

NO TIME TO WASTE 001

**NO TIME
TO WASTE**

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CHOCO

THE TIME FOR ACTION IS NOW

Food waste is likely the most neglected and yet most important conversation on the globe right now. Today we produce double as much food as we need and ship it around the globe, to then throw it away. We deforested double the amount of land, to create double as many fields as we need, we fertilize, pesticide and harvest double the food we need. We put double as much as we need into industrial cooling, into trucks, planes and ships. We package double as much as we need into plastic, styrofoam and cartonage. Because today we throw away nearly half of all the food that we grow.

This conversation is critical to our society and planet. Food is responsible for nearly 1/4th¹ of all greenhouse gas emissions² which cause climate change. Yet half of these emissions are caused by food that goes to waste.

Despite us growing double the amount of food we need, still more than 10%³ of the humans living on earth have not enough food. And our world population is growing steeply. We have to feed 10 billion humans by 2050, and if we keep on doing what we have been doing in the past, then we have no chance of not destroying the planet and society as we know it.

We have a responsibility to stop that.

Waste is not only an environmental problem, it is also a business problem. Over \$1 trillion USD⁴ per year goes to waste. And guess who is paying the bill? Restaurants, overall gastronomy, wholesalers, producers, farmers.. The list is long.

It is Choco's goal to stop waste, for the planet, society, and for all food businesses around the world.

Here's our game plan:

Make every food business more profitable: Our technology is built to make you cut waste out of the picture and reduce your working hours.

Connect the food system: Businesses from your favourite local diner up to global producers use Choco. We can connect the global supply chain and help food to travel more directly and with less waste to its destination, to reduce waste everywhere.

We made this magazine to provide you with actionable insights and real-world case studies that showcase the power of digitalization in reducing food waste. Dive into topics like data-driven sustainability, the impact of waste reduction on your bottom line, and the ins and outs of going digital.

We aim to create a cohesive, digital ecosystem for the food supply chain. This isn't just about improving bottom lines; it's about making the entire system more sustainable.

Let's roll up our sleeves and dig in. There's no time to waste.



Daniel Khachab
CEO Choco

TABLE OF CONTENTS

The Trillion \$ Elephant in the Room 03

Quit tossing profit into the trash 05

Increase Profits, Cut Waste 07

Chain of Waste, Where it All Goes Wrong 09

Green is the new Black 11

Gusto's succes with Choco 13

A Future without Food Waste 15

A Waste-free Future for Restaurants 17

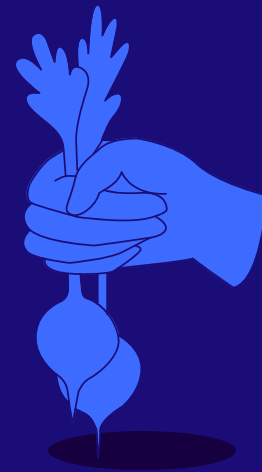
A waste-free future for Suppliers 19

Checklist for the industry 21

THE TRILLION \$ ELEPHANT IN THE ROOM

40% OF ALL FOOD PRODUCED GLOBALLY GOES TO WASTE EVERY YEAR. ⁵

The food system is the largest employer on the planet, it employs around 1.23 billion people⁶. Every organization in the food supply chain, from farmers to restaurants, thrives by selling food. If this food goes to waste they suffer an economic loss - worth over \$1 trillion USD⁷ annually.



The food system is responsible for **24% of greenhouse gas emissions globally** ⁸, far surpassing the 10% attributed to cars⁹. This means that a staggering 8-10% of all global greenhouse gas emissions¹⁰ are entirely avoidable, stemming from food waste alone.

Moreover, the expansion of farmlands to meet food production demands remains the **main driver of deforestation**. This causes the loss of natural habitats of animals and is the major driver of their extinction. We have lost 68% of the global wildlife population¹¹ since 1972 (50 years), and Latin America, home to the Amazon, has lost 94%.

At the same time, 40% of these farmlands are used to produce food that goes to waste and should be transformed back into natural habitats.

Reducing waste will not only benefit the climate but also enable companies to be more profitable, and eventually enable a large part of the world's population to get paid more fairly.

There is enough food for everyone but as many as **828 million people**¹² are still suffering from hunger and malnutrition. By rerouting food that would otherwise go to waste, we can solve this problem.

75%

of waste happens within the **Food Supply Chain** before it reaches the consumer, where it would have a chance of being consumed.

“Digital supply chain tools can [...] enable the tracking of loss and waste, and even allow for dynamic pricing, which can move products through the system before they expire.”

Boston Consulting Group, 2018¹³



QUIT TOSSING PROFIT INTO THE TRASH

HOW MUCH IS FOOD WASTE COSTING RESTAURANTS ON AVERAGE PER YEAR?

Type of food service outlet	Average cost of avoidable food waste per cover	Cost per year - 52 weeks (\$)		
		500 covers per week	1000 cover per week	1500 covers per week
Restaurants	\$1.20	\$31,272.80	\$62,545.80	\$93,818.40
Services	\$0.64	\$16,764.80	\$33,529.60	\$50,294.40
Pubs	\$0.57	\$14,830.40	\$28,966.40	\$44,491.20
Quick Service	\$0.53	\$12,863.20	\$27,726.40	\$41,589.60

Source: [Guardians of Grub](#)
Currency Exchange Rate on September 18, 2023: 1 British Pound (£) equals 1.24 US Dollars (\$USD)



THE SOLUTION

Implement digital supply chain tools to optimize your operations. These tools provide real-time visibility into your supply chain, helping you identify potential bottlenecks, and make informed decisions.

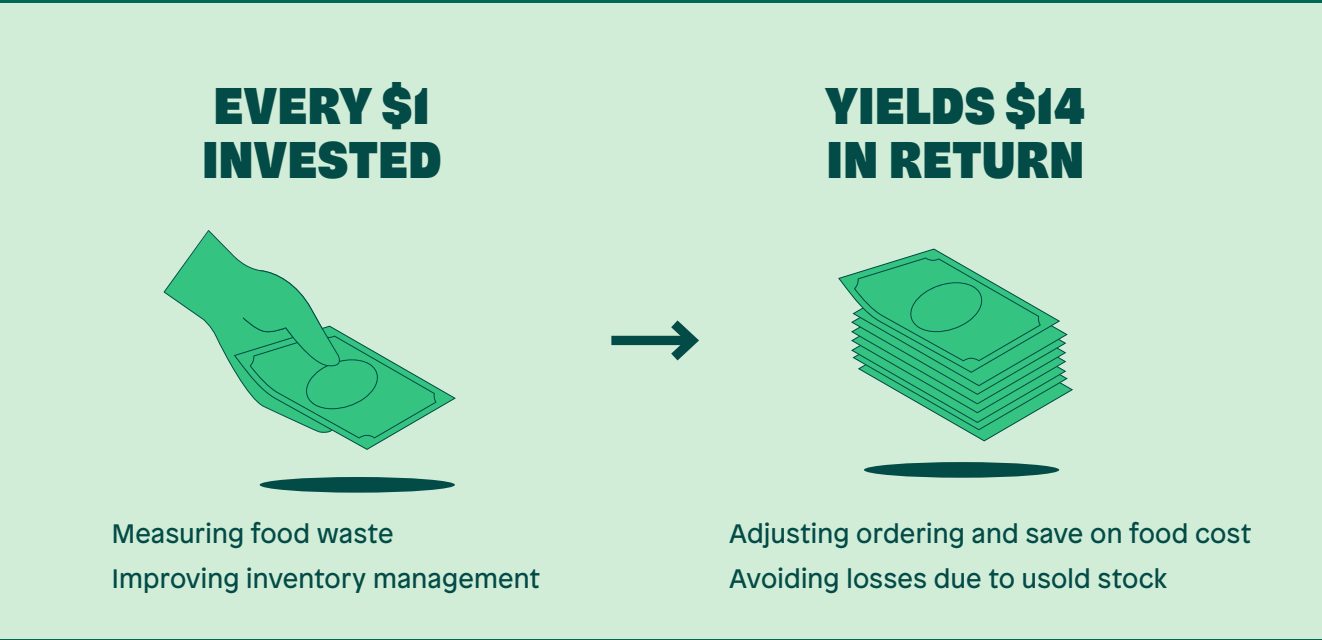
Real-time inventory management ensures that you have just the right amount of stock on hand. This minimizes waste and maximizes cost efficiency.

Leverage data to implement dynamic pricing strategies. Adjust prices in real-time to match demand, reducing surplus stock and encouraging faster sales.

COMPANIES SAVE MONEY BY CUTTING FOOD WASTE

Companies save \$14 in operating costs for every \$1 they invest in reducing food waste¹⁴, according to a report from a coalition of businesses, government officials and NGOs.

The Business Case for Reducing Food Loss and Waste evaluated financial cost and benefit data for 1,200 sites across 700 companies in 17 countries. The research found that nearly **every site realized a positive return on its investment to reduce food waste.**



INCREASE PROFITS CUT WASTE

Discover how Wok to Walk, a global restaurant chain with over 100 locations in 20 countries, improved their profits by 4% across their locations in France.

They faced an intriguing challenge: Why did similar-earning locations have different food costs? Their solution? Leveraging the Choco app to monitor inventory and food waste in order to minimise it.



This success story has transcended beyond managers; it resonates deeply with chefs. The young workforce is driven not only by their passion for cooking but also by the desire to make a positive impact on the environment.

Wok to Walk's journey serves as an inspiring example of how embracing technology and sustainability can lead to both financial success and environmental responsibility. To dive deeper into this inspiring journey, watch our video and join us in the mission to learn, innovate, and rise together toward a future free of food waste.

"By using Choco, we noticed that there were higher-performing restaurants and lower-performing restaurants, and sometimes the difference was 10%.

10% of products that were ordered but thrown in the trash directly.

Apart from the financial cost of food waste, there is also the impact on the environment."

ANGELO - MANAGER AT WOK TO WALK

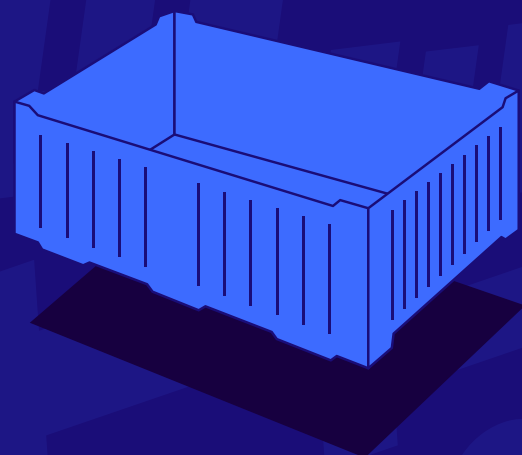


Watch the Case Study

**FOOD COSTS CAN
REPRESENT 28% TO 35% OF
SALES IN RESTAURANTS¹⁵**

By tracking food waste, you'll grasp just how much food cost is getting burned, allowing you to take targeted action to cut it down.

CHAIN OF WASTE, WHERE IT ALL GOES WRONG

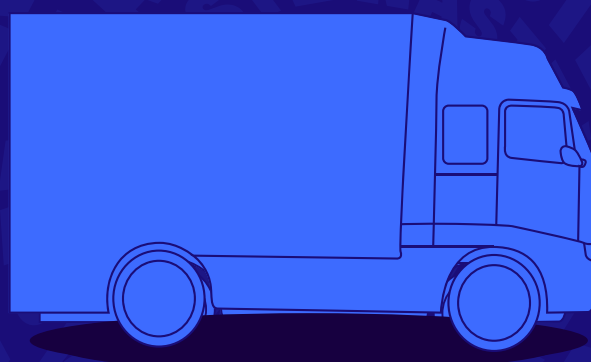


AT THE VENDOR

Demand prediction: How many tomatoes will I sell next week? How many should I order?

Inventory management: Do I have a surplus of some products in stock? What is going to expire before I have time to sell it?

Returns: I sent the wrong tomatoes to the restaurant, and they returned. I have to trash them. No longer good to put them back in stock. Ideally, this mistake doesn't happen in the first place.

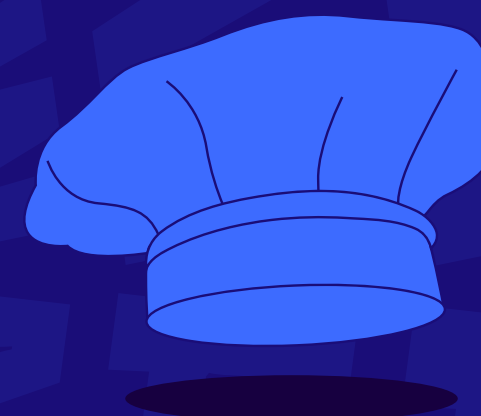


TRANSPORTATION

Loading: A box full of tomatoes will be loaded onto the truck. Will a tomato fall when loading?

Transport: The truck suddenly stops, and some boxes fall.

Delivery: When unloading, the driver stumbles, and some more tomatoes fall. How do we keep track of that?



AT THE RESTAURANT

Demand prediction: same as for the vendor

Inventory management: It's 11 pm, and I need to order. Will I climb down into the pantry to see how many tomatoes are left, then walk to the bar to count the limes? Probably not, I'll just order the usual amounts.

Food Waste tracking: I feel we are not wasting so much. But are we really? If I had the number of what we wasted, wouldn't we try to bring that number down?

GREEN IS THE NEW BLACK

In today's world, **green isn't just a colour; it's a movement.** With a growing awareness of environmental issues, more and more consumers are making sustainability a top priority when dining out. And they want you to help them make a difference:

WHY IT MATTERS

Consumer Preferences: Consumers are increasingly steering their forks towards sustainability:

- 38% of consumers¹⁶ say they're more likely to choose a restaurant that offers locally sourced foods over one that doesn't
- 28% of consumers¹⁷ have chosen to stay away from dining out at least once due to concerns about sustainability. This number skyrockets to 48% among consumers aged 18-24.

Reputation Boost: Your brand's image gets a serious boost¹⁸ with sustainability. More and more consumers believe that companies with a strong commitment to environmental responsibility deserve their trust.^{ww}



THE SOLUTION

We understand that addressing sustainability in the food industry can be challenging, but it's not impossible. Here are 3 actionable steps you can take:

01



REDUCE FOOD WASTE

Digitise your inventory and ordering process and implement measures to minimize food waste in your kitchen. This includes better inventory management, portion control, and creatively using surplus ingredients.

02



ENERGY EFFICIENCY

Invest in energy-efficient appliances and practices. Simple changes like switching to LED lighting and using programmable thermostats can make a big difference.

03



COMMUNICATE YOUR EFFORTS

Share your progress with your customers. Use your menu, website, and social media to communicate how you are reducing food waste and embracing eco-friendly practices.

GUSTO'S SUCCESS WITH CHOCO

WASTE REDUCTION AND SMART MARKETING

In the pursuit of increasing profitability while actively contributing to sustainability, Gusto, a well-known food supplier, faced a significant challenge. Committed to delivering the freshest products to customers, their diverse range of fresh items poses unique inventory management challenges.

The problem is clear: unsold inventory impacts both profitability and sustainability. The solution comes from technology – their ERP system and Choco.

Laurent, the owner of Gusto, regularly analyzes stock to forecast close-to-expiry products and quickly communicates promotions to all his customers using the Choco marketing tool. The company's profitability has improved, all while preventing perfectly edible and delicious food from going to waste.

Gusto's journey with Choco isn't exclusive; it's a direct invitation for fellow food vendors and wholesalers to join them. It's not just about profits; it's a crucial step towards a sustainable future. Join Gusto, boost profitability, and champion sustainability with Choco.

“The majority of my clients use Choco on a daily basis. As a Choco Premium supplier, I have access to a marketing tool that puts me right in my clients' pockets. It has become my most effective preferred channel for selling my unsold stock. This way, I minimize my financial losses and significantly reduce my share of food waste.”

LAURENT KNIBBE, FOUNDER OF SAS GUSTO

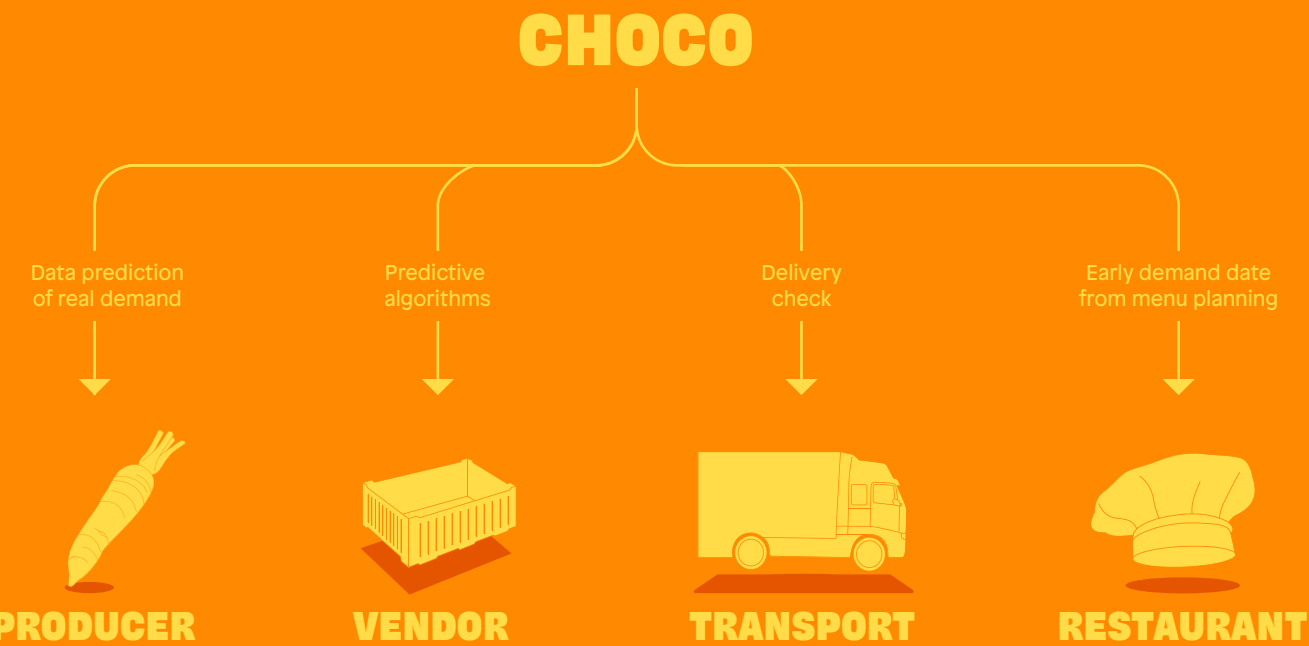


A FUTURE WITHOUT FOOD WASTE

In a waste-free future, everyone in the food world, from restaurant managers to food suppliers, taps into the game-changing power of technology.

They put digital supply chain tools into action, giving them an instant view of what's going on from buying ingredients to serving customers. With data crunching to predict what they need and keeping a real-time eye on their stock, they make sure they've got just the right amount of everything, cutting waste and saving money.

Using data to set the right prices means they sell things quicker and don't end up with extra food they can't use, which stops it from going to waste. This ongoing effort doesn't just make their finances healthier; it also makes the food world more sustainable and responsible.

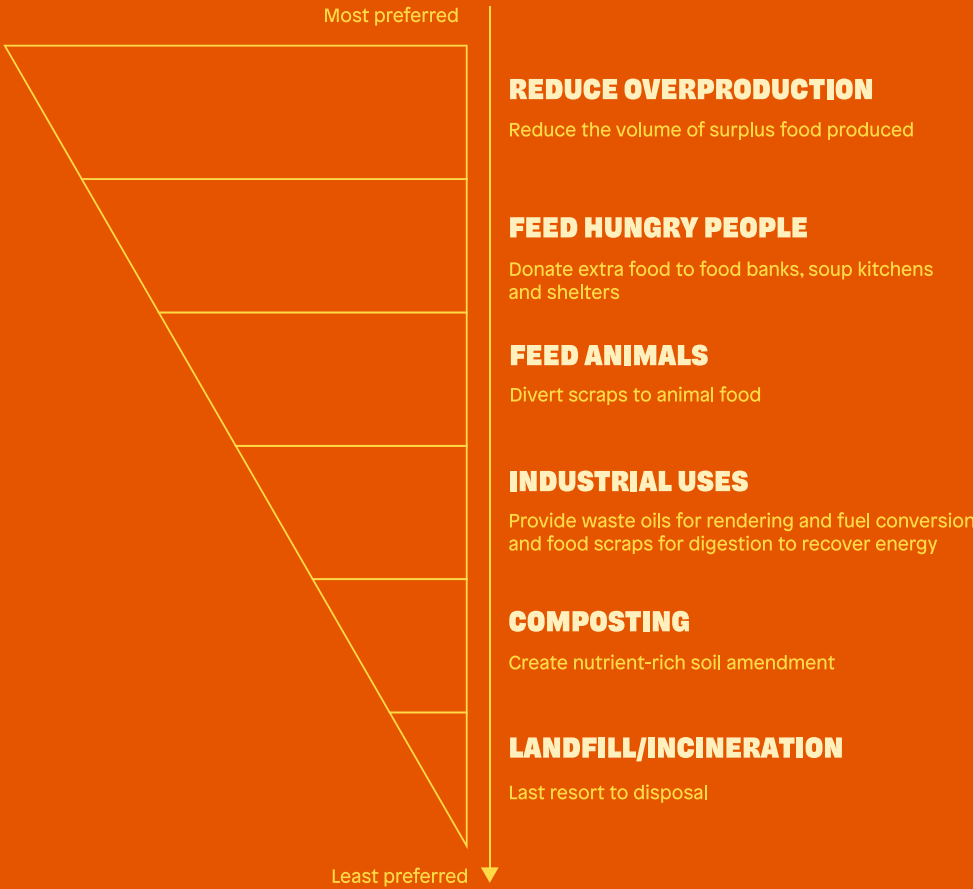


FOOD RECOVERY HIERARCHY

CUTTING FOOD WASTE STARTS WITH REDUCING SURPLUSES

The food recovery hierarchy is like a roadmap for slicing food waste. It kicks off with preventing waste in the first place, then it shifts to sharing extra food with those in need, and if that's not an option, putting it to good use elsewhere.

The aim? Keep food out of the trash can whenever you can and find the smartest ways to give it a second life, benefiting both people and the planet.



A ZERO-WASTE FUTURE FOR RESTAURANTS

SMART INVENTORY MANAGEMENT

Keep a close eye on your existing inventory to make smarter ordering decisions. Think of your inventory as your money at rest. While it might be fine to stock up on long-shelf-life products, it's sheer folly to hoard perishables. For instance, it makes sense to have a hefty inventory of canned goods, but to keep a surplus of fresh produce that'll wilt in a matter of days? That's throwing your green away – both the leafy kind and the kind with presidents on it!

By having better control of your inventory, you can order the right amount at the right time, eventually reducing waste and protecting your profits.

Coming soon: Choco inventory

DATA-DRIVEN WASTE REDUCTION

Measure food waste consistently to understand how can you waste less.

Looking at your wastage data, you might learn that you're pouring gallons of milk down the drain every weekend. So you might as well adjust your orders, and save that extra cash. Or perhaps, your restaurant has been tossing out kilos of meat nightly because a trendy vegan spot just opened nearby. Could it be menu makeover time?

You'll never know what opportunities you're missing until you peek at your waste report.

Coming Soon: Choco Waste tracking

EFFICIENT STAFF TRAINING

Make inventory and waste tracking easy for a fast-changing team. Give them simple tools that work right from the start, even when new folks join in.

Imagine your staff can use a smartphone app to track what's in the kitchen and what's going in the trash. It's as easy as sending a Whatsapp text, so everyone can do it, no matter how new they are.



TALK TO US

No more late-night order sheets or endless waits on the phone. With Choco, order from all your suppliers in one place and save up to 2 hours every day. Win back time to focus on what you do best: creating amazing food.

www.choco.com



A ZERO-WASTE FUTURE FOR SUPPLIERS

INFORMED STOCK MANAGEMENT

Stay one step ahead of demand by having a real-time look at your current stock and sales. With precise data right at your fingertips, you can make smart choices about how much to order, which means less extra stuff on your shelves and less waste.

Imagine the difference: On one hand, you have shelves piled high with last month's trendy kale chips because you overestimated demand. It's not just a waste of stock; it's also a waste of your time managing unsold inventory.



On the other hand, you have customers walking in, craving those same kale chips, but all you have to offer is an empty shelf because you didn't anticipate the surge in demand. It's a missed opportunity, and it means more time spent apologizing to customers instead of focusing on what really matters—growing your business and serving your clients better.

SMART CRM SYSTEM + INSTANT MARKETING

Get to know your buyers' preferences in real-time and craft special offers and promotions just for them. Imagine you've got a surplus of yoghurt nearing its expiry date, and you're worried about the loss. You could spend hours calling every customer in your contact list, hoping someone will bite, or you could use technology to pinpoint the yoghurt enthusiasts among your customers and send them irresistible promotions in a matter of seconds. No losses, and not a single tub of that delightful yoghurt goes to waste.

With a modern CRM system, you can tailor exclusive Minimum Holding Days (MHD) offers that leave your customers delighted while slashing waste, a win-win for your bottom line and customer satisfaction.



TALK TO US

Don't miss any orders, grow your clientele, increase revenue, and save costs by reducing errors to zero. You keep doing what matters most, and we'll take care of the rest.

www.choco.com



CHECKLIST FOR THE INDUSTRY

WHAT ACTION TO TAKE IN PRIORITY

MENU DESIGN

Revamp your menu to use fewer ingredients and cut down on waste.

Effort ●●○ Impact ●○○

OPTIMIZED QUANTITIES WITH TECH

Use smart inventory systems and predictive analytics to dial in the perfect amount of food to prepare.

Effort ●●○ Impact ●●○

WASTE TRACKING & ANALYTICS

Use data analytics to keep tabs on waste and find ways to reduce it.

Effort ●●○ Impact ●●●

INVENTORY MANAGEMENT & PRODUCTION PLANNING

Keep a tight ship on inventory and plan your food production to minimize waste.

Effort ●●○ Impact ●●●

DATA-DRIVEN PROJECTIONS

Use data analytics to predict restaurant orders and avoid overstocking.

Effort ●●○ Impact ●●●

TECH FOR END-OF-LIFE PRODUCTS

Use tech to flag nearing-expiry products and offer them at discounted rates.

Effort ●○○ Impact ●●●

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NO TIME TO WASTE - JOIN THE MOVEMENT

15 000 CHEFS | 10 000 SUPPLIERS

Sources

BCG, 2020; A recipe to reduce food loss and waste

WHO, 2022; UN Report: Global hunger numbers rose to as many as 828 million in 2021