



# Receiving and Stock control

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## Objective and scope

The aim of this process is to standardize and unify processes from the moment goods are delivered into the Hotel. From the reception and acknowledgement of goods by an employee; up to the stocking of goods within the storage space.

Definition how to define a Par stock

Description of the procedure First in first out - continuously stock rotation

This Procedure applies and needs to be carried out by ALL employees within F&B departments, particular storekeeper or equal position defined on hotel level.

Otherwise the Result could be an "Increase of cost of sale"

## Summary

- 1 Goods receiving / controlling
- 2 Dry and fresh storage
- 3 Par stock
- 4 First in First out
- 5 Templates and File
- 5 Procedure validation

## 1 Goods receiving / controlling

**Responsible: F&B responsible (and GM) , storekeeper and all F&B employees**

Goods receiving is a process described as receiving, from an external company, products for the usage within the hotel.

The goods have been ordered by a person within the hotel, orders have to be carried out in each hotel on a regular schedule, depending on volume of business. This process applies to all hotels, designated person will be in charge of this process and in some hotels a so called "storekeeper" is carrying out the duty.

- Each hotel has to define a goods receiving area
- Times for goods receiving have to be defined depending on service and location of goods receiving area not to disturb any customers due to noise while uploading goods
- Within each hotel there should be persons defined to receive and acknowledge / signing the goods receiving.



Stock Control

- During the delivery of goods to the Hotel, the defined person has to check and align the delivery note from the external company with the goods been delivered
- Checking procedure during goods receiving has to be conducted accordingly:
  1. Matching delivery with order
  2. Amount of products
  3. General appearance and Quality (particular with fresh products)
  4. Damaged or dirtiness of products (particular with fresh products)
  5. Freshness and look of product
  6. Volume and weight according to delivery note
- Spot checks have to be carried out; each supplier has to be checked once every week for all products.
- Quality control is important especially to fresh products in terms of look, consistence and general appearance; fresh products expire quickly!
- A balance has to be accessible close to the goods receiving area to carry out spot checks in terms of goods delivered per weight. If there is now balance close to the goods receiving area, checks have to be carried out otherwise. We recommend that each supplier is checked once every week for all products.
- After accepting the delivery (with or without variations) a quick process of moving the F&B references to the relevant outlets or storage place are necessary or relevant department needs to be informed
- If a difference between delivery note and delivered references occur, a comment or note regarding the variance has to be conducted on the delivery note. The variations have to be signed and acknowledged by the goods receiver and person from the external company.
- Information of variance has to be transmitted immediately to relevant department in order not to danger the operational.
- The delivery note with relevant signature has to be filed accordingly
- HACCP has to be taken into consideration while handling with food and beverage products

This template should be filled with every seasonal change or price renegotiation by purchasing department. Minimum recalculation for each dish is every 3 months

#### Administrative:

- Click & Buys procedures apply within each BU
- Different administrative and legal requirements apply in each Business Unit or Country
- In order to have a correct control of the Cost of Sale, all the dishes served in the hotel (except BU standardized offers like - Room Appetite, standardized Breakfast etc.) must have completed the standard template: *F&B Cost Calculation Template.xls*. This template should be filled with every seasonal change or price renegotiation by purchasing department. Minimum recalculation for each dish is every 3 months.
- It is mandatory to purchase F&B related items and goods preferably from catalogue products and nominated vendors, defined by the purchasing department.



## 2 Dry and Fresh storage

**Responsible: F&B responsible (and GM) storekeeper and all F&B employees**

This part of the manual describes process which have to be taken into consideration when dealing with F&B goods.

- In General all F&B references are stored in defined areas.
- All storage rooms (dry, fresh and frozen) should be accesable only to defined persons only, like Storekeeper, F&B responsible, Head chef or head of departments and GM.
- All storage rooms (dry, fresh and frozen) should be locked all the time. The keys for the storage area are carried either by the Storekeeper, F&B responsible, Head chef or head of departments.
- At the end of a day or shift relevant keys have to be handed over to the following responsible person, handover needs to be documented with both signatures and or depositing the key at the front desk at night through relevant persons. Documentation of the handover is required at the front desk.
- All storage rooms should be kept clean and tidy all times, baring in mind that in particular all Food products need more and special attention – Detailed cleaning and handling instruction you find within HACCP procedures of each country.
- Food and Beverage references have to be kept separate according to legal national requirements.
- Fresh and frozen FOOD are stored in defined cooling and froster areas
- Legal requirements apply between fish, meat, vegetables, cold cuts, salads, vegetable and dry goods – please refer to relevant parts of HACCP procedures of each country for specification.
- Produced and raw materials have to be kept separate - please refer to relevant parts of HACCP procedures from each country for specification.
- All produced food has to be labled with a production date – please refer to relevant parts of HACCP procedures from each country for specification.
- Temperatur controll has to be carried out according to local legal requirements and HACCP specification.
- Shelving, covering and order of goods within storage areas are depending on local legal requirements. Never store open articles and food items below other items when they are NOT thoroughly covered.



Stock Control

### 3 Par stock

**Responsible: F&B responsible (and GM) storekeeper and all employees**

Each Hotel has to set up a Par Stock with all F&B references.

For a PAR STOCK calculation the following aspects have to be taken into consideration:

1. Define a references (**Example:** Olive Oil, 0,75 per bottle)
2. How often and in which volume can the references be delivered through a supplier (**Example:** Every second day except Saturday and Sunday, unit of 6 bottles is the minimum order)
3. How many outlets are using the reference within hotel (**Example:** 2 outlets – Restaurant and Room Service)
4. Which Quantity is needed on average within a week (**Example:** 10 bottles in restaurant, 3 bottles in Room Service)

**Example for a Par Stock definition taking into consideration the above criteria for ordering and consumptions:**

A Hotel needs a minimum of 11 bottles per week to cover all needs/consumptions within the F&B departments.

Therefore there are 3 possibilities taking into account the delivery schedule:

1. Weekly ordering schedule:  
Par Stock would be 18 bottles per week, ordering 4 times during a month = maximum of 72 bottles within a month.  
If the ordering schedule is carried out on a weekly base – there would be more bottles ordered than needed.
2. Every 2 weeks ordering schedule:  
Par Stock would be 30 bottles, ordering twice a month = maximum of 60 bottles within a month  
If the ordering schedule is carried out every 2 weeks – there would be more bottles ordered than needed - BUT in total less than during weekly ordering schedule.
3. Once a month ordering schedule:  
Par Stock would be 54 bottles, ordering once a month = maximum of 54 bottles within a month  
If the ordering schedule is carried out on a monthly schedule always taking into consideration a detailed information from Operation – there would be still more bottles ordered than needed - BUT in total it would be the most effective way of ordering
  - 54 bottles are ordered according to the Par stock definition
  - 52 bottles are being used within the F&B outlets.
  - Therefore only 2 bottles would be overstocked



Stock Control

**Not to risk the operation Par Stock's have to be reviewed accordingly and or must be changed if the "Stock" is to low and might risk the operation.**

Summary:

A Par Stock definition has to be defined upon consumption, taking into consideration terms of delivery and space of storage.

Reduce F&B items to a minimum - not putting any danger to operation.

Define a Par Stock for each reference not to overload the storage area

The more items stored within the storage area the higher is a risk of loosing stock.

All items purchased and stored away within storage is costing the company money

Otherwise the result can be an increase of cost of sale in F&B

#### 4 First in- First out

***Responsible: F&B responsible (and GM) , storekeeper and all employees***

First in First out is another important part of stock control.

The aim of this process is to minimize the loss of articles particular within the fresh products

- A continuously rotation of the F&B references has to be carried out whenever the hotel receives a new delivery or carries out an internal transfers.
- When new F&B references are delivered, the existing "older" stock has to be moved or transferred at first to the "front" or related department in order to guarantee the quick usage of these products.
- Particular with fresh products this process needs to be adapted every day and by every employee related to Food and Beverage.
- If this process is not followed the expiry date will be exceeded; consequently the Food references can not be used any more and has to be disposed in order not to danger any person.
- If a validation date has been expired already the food reference has to be removed from operation and information needs to be transmitted to relevant persons.
- The risk could be as well that the operation is put into danger not delivering what subsequent customers have required.



### Summary:

Continuously rotation of Food and Beverage articles

New delivered items shall be stored BEHIND existing stock – stock rotation

Expiry Date and volume of new delivery needs to be taken into consideration when moving stock and ordering new F&B references.

Otherwise the result would be an increase of cost of sale in F&B

### 5 Templates and file

Template	Responsible	File period
F&B Cost of Sale Template	F&B Responsible / Kitchen Responsible	As long as the dish is offered

### 6 Procedure validation

Version	Corporate area	Approved by:		Approval date
1	Operations (Process Owner)	F&B Operation Manager Operations Control Director Chief Operations Officer	Thomas Bartz Anja Loijens Ramón Aragonés	March 2012
	Internal Audit	SVP Internal Audit		
	Resources	SVP Human Resources SVP Purchasing		
	Strategy & Development	SVP Quality & Competition Chief Commercial Officer		
	Management Committee			Steering Minutes 16/04/2012