

Four Restaurant Industry Legal Trends to Watch

The Krystal Company, known in the South for its small square burgers, has more than 350 company-owned and franchised restaurants in 11 states. Krystal's Chief Legal Officer, Sloane Perras, shares with us her top four restaurant industry legal trends to watch:

1. FDA Menu Labeling Rules

This is a big issue that came about in November 2014, when the FDA announced a new set of regulations regarding menu labeling, including one where chain restaurants would be required to post calorie counts next to menu items. While the rule doesn't go into effect until the end of 2015, it's something that restaurants of all sizes need to consider now. In companies like Krystal, where restaurants are both company-owned and franchised, it's important to note that franchise operators are the ones responsible for updating their own menu boards. In either case, menu optimization takes time, so don't procrastinate on determining the layout of your new menu based on these rulings!

2. Employee Advancement

There's a lot of talk about the "Fight for \$15", with minimum wage jobs within the restaurant industry being the center of the conversation. What's important to remember is that many positions within the hospitality industry were created to be part time, temporary jobs for most people, like high school or college students. Restaurants, whether large companies like Krystal or small mom-and-pop eateries, need to consider how they can empower part-time workers to advance into management positions. Another option is to provide opportunities through education and scholarships to help these workers secure full-time careers in the field of their choice.

3. PCI Compliance

Protecting your customers' data is important from a legal but also from a brand reputation standpoint. Guests need to trust that you can guard their data as safely as you would your own. As a restaurant operator, it might be hard to stay on top of the ever-evolving regulations when you are trying to run your business. Securing a partner to help your company stay PCI compliant through the regulations set forth by the PCIDSS (Payment Card Industry Data Security Standards) is key to safeguarding data for your business and your guests.

4. Food Safety

Food recalls can keep a Chief Legal Officer up at night. They're a critical issue because guests' lives are potentially at stake. Each month, we hear of a new food recall case, with Kraft Macaroni and Cheese to Blue Bell Ice Cream being just two recent examples. Part of the problem is that there are—literally—a lot of touch points to get our food "from farm to table". From production plants to food distributors to truck drivers down to the individual employees in the restaurant, there are opportunities for mistakes to happen. Being prepared with a crisis protocol in place is absolutely key to addressing a potential crisis. Have a chain of command ready and know who you need to call when the situation occurs.

Sloane Perras is the Chief Legal Officer for The Krystal Company. Ms. Perras oversees the Legal and Risk departments for the Krystal brand and is involved in oversight of risk management, company litigation, compliance and employment law. Her expertise includes team leadership, business advisory, mergers & acquisitions, vendor management and employment relations. She is a member of five state bar associations and has received numerous accolades in the legal industry, including being named a "Rising Star" by the Daily Report, Atlanta's top legal publication, as well as the In-House Woman of the Year award in 2013.