THE GRAVITY RESTAURANT LEADERSHIP SYSTEM

The Gravity Restaurant Performance and Profitability System

A practical control system for turning restaurant sales, cost, mix, channel, and exception data into weekly profit decisions.

OPERATING MANUAL

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Publishing and Use Notice

 The Gravity Restaurant Performance and Profitability System is a component of The Gravity Restaurant Leadership System.

This product is an operational education and management resource. It is not accounting, audit, tax, legal, investment, valuation, or lending advice. It does not replace the restaurant's accounting records, POS, payroll, inventory, tax returns, lender requirements, professional advisers, or contractual obligations. Definitions must be mapped to the restaurant's approved chart of accounts and reporting policies before use.

MANAGEMENT RULE **A preliminary operating estimate may support a timely decision, but it must never be presented as a closed accounting result.**

Inside This Guide

The Management Problem This System Solves

Restaurant leaders often receive sales immediately, labor later, food cost on another schedule, delivery settlements separately, and a formal operating statement after the decisions have already been made. The result is reactive price changes, promotions without contribution math, profitable-looking channels that lose money after deductions, and weekly meetings without one controlled definition of profit.

CENTRAL STANDARD **The purpose is not to create more numbers. It is to create a trusted path from source data to a decision, an owner, and verified financial and operating evidence.**

The profit operating loop

1. Map and verify the source data.
2. Translate sales, volume, price, mix, and variable cost into comparable contribution evidence.
3. Locate the largest decision-ready exception or opportunity.
4. Assign one action, owner, due date, expected effect, and proof.
5. Retest the result, update the standard, and close or reopen the action.

What this system is not

- A replacement for bookkeeping, payroll, inventory, POS, scheduling, or tax software.
- A promise that one benchmark applies to every restaurant, concept, market, channel, or accounting policy.
- A reason to cut labor, portions, quality, safety, hospitality, or maintenance without examining the operating consequence.
- A forecast that becomes true because it appears in a dashboard.

1. System Architecture

Thirty tools are organized into six decision areas and share one source map, period basis, ID structure, definition library, action process, and review cadence.

SYSTEM IDENTITY Use GRV-P01 through GRV-P30 as the official tool IDs. GRV-P receives inputs from the other Gravity systems; it does not recreate their operating records.

Financial foundation

- Source and account mapping
- Weekly preliminary snapshot and monthly closed-statement review
- Break-even and margin-of-safety estimates

Menu performance

- Verified recipe-cost inputs from GRV-F or the inventory system
- Contribution and sales-mix analysis
- Menu engineering, pricing, action, and retesting

Revenue and demand

- Daily sales, checks, guests, and average check
- Daypart, forecast accuracy, mix, capacity, and lost-demand evidence

Channel and offer profitability

- Comparable channel economics
- Third-party delivery deductions
- Promotion, redemption, catering, and event contribution

Leakage and controls

- Discount, comp, void, refund, override, cash, and deposit exceptions
- Pattern diagnosis and authority controls

Management planning

- Weekly review and monthly scorecard
- Improvement plans and corrective-action closure

2. Roles, Rights, and Separation of Duties

A small restaurant may combine roles, but the source, preparer, approver, and reviewer responsibilities must still be visible.

OWNERSHIP RULE **One named person owns each next result. The same person should not approve and independently verify a material exception when separation is practical.**

Owner

- Approves financial definitions, targets, major price and channel decisions, exception authority, and capital actions.
- Reviews monthly results, material risks, and the 90-day portfolio.

General manager

- Owns the weekly review, management estimates, action follow-through, and operating explanations.
- Ensures profit actions do not weaken safety, hospitality, quality, or approved standards.

Finance or accounting owner

- Maintains the approved chart-of-accounts mapping, close status, reclassifications, and tie-outs.
- Identifies which numbers are preliminary, adjusted, or final.

Chef or cost owner

- Supplies verified recipe, yield, portion, and current ingredient-cost inputs through GRV-F or the approved cost platform.

Marketing, channel, or event owner

- Supplies offer, platform, settlement, campaign, and event records and owns post-action measurement.

Manager on duty

- Captures daily sales context and exceptions and protects the integrity of approvals and source records.

3. Data Sources and Tie-Out Discipline

Every result must disclose where it came from, when it was refreshed, what period it covers, and whether it ties to the approved source.

Typical source systems

- POS: checks, guests/covers, net sales, item mix, discounts, comps, voids, refunds, taxes, tenders, and channels.
- Payroll/scheduling: labor dollars, employer burden if included, labor hours, and job/department mapping.
- Inventory/recipe: item cost, recipe yield, purchases, waste, theoretical and actual usage where available.
- Accounting: closed sales, cost of sales, operating expenses, occupancy, other income/expense, and operating profit.
- Delivery/payment/event platforms: settlement deductions, commissions, marketing fees, refunds, transaction costs, deposits, and direct event costs.

Tie-out standard

- Match the source period and location before comparing totals.
- Document gross-versus-net treatment for sales, taxes, tips, service charges, discounts, refunds, and platform adjustments.
- Keep manual adjustments in a visible adjustment field with owner, date, reason, and source.
- Do not force a tie by hiding unexplained differences in another category.

Preliminary versus final

- Daily and weekly views may use estimates when the source is not yet closed.
- Label estimates and known missing data.
- Replace or reconcile estimates after accounting close.
- Retain the explanation when a preliminary conclusion changes.

4. Controlled Financial Definitions

The restaurant must choose and approve its definitions. The system uses the following management definitions unless the approved accounting policy says otherwise.

DEFINITION RULE **Never compare two margins unless the numerator, denominator, period, location, channel, and included cost categories are the same.**

Net sales

Gross menu and service revenue less discounts, comps, refunds, and other contra-revenue items, excluding sales tax and guest tips unless the restaurant's policy requires a different presentation.

Variable cost

A cost expected to change materially with the relevant sale, item, order, event, or channel during the decision period. Whether a cost is variable depends on the decision and time horizon.

Contribution margin dollars

Net sales less the variable costs included in the approved decision definition.

Contribution margin ratio

Contribution margin dollars divided by net sales. The included variable-cost categories must be listed beside the metric.

Gross profit

Net sales less the restaurant's approved cost-of-sales categories. This is not automatically the same as contribution margin.

Operating profit

The profit measure from the approved operating statement after the restaurant's defined operating expenses. State whether owner compensation, depreciation, interest, taxes, corporate allocations, and unusual items are included. Average check is net sales divided by checks; sales per guest uses guests or covers instead.

5. Break-Even and Margin of Safety

Break-even is a planning estimate that converts fixed cost and contribution behavior into a sales requirement.

EXTERNAL BASIS **The U.S. Small Business Administration describes break-even sales as fixed costs divided by contribution margin; its guidance also warns that break-even is an estimate rather than a final accounting result.**

Core formulas

- Contribution margin ratio = (net sales - approved variable costs) / net sales.
- Break-even sales = fixed costs / contribution margin ratio.
- Sales for target profit = (fixed costs + target profit) / contribution margin ratio.
- Margin of safety dollars = actual or forecast sales - break-even sales.
- Margin of safety percent = margin of safety dollars / actual or forecast sales.

Use conditions

- Use the same time period for fixed costs, sales, and variable costs.
- Do not use the formula when net sales or contribution-margin ratio is zero or negative.
- Test more than one contribution assumption when mix, price, or channel is changing.
- Treat the result as an estimate; multi-product restaurants have a moving sales mix.

Decisions it supports

- Required weekly or monthly sales
- Promotion and channel sensitivity
- Capacity or operating-hour review
- Target-profit planning
- Early warning when forecast sales approach break-even

6. Menu Contribution and Menu Engineering

Menu engineering combines relative popularity with item contribution. It is a decision prompt, not an automatic command to remove low-ranked items.

BOUNDARY WITH GRV-F **GRV-F owns recipe, yield, portion, waste, purchasing, and inventory controls. GRV-P verifies and consumes those inputs for item and menu decisions.**

Required inputs

- Current selling price by channel
- Verified recipe and yield cost
- Packaging, item-specific platform fee, discount, or other variable cost when relevant
- Units sold and net item sales for one defined period
- Category and availability context

Classification method

- Define the comparison set before calculating relative popularity.
- Choose and document the popularity threshold and contribution threshold.
- Classify each item as high/high, high/low, low/high, or low/low.
- Keep the numeric evidence visible; labels such as star or puzzle are optional shorthand, not the analysis.

Interpret with context

- An item may support a menu category, dietary need, bundle, or guest expectation even when direct contribution is lower.
- Unavailable days, features, menu placement, training, and recipe inconsistency may distort the period.
- Retest after one controlled action rather than changing price, recipe, description, and placement simultaneously.

7. Pricing Decisions

A price increase can improve contribution per item and still damage traffic, mix, trust, or channel economics. The decision must show both arithmetic and operating consequences.

Decision evidence

- Current price, cost, units, contribution, and guest-value role
- Proposed price and contribution
- Expected volume response expressed as a visible assumption or range
- Competitive and channel context
- Menu, technology, disclosure, tax, contract, and training requirements

Controlled test

- Choose the location, channel, item, date, and test period.
- Name the primary result and guardrails before launch.
- Protect comparable baseline data.
- Review unit volume, contribution, mix, complaints, substitutions, and operating execution.
- Continue, change, or reverse according to the approved rule.

8. Demand, Dayparts, Forecasts, and Capacity

Sales movement becomes actionable only after managers separate guest count, check, mix, channel, availability, and operating constraints.

Daily evidence

- Net sales, checks, guests/covers, average check, sales per guest, and sales per labor hour
- Day, daypart, location, channel, event, weather, closure, stockout, or unusual promotion context
- Source completeness and POS-close status

Forecast accuracy

- Forecast variance dollars = actual sales - forecast sales.
- Forecast variance percent = (actual sales - forecast sales) / forecast sales when forecast is not zero.
- Accuracy for a period may be expressed as 1 - absolute variance / actual sales, guarded when actual sales is zero.
- The important output is the reason and method change, not a favorable-looking average.

Capacity review

- Use covers/orders, seats or stated capacity, turns, waits, walkaways, denied reservations, and unused periods.
- Separate true demand constraint from slow execution, poor pacing, menu complexity, staffing mismatch, or channel congestion.
- Send staffing actions to GRV-C and SOP changes to GRV-S.

9. Channel and Third-Party Delivery Profitability

Every channel should be compared on the same net-sales and variable-cost basis, while preserving its guest, capacity, and strategic role.

Channel calculation

- Begin with restaurant net sales, not an unreconciled marketplace gross figure.
- Subtract approved food/beverage cost, packaging, commission, transaction fee, channel-funded discount, refund, chargeback, and incremental labor or delivery cost.
- State whether marketing, technology, fixed labor, and overhead are included.
- Compare contribution dollars, ratio, order volume, average order, capacity effect, and guest relationship value.

Delivery control

- Reconcile marketplace sales to settlement deposits and the accounting record.
- Separate platform commission from advertising, discount funding, refund, and other adjustments.
- Check contract, menu-price, disclosure, and parity requirements before changing price or assortment.
- Review item availability, packaging, accuracy, refund reasons, and guest experience along with margin.

Current industry reason

- National Restaurant Association survey results submitted in 2026 reported that many operators pay substantial third-party delivery fees and that a material share of operators do not consider those orders profitable.
- The system therefore requires restaurant-specific settlement math instead of assuming that more delivery sales always create more profit.

10. Promotions, Discounts, and Incremental Margin

A promotion should buy a defined behavior or relationship outcome at an approved cost. Redemption alone is not proof of profit.

CRM CONNECTION **GRV-R owns audience, permission, campaign, loyalty, and relationship follow-up. GRV-P owns the financial test and post-offer contribution review.**

Before launch

- Define the objective, eligible audience, channel, dates, and capacity constraint.
- Calculate contribution per redemption after discount and variable cost.
- Estimate incremental redemptions separately from guests who likely would have purchased anyway.
- Set a budget, redemption cap, tracking method, review date, and stop/change rule.

After launch

- Measure issued/reached, redemptions, net sales, discounts, variable costs, campaign cost, and estimated incremental contribution.
- State the baseline and assumption used to estimate incrementality.
- Review mix, peak displacement, guest feedback, execution problems, and follow-on behavior.
- Do not report all promotional revenue as incremental revenue.

11. Catering and Event Profitability

A booked event is not profitable merely because the deposit cleared or the revenue was large.

Quote and handoff

- Connect the event to its GRV-R lead or event ID.
- Document scope, guests, price, deposit, service, delivery, rental, special commitments, and change terms.
- Estimate food, beverage, event labor, rental, transport, commission, and other direct cost before approval.

Close-out

- Replace estimates with actual direct costs when available.
- Record scope changes, recovery, refunds, overtime, or unplanned purchases.
- Calculate event contribution and compare it with the quote.
- Feed pricing, minimum, menu, staffing, or handoff changes into the next event standard.

12. Revenue Leakage and Exception Controls

Leakage is not only theft. It includes uncontrolled discounting, price errors, missed charges, repeated remakes, refunds, platform deductions, incorrect mapping, and process failures.

Daily record

- Use one exception ID and preserve check/order, time, shift, type, amount, reason, approver, and source evidence.
- Do not use vague reason codes when the facts are available.
- Follow cash, security, employment, and investigation policies; do not convert an unexplained variance into an accusation.

Weekly pattern review

- Group exceptions by type, reason, shift, employee or role, item, channel, and system condition.
- Look for repeated approval, training, menu, POS, pricing, process, or fraud-control gaps.
- Assign corrective action when a pattern crosses the restaurant's approved threshold.

Authority design

- Give each role the minimum practical override rights.
- Require unique credentials and visible reason codes.
- Review user access and exception reports.
- Escalate above approved amount, frequency, or risk thresholds.

13. Weekly and Monthly Operating Cadence

The cadence converts disconnected reports into one management system without waiting for month-end to notice every problem.

MEETING RULE **A dashboard is preparation for a decision. It is not the meeting, the action, or the proof.**

Daily

- Close and tie POS totals according to policy.
- Capture sales, guests/checks, context, and material exceptions.
- Assign missing settlement, cash, or source follow-up.

Weekly

- Refresh the preliminary snapshot and forecast accuracy.
- Review daypart, channel, menu, promotion, and leakage exceptions.
- Choose no more than three decision-ready actions.
- Assign owner, due date, expected effect, and proof.

Monthly

- Reconcile preliminary estimates to the closed operating statement.
- Refresh recipe and cost inputs as required.
- Review break-even, menu engineering, channels, events, promotions, leakage, and the monthly scorecard.
- Approve the next priority and retire actions that did not produce the required result.

Quarterly

- Review definitions, mappings, authority, platform contracts, targets, and source access.
- Reset the 90-day profit-improvement portfolio.
- Archive superseded versions and train changed standards.

14. Dashboard Metrics and Checks

The digital workbook separates input sheets, formula outputs, source notes, and checks so managers can trace the number before acting on it.

Headline outputs

- Net sales, guests/checks, average check, gross profit, contribution, operating profit and margin
- Break-even sales and margin of safety
- Forecast accuracy and sales per labor hour
- Channel and event contribution
- Discount/comp/refund rate
- Menu items below the restaurant's approved contribution target
- Open and overdue profit actions

Required checks

- Sales detail ties to the stated source total or the difference is explained.
- Menu, channel, promotion, and event formulas contain no unexpected errors.
- Break-even inputs use the same period and an approved contribution definition.
- Required mappings, targets, period dates, and source owners are present.
- The dashboard displays the current version, as-of date, period, and model status.

Metric interpretation

- Targets are management inputs, not invented industry norms.
- Unknown values remain blank; they are not converted to reassuring zeroes.
- Favorable and unfavorable movement depends on the metric and the restaurant's objective.
- Every financial result must be read with guest, quality, safety, and operating evidence.

15. 90-Day Installation Plan

Install a controlled core first, then add analysis only after the source and review routines work.

Days 1-30: map and stabilize

- Approve GRV-P01, P02, P03, P05, P12, P22, P26, and P30.
- Name source owners, definitions, close status, adjustment rules, and exception authority.
- Complete the first sales and accounting tie-outs.
- Train managers to distinguish preliminary from final results.

Days 31-60: analyze decisions

- Launch menu input, contribution, mix, forecast, daypart, channel, delivery, promotion, and event tools needed by the concept.
- Set restaurant-specific targets and materiality thresholds.
- Complete the first controlled price, menu, channel, or leakage action.

Days 61-90: verify and govern

- Launch the monthly scorecard and 90-day plan.
- Reconcile preliminary snapshots to closed results.
- Verify completed actions and update standards.
- Review access, mappings, source exports, contracts, and document versions.

Advance only when

- Sources and periods are identified.
- Definitions are approved.
- Actions receive owners and proof.
- The checks explain any failure.
- Managers can describe what they will do differently because of the number.

16. Technology Integration and Boundaries

The Gravity system sits above existing platforms as the management-control and decision layer.

Connect through controlled exports

- Prefer scheduled or approved reports from POS, payroll, inventory, accounting, delivery, marketing, and event systems.
- Centralize imports on source/input sheets.
- Record report name, as-of date, refresh date, owner, and manual mapping steps.
- Avoid uncontrolled external workbook links and personal downloads.

Do not rebuild the platforms

- Use the POS for transactions and item detail.
- Use GRV-C and payroll/scheduling systems for labor planning and time records.
- Use GRV-F and inventory/recipe systems for item cost, yield, waste, purchasing, and counts.
- Use GRV-R and approved CRM/marketing tools for guest identity, permission, campaigns, and leads.
- Use accounting software and professional review for the official financial record.

Automation readiness

- Automate only after the source field, mapping, definition, owner, refresh timing, exception handling, and tie-out are stable.
- Preserve a manual review for material changes, failed checks, price actions, and unusual adjustments.

17. Complete Tool Directory

Tool	Operating purpose
GRV-P01 | Profitability Data Source Map	Financial Foundation - Names each source system, report, owner, timing, and tie-out required for a reliable profit review. Owner: GM/Finance Owner. Frequency: Quarterly and at change.
GRV-P02 | Account & Category Mapping Worksheet	Financial Foundation - Maps POS, payroll, inventory, delivery, and accounting fields to one controlled management definition. Owner: Finance Owner. Frequency: At setup and change.
GRV-P03 | Weekly Profitability Snapshot	Financial Foundation - Provides a fast, preliminary weekly view of sales, variable costs, contribution, labor, leakage, and actions. Owner: GM. Frequency: Weekly.
GRV-P04 | Monthly Operating Statement Review	Financial Foundation - Converts the closed operating statement into variances, drivers, questions, and owned decisions. Owner: Owner/GM. Frequency: Monthly.
GRV-P05 | Break-Even Sales Calculator	Financial Foundation - Estimates the sales level required to cover fixed costs at the restaurant's current contribution-margin ratio. Owner: Owner/Finance Owner. Frequency: Monthly and before major change.
GRV-P06 | Recipe Cost Input Verification	Menu Performance - Verifies that current recipe cost and yield inputs from GRV-F or the inventory system are ready for menu analysis. Owner: Chef/Cost Owner. Frequency: Monthly and at recipe change.
GRV-P07 | Menu Item Contribution Worksheet	Menu Performance - Calculates item selling price, variable item cost, contribution margin dollars, and contribution margin ratio. Owner: Chef/GM. Frequency: Monthly and at price change.
GRV-P08 | Menu Sales Mix Tracker	Menu Performance - Measures item units and sales mix using one defined period and category basis. Owner: GM. Frequency: Monthly.
GRV-P09 | Menu Engineering Classification Matrix	Menu Performance - Classifies items by relative popularity and contribution using documented restaurant-specific thresholds. Owner: GM/Chef. Frequency: Monthly or quarterly.

Tool	Operating purpose
GRV-P10 | Menu Price Change Decision Worksheet	Menu Performance - Tests price changes against guest value, expected volume response, contribution, channel, and execution risk. Owner: Owner/GM. Frequency: Per proposed change.
GRV-P11 | Menu Item Action & Retest Log	Menu Performance - Assigns keep, feature, reprice, redesign, relocate, retrain, or remove decisions and verifies the next result. Owner: GM/Chef. Frequency: Monthly.
GRV-P12 | Daily Sales & Guest Count Tracker	Revenue & Demand - Tracks net sales, checks, guests, average check, context, and source completeness by day. Owner: Manager. Frequency: Daily.
GRV-P13 | Daypart Performance Scorecard	Revenue & Demand - Compares sales, guests, checks, labor hours, average check, and contribution by daypart. Owner: GM. Frequency: Weekly.
GRV-P14 | Sales Forecast Accuracy Tracker	Revenue & Demand - Compares forecast with actual sales and records the reason for material forecast error. Owner: GM. Frequency: Weekly.
GRV-P15 | Average Check & Mix Analysis	Revenue & Demand - Separates average-check movement from guest-count, category-mix, discount, and channel effects. Owner: GM. Frequency: Weekly or monthly.
GRV-P16 | Capacity & Seat Utilization Review	Revenue & Demand - Identifies constrained and underused periods using covers, available seats, turns, wait, and lost-demand evidence. Owner: GM. Frequency: Weekly.
GRV-P17 | Channel Profitability Worksheet	Channel & Offer Profitability - Compares dine-in, takeout, direct delivery, third-party delivery, catering, and other channels on a common basis. Owner: GM/Finance Owner. Frequency: Monthly.
GRV-P18 | Third-Party Delivery Economics Review	Channel & Offer Profitability - Tests platform sales after commission, fees, packaging, discounts, refunds, variable labor, and food cost. Owner: Owner/GM. Frequency: Monthly and at contract change.
GRV-P19 | Promotion & Discount Profitability Planner	Channel & Offer Profitability - Approves an offer only after its purpose, audience, incremental economics, cap, and stop rule are explicit. Owner: GM/Marketing Owner. Frequency: Per offer.

Tool	Operating purpose
GRV-P20 | Offer Redemption & Incremental Margin Tracker	Channel & Offer Profitability - Measures redemptions, sales, discount, variable cost, incremental contribution, and follow-on behavior. Owner: Marketing Owner. Frequency: Per offer.
GRV-P21 | Catering & Event Profitability Review	Channel & Offer Profitability - Measures booked-event economics after food, labor, rental, delivery, commission, recovery, and other direct costs. Owner: Event Owner/GM. Frequency: Per event.
GRV-P22 | Discounts, Comps, Voids & Refunds Log	Leakage & Controls - Creates one exception record with reason, authority, amount, shift, employee, and follow-up. Owner: Manager on Duty. Frequency: Daily.
GRV-P23 | Revenue Leakage Pattern Review	Leakage & Controls - Finds repeated exceptions, unrecorded sales, price errors, missed charges, and process breakdowns requiring correction. Owner: GM. Frequency: Weekly.
GRV-P24 | Price Override & Exception Authorization	Leakage & Controls - Defines who may change a price, why, within what limit, and what evidence and review are required. Owner: Owner/GM. Frequency: Quarterly and at change.
GRV-P25 | Cash & Deposit Variance Escalation Log	Leakage & Controls - Documents material cash or deposit variance, recount, source review, escalation, and closure without duplicating accounting records. Owner: GM/Finance Owner. Frequency: At exception.
GRV-P26 | Weekly Profitability Review	Management Planning - Runs the management meeting from current evidence, exceptions, decisions, owners, due dates, and verification. Owner: GM. Frequency: Weekly.
GRV-P27 | Monthly Performance Scorecard	Management Planning - Combines financial, menu, demand, channel, leakage, and action metrics for owner review. Owner: Owner/GM. Frequency: Monthly.
GRV-P28 | Profit Improvement Action Plan	Management Planning - Turns one verified opportunity into a baseline, expected result, owner, resources, due date, and proof. Owner: GM. Frequency: Per initiative.
GRV-P29 | 90-Day Profit Improvement Plan	Management Planning - Coordinates a small portfolio of profit priorities across three controlled phases. Owner: Owner/GM. Frequency: Quarterly.

Tool	Operating purpose
GRV-P30 | Profitability Corrective Action Log	Management Planning - Closes financial-control failures with root cause, required correction, evidence, verification, and document change. Owner: GM. Frequency: Weekly.

18. Official Source References

The sources below support the current industry context and the break-even framework. Restaurant results must still be calculated from the restaurant's own records and approved definitions. Accessed August 10, 2026.

Reference	Official URL
National Restaurant Association - State of the Restaurant Industry 2026	https://restaurant.org/research-and-media/research/research-reports/state-of-the-industry/
National Restaurant Association - Persistent Cost Increases and Enduring Demand (2026)	https://restaurant.org/research-and-media/media/press-releases/persistent-cost-increases-and-enduring-demand-will-shape-the-restaurant-industry-in-2026/
National Restaurant Association - Elevated Costs Continue to Pressure Restaurant Profitability (2026)	https://restaurant.org/research-and-media/research/restaurant-economic-insights/analysis-commentary/elevated-costs-continue-to-pressure-restaurant-profitability/
National Restaurant Association - Restaurant Delivery Survey / FTC Comments (2026)	https://restaurant.org/getmedia/f925bcf1-9195-401d-9a1f-341e0e1e5b31/National-Restaurant-Association-Comments-FTC-Online-Food-Delivery-05182026.pdf
U.S. Small Business Administration - Break-Even Point	https://www.sba.gov/business-guide/plan-your-business/calculate-your-startup-costs/break-even-point
U.S. Bureau of Labor Statistics - Consumer Price Index	https://www.bls.gov/cpi/

FINAL OPERATING STANDARD **Use trustworthy source data, disclose the definition, make one controlled decision, and verify the result without weakening the restaurant experience.**

Linked Glossary

Select linked terms in the digital manual to move to their definitions. Definitions describe how the Gravity System uses each term; they do not replace qualified legal, regulatory, financial, safety, employment, or professional interpretation.

Accountable owner (GLOSS-001)

The person ultimately responsible for ensuring that a required result is achieved. Work may be assigned to others, but accountability remains with this person.

Action owner (GLOSS-002)

The person assigned to complete a specific action, provide the required evidence, and report its status by the due date.

Approval (GLOSS-005)

A documented decision by a person with the authority to accept, reject, release, or change a defined item.

Approved version (GLOSS-006)

The currently authorized form, standard, process, workbook, or document identified through version control.

Archive (GLOSS-007)

A protected location for superseded or inactive records that must be retained but must not be mistaken for the current version.

Authority (GLOSS-009)

The legitimate right to make, approve, stop, escalate, or change a decision within defined limits.

Average check (GLOSS-011)

Net sales / checks.

Used primarily in: Restaurant Performance & Profitability

Baseline (GLOSS-012)

The documented starting condition used to compare later performance, adoption, risk, or results.

Benchmark (GLOSS-014)

A comparison point used to understand performance; it is not automatically a required target or an applicable standard.

Break-even sales (GLOSS-015)

Fixed costs / contribution margin ratio.

Used primarily in: Restaurant Performance & Profitability

Closeout (GLOSS-018)

The documented decision that an action, issue, incident, or implementation is complete, including evidence, verification, date, and remaining follow-up.

Contribution margin ratio (GLOSS-021)

Contribution margin dollars / net sales.

Used primarily in: Restaurant Performance & Profitability

Control (GLOSS-022)

A designed action, rule, approval, check, restriction, or record intended to prevent, detect, correct, or contain an unacceptable result.

Corrective action (GLOSS-026)

A documented response intended to eliminate, reduce, or control the cause of a confirmed problem, with an owner, due date, evidence, and effectiveness review.

Decision rights (GLOSS-029)

The defined boundaries identifying who may decide, approve, recommend, perform, stop, or escalate a matter.

Due date (GLOSS-033)

The approved date by which an assigned action or decision must be completed or escalated.

Escalation (GLOSS-034)

A controlled transfer of a decision or issue to a person with greater authority, expertise, or responsibility because a threshold, deadline, risk, or boundary has been reached.

Event contribution (GLOSS-035)

Event revenue less approved direct event costs.

Used primarily in: Restaurant Performance & Profitability

Evidence (GLOSS-036)

Reliable information showing what occurred, what was decided, whether a requirement was met, or whether a result was achieved.

Exception (GLOSS-038)

An approved, limited, and time-bound departure from a standard, supported by authority, rationale, compensating controls, and review.

Forecast accuracy (GLOSS-042)

MAX(0, 1 - ABS(actual - forecast) / actual).

Used primarily in: Restaurant Performance & Profitability

Frequency (GLOSS-043)

The required completion rhythm for a control or tool, such as per event, daily, weekly, monthly, quarterly, annually, or when a defined change occurs.

Gravity standard (GLOSS-045)

An approved Gravity requirement or operating expectation that remains subordinate to applicable law, regulation, official authority, contract, and platform rules.

Gross profit (GLOSS-046)

Net sales less approved cost of sales.

Used primarily in: Restaurant Performance & Profitability

Implementation (GLOSS-047)

The controlled process of turning an approved goal or standard into configured tools, trained behavior, operating practice, evidence, verification, and sustainment.

Incremental contribution (GLOSS-049)

Estimated incremental sales less discount, variable cost, and other campaign cost.

Used primarily in: Restaurant Performance & Profitability

Leakage rate (GLOSS-054)

Recorded exception amount / net sales for the same period.

Used primarily in: Restaurant Performance & Profitability

Margin of safety (GLOSS-056)

Actual or forecast sales less break-even sales; percent divides by actual or forecast sales.

Used primarily in: Restaurant Performance & Profitability

Menu classification (GLOSS-060)

High/low popularity and high/low contribution based on restaurant-set thresholds.

Used primarily in: Restaurant Performance & Profitability

Metric (GLOSS-061)

A defined measurement calculated from identified data using an approved formula, period, scope, source, and interpretation rule.

Net sales (GLOSS-062)

Approved gross revenue less contra-revenue; exclude tax and tips unless policy differs.

Used primarily in: Restaurant Performance & Profitability

Objective (GLOSS-063)

A specific result or condition that supports a larger goal and can be evaluated through defined evidence.

Operating profit (GLOSS-069)

Net sales less the operating expenses included in the approved statement.

Used primarily in: Restaurant Performance & Profitability

Qualified review (GLOSS-075)

Review by a person with the required professional knowledge, organizational authority, license, certification, or subject-matter responsibility.

Record (GLOSS-080)

Retained information documenting an input, action, decision, approval, exception, result, or verification.

Recovery (GLOSS-081)

The controlled restoration of operations, technology, records, facilities, finances, staffing, or other capabilities after disruption.

Review cadence (GLOSS-086)

The approved schedule for examining a record, source, control, result, or standard and deciding whether action is required.

Root cause (GLOSS-089)

The underlying condition or combination of conditions that produced or materially contributed to a confirmed problem.

Scope (GLOSS-092)

The defined locations, roles, activities, records, time period, systems, and exclusions covered by a decision or implementation.

Standard (GLOSS-095)

An approved requirement or expectation used to guide work and evaluate conformance.

System owner (GLOSS-097)

The person accountable for the integrity, current version, controls, evidence, performance, and renewal of a defined system.

Trigger (GLOSS-100)

A defined event, condition, threshold, date, or signal that requires a tool, review, decision, action, or escalation.

Verification (GLOSS-103)

A fact-based check confirming that a required action occurred and met the defined acceptance criteria.

Version control (GLOSS-104)

The method used to identify, approve, release, replace, archive, and trace changes to controlled materials.