook's line quickly. Taking the host/hostess and training them on the floor earlier than we might have in the past, and of course taking servers and getting them comfortable on the bar. It also means looking at our menus and making them more streamlined than in the past so maybe we can run the line with one less cook.

We also must start to look at technology more and more to see how that can help our staffing solution. Can hand helds help facilitate second drink and dessert orders, make cashing out easier, and allowing us to extend four table stations to six table stations and still provide great service? I am not certain, but I think in our restaurants we are going to have to start to look at these possibilities and I imagine you are also thinking about them.

At the end of the day, we will get through this time, we always do, because we are restaurateurs, we are resilient, and we always persevere! Have a great end of summer.

Sincerely,

Jeff Gates MRA Chair

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CURRENT ECONOMIC INDICATORS - MASSACHUSETTS MEALS TAX COLLECTIONS

MAY 2019: \$103,630,216 MAY 2018: \$97,720,588

6.0%



JUN 2019: \$112,161,199 JUN 2018: \$106,993,976

4.8%
INCREASE



YTD 2019: \$1,250,896,640 YTD 2018: \$1,185,793.684

5.5%
INCREASE



CONSUMER CONFIDENCE (0-150 scale)

| | United States | New England | |
|-----|---------------|-------------|--|
| MAY | 134.1 | 125.9 | |
| APR | 129.2 | 113.5 | |
| MAR | 124.2 | 24.2 111.0 | |
| FEB | 131.4 | 118.5 | |

UNEMPLOYMENT as of August 2, 2019

Massachusetts:

3.0%

United States:

3.7%

PRICES (YR OVER YR)

Wholesale food prices in June 2019:

DOWN 0.5%

Menu prices: UP 3.0%

LOBSTER TAILS ON THE MENU NOW!

A long-sought measure to expand and modernize lobster processing regulations in Massachusetts has been signed into law by Governor Baker.

The new law will allow Massachusetts lobster processors to begin in-state transport and processing of raw, shell-on lobster parts.

Under the measure, wholesale seafood dealers licensed by the state Department of Public Health will be able to process raw lobsters and import raw, shell-on lobster parts and tails. It also provides for the retail sale of already-frozen raw, in-shell tails.

Previously, Massachusetts laws allowed only the sale of live, cooked and canned lobster, as well as the processing and sale of frozen and cooked lobster tails.

Those laws prohibited lobstermen and vendors from selling, processing or transporting other forms of lobster for in-state processing, forcing the industry to ship the lobster or lobster parts to processors in Maine and Canada.

A study from the state Division of Marine Fisheries states the new regulations would result in "economic benefits throughout the state's seafood supply chain" and afford seafood consumers "greater access to desirable seafood products."

SAVE THE DATE!

MARK YOUR CALENDAR! MRA STARS OF THE INDUSTRY GALA: WED, NOVEMBER 13

A favorite event for many, MRA Stars of the Industry Awards Gala will be held at Lombardo's in Randolph on Wednesday, November 13th!

RESTAURANT PROMOTION COMMISSION INCLUDED IN STATE BUDGET

The Restaurant Promotion Commission as created by Outside Section 53 of the House Budget and funded with a \$2 million appropriation through the Mass Office of Travel and Tourism, was included in the final version of the FY2020 budget. The MRA would especially like to thank House Speaker Robert DeLeo for his leadership and thoughtfulness around this issue and for making the success of restaurants a priority for this legislative session.

The restaurant commission will examine ways to increase promotion of and visitation to restaurants operating in the Commonwealth, including: challenges to maintaining and operating restaurants; issues related to the training, development and retention of the industry's workforce; barriers to establishing new restaurants; licensing and permitting issues impacting emerging business models; strategies for increased marketing to attract visitors to the Commonwealth's restaurants; and

MDA mombars in Hours Speaker Debot Delegate discuss the suppose

MRA members join House Speaker Robert DeLeo to discuss the success and opportunities the restaurant industry provides for Massachusetts.

strategies for cross-promotional partnerships, with the hospitality, agriculture and seafood industries.

This investment comes at a vital time for the restaurant industry. Restaurants across Massachusetts are facing an unprecedented increase in the financial burden to stay operational. The average restaurant spends 95 cents of every dollar on the production and service of each meal served.

Massachusetts has some of the best restaurants in the world. We are home to James Beard award winners and nominees, culinary innovation and must-have dishes. Our restaurants are there for us in times of celebration and times of sorrow. The successful implementation of this commission will provide a much needed economic boost to an industry that hires our neighbors, our children, and sometimes those down in their luck and needing a break. Restaurants provide first work-life skills training for teenagers, flexible job opportunities to earn extra money around an individual's personal schedule and a career ladder unmatched by any other industry.

Now that the language has been signed into law, Commission members will be appointed. The MRA will play a prominent role in both the creation and implementation of the commission and its recommendations.

THE ABCC ANNOUNCES REGIONAL TRAINING



The Alcoholic Beverages Control Commission announces regional training seminars for all Local Licensing Authorities. The seminars will be held at eight locations throughout the Commonwealth. These seminars are open to anybody involved in the liquor license process. Topics for discussion include: the retail license application process; farmer series pouring permits; website updates; 2020 renewals; section 15 increase from 7 to 9 licenses and one day special licenses with additional presentations from the Division of Industrial Accidents (DIA) and the Department of Unemployment Assistance(DUA).

Click here for dates and locations.

2019 PAC FUNDRAISER WITH THE RIHA & CRA



Join the MRA, Rhode Island Hospitality Association and Connecticut Restaurant Association as we team up to raise funds for the National Restaurant Association PAC.

This is a combined fundraiser for the NRA PAC (50% of what MA raises) and the MRA Legislative Advocacy Fund (50% of what MA raises).

SEPTEMBER 18, 2019 TWIN RIVER CASINO LINCOLN, RI

This year, we are traveling to Twin River Casino, just over the border in Lincoln, RI. In addition to helping us build our grassroots coalition, we will have fun with Fred Smerlas and Steve DeOssie who will host us and share stories, a bourbon tasting, and cigars.







STEVE DeOSSIE

CONTRIBUTION LEVELS*

I'M ALL IN: \$1,000

CAUGHT THE ACE: \$500

BUMP THE BET: \$250

ANTE: \$150

*All corporate and personal contributions are welcome in advance or at the door.

All personal funds will be contributed to the PAC while corporate contributions will be to LAF.

SCHEDULE

2pm MRA Board Meeting

5pm Reception
Dinner with
Food Stations

6:30pm Live Auction with Fred Smerlas & Steve

DeOssie

7pm Cigars & Bourbon at Steve's Blackstone Cigar Bar

HOTEL INFO

Reserve your hotel today at a special rate of \$109.00 plus fees and applicable taxes. Call 800-874-3669. Hours are 9am-9pm daily using code RIHOSP2019

Deadline for room block is August 28, 2019.

Please join the MRA Board immediately following our QUARTERLY meeting to discuss important industry news and for great communication with your peers!

REGISTER HERE

























WE ARE THE MRA

MEMBER PROFILE

RESTAURANT: MAST' Restaurant **OWNER/CHEF:** Marco Caputo

CITY: Boston

FOUNDED: 2014/ MEMBER SINCE: 2019

WEBSITE: www.mastboston.com

RESTAURANT SPECIALTY: Classic Neapolitan cuisine, home made pasta and bread and the only certified place in Massachusetts for Vera Pizza Napoletana.

WHY IS THE MRA IMPORTANT TO YOU AND YOUR RESTAURANT?

MRA is a great association that helps and builds credibility and visibility for restaurants, they keep you informed on every update in the restaurant industry, suggesting the best for your establishment. Sharon is a volcano full of ideas and suggestions. She got me on board just meeting her for the first time. She is very professional and knows the business and my needs.

Fun Facts about MAST' Restaurant

- 1. MAST' takes you straight to Napoli, as soon as you pass through the door you breath in the Neapolitan atmosphere here the voice and the sound of "Neapoletanita".
- 2. Almost everyone speaks Italian (Neapolitan) from the hostess to the Mastro Pizzaiolo, to the bartender, servers, and the kitchen chef and sous chefs.
- 3. We are friends and family with our customers so they feel at home. We know their names and needs, and we treat their kids just as they were our kids.
- **4.** You can walk in and find me in the building, painting, making pizza (not my thing, so expect an oval pizza if I'm behind the counter upstairs) or outside the kitchen with my fancy t-shirts.

SPONSORSHIPS AVAILABLE FOR THE GOLF EVENT AT PINEHILLS GOLF CLUB

We are offering hole sponsorship opportunities to all MRA members!

Cost: \$125.00 - includes a tee sign with your logo as well as recognition at the podium at the August 20th golf event.

DEADLINE TO SPONSOR: Monday, August 12th, end of day



If interested, email Renée here.

TWO RESTAURANT TECHNOLOGY BUSINESSES TO KEEP AN EYE ON

As The MRA is a direct link to the restaurant community in Massachusetts, we often have a first look at emerging technologies that will have an impact on your business. There has been a ton of activity and noise in this space so being out in front of this gives us the opportunity to sift the wheat from the chaff and only align ourselves with those technologies that add value. For instance, we met with the team at Toast POS when they had 7 employees in a little space in Cambridge, and when Trip Advisor decided to add a wing of employees to solely focus on restaurants we were in the room and a part of the discussion.

Understanding that in order for all of us to stay vibrant and successful, we need to be aware of and adopt new technologies that will streamline our business, drive revenue and cut costs. Following are a couple of new local MRA Members that should fall into the category of "we should keep an eye on." If applicable for your business, you should grab some time with their teams. Restaurant Technology 2025 isn't going to look a lot like we do today, we might as well be out in front of it.

paerpay

Founder Derek Canton has set out to disrupt how check paying transactions occur at

the restaurant level. His technology allows for customers to access their check on their smart phone, chose what to pay, split checks and complete the transaction. Initial tests have shown that the guest loves that ability and flexibility to pay and go which leads to increased table turns and revenue. Check them out by following this link.



Restaurant operators know OpenCity the variability that occurs from shift to shift when addressing

guest questions with phone calls, company websites or using social media. OpenCity, a Boston based start-up, is an innovative AI (Artificial Intelligence) application that seamlessly manages the customer communication process and automatically responds to questions with 24/7 coverage. The technology makes your guests feel as though they're interacting with a person (not a robot). and if the subject matter is too complicated, the AI refers it to a staff member. The product seamlessly integrates with Google, Facebook, Instagram, OpenTable, Reserve, Resy, Tock, Tripleseat and many other platforms. And the beautiful part - it's easy to use and only takes minutes to install. The OpenCity Al can also book reservations, capture event requests and respond to mobile orders. This frees up your staff to focus on taking care of your in-house guests. OpenCity has the rest covered 99% of the time. Curious to see how this game-changing technology works, click here and you'll be amazed at what their AI assistant can do.

OpenCity is also creating great content through their "Breaking Bread" video series, with insights from industry leaders, such as Noah Glass (founder Olo), Tom Frank (founder PF Chang's), Gregg Rapp (Menu Engineer), Erin Childs (President Boloco), Erle Dardick (founder MonkeyMedia) and more. Topics include online ordering, company culture, menu management, organizational structure, hiring great talent, catering and much more. To view the series, simply follow OpenCity on LinkedIn.

MRAEF SCHOLARSHIP RECIPIENT & PROSTART STUDENT SPOTLIGHT



MRAEF Scholarship Recipient & ProStart Student DARREN FOSTER



FUTURE LEADERS
OF OUR INDUSTRY

Name: Darren Foster

High School: Carver Middle High School

Culinary School: Endicott College **Major:** Business Management

Who or what inspired you to pursue a career in the hospitality industry?

My Culinary instructor, Chef Portelance has been my biggest inspiration to go into the hospitality industry. Before I took his class, I wanted to go into the military, I had no idea what I was going to do or what I was good at. He showed me his passion, which kindled my own. Now I can't imagine doing anything else with my life.

What is your ultimate goal within the hospitality industry?

My ultimate goal is to have a collection of restaurants in the Massachusetts area. Much as the Viscariello's (The family that owns Mamma Mia's, Carmella's, and their new restaurant Three V) have done, I want to give my customers a name and a brand they can rely on for both great food, and a friendly atmosphere.

From your experience in hospitality so far, what is the most important thing you have learned?

The most important thing that I have learned about hospitality, is to be conservative. When it comes to marketing, stocking food, or even determining how many employees will be on in one night, be safe. Don't think of the best opportunity and prepare for the best outcome,

prepare for everything, particularly for the worst. Optimism is a powerful force, it can be a great thing, but it can kill a new business, particularly restaurants. For every financial estimation you make, round down, make a cushion, and let your plan work better than expected, not worse.

Do you have any advice for students interested in pursuing a career in the hospitality industry?

For any and all students who look to pursue a career in hospitality: if you don't already work in a restaurant, get a job there immediately. Work on your people skills, find out what it takes to make a customer happy, and find out if you even like the industry. If you find yourself unable or unwilling to go above and beyond for customers, you know that hospitality isn't for you. If you find that customers are coming back, just to see you, and likewise, you find yourself looking forward to serving them again, you've found where you belong. Also, start taking presentations at school more seriously, even for little things, make your presentation the most interesting, the funniest, the most informative. Discover what it takes to engage an audience, this will all help you along the way, and remember that it is never to soon to start making connections and networking.

EDUCATION NEWS & EDUCATIONAL TRAINING



SAVE THE DATE: 2019 EDUCATION SUMMIT INDUSTRY STRATEGIES FOR TODAY & TOMORROW

Date: Monday October 28, 2019
Place: The Verve, Natick
Mark your calendars for a great
lineup for this year's summit!

Educational Foundation

Massachusetts
Restaurant
Association

Featuring Rhonda Kallman, Founder & CEO of Boston Harbor Distillery as a keynote speaker.

Other sessions include, *Around the Restaurant Industry in 60 Minutes*, a Tech Panel including MRA members OpenCity, paerpay and Branchfood, plus more to come!

Thank you to our event sponsors:









2019 SERVSAFE TRAINING SCHEDULE

| SERVSAFE MANAGER | | | | |
|--------------------------|----------|-------|--|--|
| DATE | LOCATION | TIME | | |
| August 14th & 28th | MRA | 4-8pm | | |
| September 16th & 30th | MRA | 4-8pm | | |
| October 7th & 21st | Kowloon | 4-8pm | | |
| November 6th & 20th | MRA | 4-8pm | | |
| SERVSAFE ALCOHOL | | | | |
| August 26th | MRA | 4-8pm | | |
| September 11th | MRA | 4-8pm | | |
| December 18th | MRA | 4-8pm | | |
| SERVSAFE RECERTIFICATION | | | | |
| October 15th | MRA | 4-8pm | | |
| December 9th | MRA | 4-8pm | | |
| | | | | |



To sign up for training, call (508) 573-4180

CLASS LOCATIONS:

MRA:

160 East Main St., Suite 2 Westborough, MA

KOWLOON:

948 Broadway, Saugus, MA

CHOKE SAVING COURSES AVAILABLE AT THE MRA



UPCOMING CLASSES

Thursday, August 8, 2019 Thursday, September 12, 2019 Thursday, October 10, 2019 Thursday, November 14, 2019

All classes are 10-11am.

CLASS LOCATION:

Massachusetts Restaurant Association 160 East Main Street, Suite 2 Westborough, MA 01581

Click **HERE** to register.

WELCOME NEW MRA MEMBERS!

Buttonwood

51 Lincoln Street Newton Highlands, MA 02459 (617) 928-5771 David Punch

Devlin's Tavern

15 N. Main Street Bellingham, MA 02019 (508) 657-0196 Ms. Liz Devlin

Eddie Shore Enterprises Inc.

P.O. Box 1088 Agawam, MA 01001 (413) 478-1051 J Pokorny

Jams Deli & Market

14 Truro Center Road Truro, MA 02666 (508) 349-1616 Dawn Snow

Little Big Diner

1247 Centre Street Newton, MA 02459 (857) 404-0068 Shane Smyth

Roberto's

223 Pleasant Street Northampton, MA 01060 (413) 584-0204 Peter St. Martin

Sycamore

755 Beacon Street Newton, MA 02459 (617) 244-4445 Shane Smyth

The Red Raven, Inc.

3 Nagog Park Acton, MA 01720 (978) 274-2231 Jenifer Apazidis

Walrus & Captain

PO Box 186 Marion, MA 02738 (508) 758-8124 Kate Sudofsky

Pixels & Pints

179 Grafton St Worcester, MA 01604 (617) 899-9323 Jason Eastty

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