

# SUCCESS STORY

## Condado Tacos Saves Big



If you crave Baja shrimp tacos and Mexican street corn with a frozen Tequila Sunrise, Condado Tacos is calling your name. With 33 restaurants in six states, the quick-service restaurant chain prides itself on taking a fresh approach to classic flavors.

SIB likes a fresh approach, too, especially when it comes to cutting vendor costs and building our client company's bottom line.

### The Challenge

Backed by The Beekman Group, Condado is growing fast. Each new location brings more vendors, contracts, invoices and complexity—especially as Condado moves into more states. As it expands from a regional group to a national corporation, its management team stays busy.

"I have two main objectives," explains Chris Artinian, president and CEO. "I need to ensure that food quality, staff and service are running at 100% for each location. Financially I need to keep everything operating at peak performance to drive results for Beekman."

Running a restaurant chain involves a long list of regular service vendors to keep operations running. Table linens, uniforms, laundry, grease traps, dumpsters and janitorial services are obvious costs. Then there's heating and cooling, cooking fuel, insurance, phone/internet, and even bank fees to pay. These are areas of significant expense, but they are usually not the kinds of services that financial managers are well-versed in.

### The Solution

Most executive teams have enough to worry about without delving into vendor costs and contracts. This is where SIB, an established cost-reduction company, adds the most value. Their proprietary database of costs—gathered from 100,000 locations for all types of businesses—gives them insight to benchmarked pricing across the country.

"Even if we had the in-house expertise, we couldn't do the job as well as SIB," emphasized Artinian. "They know our vendors, and they know what other companies are paying for those services. We pay SIB a fixed percentage of our savings, yet 100% of the savings goes to our bottom line, raising our EBITDA significantly."

Before signing the contract, SIB worked with Condado to develop an initial estimate of potential savings. Condado chose their top areas of focus and gave SIB the green light to get started.

SIB analysts review past invoices and check every line item for necessary services, rates, errors and refund opportunities. While preserving vendor relationships, they secure best-in-class rates, check contract compliance, negotiate favorable terms and pricing, and identify and correct billing errors.

"I wish I had known about SIB a long time ago. It took less than four hours of our team's time, and SIB found huge savings."

### The Result

Condado benefited from almost \$93,000 in annual savings on internet, phone, waste removal, natural gas, electricity and laundry services. For those states where natural gas and electricity are deregulated, SIB arranged energy procurement contracts that resulted in \$37,000 in annual savings.

Going forward, SIB will continue to review Condado invoices for accuracy and additional savings opportunities. Now Condado's management team can rest comfortably knowing their vendor costs are managed. This allows them to focus on the things they do best while nurturing their business.

SIB works with multi-site restaurants and other businesses to find an average of **20-40% savings** for regularly billed vendor services.

