**APPLICATION:**

1. **Ratios/Criteria Used to Determine the Profitability of Food and Beverage Operations**

Suppose you are the F&B Director of Cliff Rainbow. You have exactly 25 people working in the restaurant. 10 of these people are paid $240.00 a month; other 10 are paid $264.00 a month, while the other 5 are paid $480.00

Total Available Rooms: 30

Total F&B Sales for today: $2,500

Total available seats in the restaurant: 100

Total guests served today in the restaurant: 20

Beverage Sales 45 % of the Total F&B sales

Food Sales 55 % of the total F&B sales

With the above data, compute for:

* 1. F&B sales PAR
  2. F&B OR
  3. Sales per Available Seats
  4. Average Check
  5. Ratio of Beverage sales to food sales
  6. Food cost percentage
  7. Labor cost
  8. Labor cost percentage

**B. Application: Compute for the total rooms needed to achieve the 100% occupancy.**

A. Based on the discussions made in class, compute for the number of additional room reservations needed to achieve 100 percent occupancy.

1. The FOM of Cliff Rainbow Hotel, a 30-room hotel in Pohnrakied, Pohnpei, has posted the following information:

* + 3 predicted stay-overs
  + 5 predicted walk-ins
  + 20 guaranteed reservations
  + 15 confirmed reservations
  + 5 predicted understays
  + 6% no-show factor for confirmed reservation and 2% no-show factor for guaranteed reservations

Solution:

1. As front office manager of Village Hotel, you want to project the number of additional rooms you will need to overbook to achieve 100 percent occupancy for the night of March 31, 2012. Use the following data: 20 rooms available, 15 confirmed reservations with a 5% no-show factor, 10 guaranteed rooms with a 3% no-show history, 2 stayovers, 12 understays, and 5 walk-ins.

Solution:

B. What is the occupancy percentage of Hotel ABC (a 90-room hotel in suburban Makati) today if it has on record a total of 59 rooms sold?

C. What is the double occupancy percentage of Hotel ABC if it has a total of 75 guests for today?

D. If Hotel ABC has a daily room sales of $5, 873 with 59 rooms sold, what is it’s Average Daily Rate?

E. What is the RevPAR of Hotel ABC considering the data mentioned above?