

RESTAURANT DEVELOPMENT INSIGHT PAPER

RESTAURANT KITCHEN & EQUIPMENT STRATEGY

*What Restaurant Owners Should Know
Before Spending \$200,000 on a Kitchen*

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Introduction

Opening a restaurant is one of the most exciting ventures in hospitality—but it is also one of the most capital-intensive.

Between construction, kitchen equipment, refrigeration, furniture, smallwares, and permitting, restaurant development costs can escalate quickly. For many restaurants, **kitchen equipment alone ranges from \$150,000 to \$500,000 or more**, depending on the size of the operation and the complexity of the menu.

Over the years I've seen many restaurant projects where equipment budgets expanded far beyond what the concept actually required. In most cases, these cost increases were preventable with better planning and a clearer understanding of how kitchens really operate.

What many restaurant owners discover too late is that equipment purchasing decisions made during development can impact profitability for years. Kitchen design influences everything from labor efficiency to service speed and maintenance costs.

Poor equipment decisions often result in:

- unnecessary capital expenditures
- inefficient kitchen layouts
- higher labor costs
- ongoing maintenance problems
- operational bottlenecks during service

The good news is that experienced operators routinely reduce kitchen buildout costs by **20–40%** simply by approaching equipment planning and procurement strategically.

This paper outlines several practical considerations restaurant owners should evaluate before purchasing kitchen equipment or designing their kitchen.

Why Restaurants Often Overspend on Kitchen Equipment

Restaurant equipment budgets frequently grow larger than expected. In many cases this is not due to poor planning but rather the way restaurant development projects typically unfold.

Several common factors contribute to inflated equipment budgets.

Designing the Kitchen Before the Menu Is Finalized

One of the most common mistakes is designing the kitchen before the menu has been fully developed. When menus evolve—as they almost always do—restaurants often discover they have purchased equipment that is rarely used.

For example, a restaurant may install specialized cooking equipment for menu items that are eventually removed or simplified.

Architects Designing Kitchens Without Operational Input

Architects are highly skilled at designing buildings, but many have limited experience operating restaurants. When kitchen layouts are developed primarily from an architectural perspective rather than an operational perspective, the result is often oversized equipment lists.

Architects may design kitchens to ensure capacity for theoretical peak production rather than realistic service volumes. The result can be a cooking line that is larger and more expensive than necessary.

Overbuilding the Kitchen

Many first-time restaurant owners attempt to build kitchens capable of producing far more volume than the restaurant will realistically serve. While expansion capacity is important, oversized kitchens tie up capital unnecessarily and increase construction costs.

Experienced operators typically design kitchens around **actual menu production requirements**, not theoretical maximum capacity.

Dealer Incentives and Equipment Selection

Most restaurant equipment dealers are reputable professionals, but like any sales environment there can be incentives to increase order size. Operators who are unfamiliar with equipment purchasing may not realize that smaller or simpler solutions are often available.

Understanding these dynamics early can prevent significant overspending.

The Most Important Principle: The Menu Should Determine the Kitchen

The most important rule in restaurant kitchen design is simple:

The menu should determine the kitchen—not the other way around.

Every menu concept requires a different equipment strategy.

For example:

Burger Concepts

Typical equipment includes:

- flat-top grills
- fryers
- bun toasters
- holding stations
- refrigerated topping stations

Italian Restaurants

Often require:

- sauté stations
- pasta cookers
- convection ovens
- refrigerated ingredient storage

Pizza Concepts

Require specialized equipment such as:

- pizza ovens
- dough preparation areas
- refrigerated topping stations

Steakhouse Kitchens

May require:

- broilers or charbroilers
- large refrigeration capacity
- specialized plating areas

In practice, many successful restaurants operate with far less equipment than their initial design plans suggested. Focused menus and efficient station design often allow kitchens to produce high volumes with fewer appliances than originally anticipated.

When restaurants purchase equipment before fully understanding their menu, they frequently invest in equipment that contributes little to production.

Kitchen Design Is Really About Workflow

Efficient kitchens function like well-designed production systems.

Food should move logically through each stage of preparation:

Receiving → Storage → Prep → Cooking → Plating → Service → Dishwashing

Poor workflow design can create serious operational challenges:

- cooks crossing paths during service
- congestion at prep stations
- dishwashing interfering with service flow
- unnecessary staff movement

These inefficiencies increase labor costs and slow service.

In many poorly designed kitchens, cooks may walk several feet between refrigeration, cooking equipment, and plating areas for every plate produced. During a busy service, these extra steps accumulate into hundreds of unnecessary movements.

Professional kitchen designers focus heavily on **movement and station design**, not simply equipment placement.

Infrastructure: The Hidden Cost Factor

One of the most overlooked aspects of equipment planning is infrastructure.

Equipment must be compatible with the building's mechanical systems.

Important considerations include:

Electrical Capacity

High-powered cooking equipment may require upgraded electrical service.

Gas Supply

Large cooking lines with multiple high-BTU appliances require sufficient gas capacity.

Ventilation Systems

Kitchen hood systems must be sized properly to handle the heat and smoke generated by cooking equipment.

Plumbing and Drainage

Dish machines, prep sinks, and floor drains must be properly designed.

Many equipment purchasing mistakes occur because operators fail to evaluate these requirements before ordering equipment.

What Equipment Should Always Be Purchased New

While some equipment can safely be purchased used, certain equipment should almost always be purchased new because reliability is critical.

These include:

- refrigeration systems
- ice machines
- combi ovens
- dish machines
- complex cooking equipment

Failures in these systems can disrupt restaurant operations and create significant repair costs.

Reliable equipment backed by local service support is essential.

What Equipment Can Often Be Purchased Used

Other types of equipment are excellent candidates for used purchases.

Examples include:

- stainless steel work tables
- shelving
- sinks
- storage racks
- certain prep equipment

These items are mechanically simple and often perform just as well when purchased refurbished.

Strategic use of refurbished equipment can reduce kitchen budgets by **20–40 percent** without introducing operational risk.

Financing Equipment Strategically

Restaurant equipment financing is widely used in the industry.

Financing may be appropriate for equipment that:

- has a long service life
- requires significant capital investment
- directly contributes to production capacity

Examples include:

- cooking lines
- refrigeration systems
- ventilation systems

These assets often remain in service for **10–20 years**, making financing a practical option.

However, financing smaller items such as utensils and small appliances is rarely advisable.

How Restaurant Equipment Dealers Work

Experienced equipment dealers can provide significant value during restaurant development.

Dealers typically assist with:

- equipment specification
- kitchen layout planning
- installation coordination
- manufacturer relationships
- financing arrangements

Many dealers work closely with manufacturers and may have access to pricing programs not available to individual buyers.

Working with a knowledgeable dealer can simplify procurement and reduce costs.

Experienced operators typically request equipment packages rather than purchasing items individually, which often results in better pricing and more efficient installation planning.

Example Restaurant Kitchen Budget

Example: 120-Seat Restaurant

Cooking Line Equipment — \$45,000

Walk-In Refrigeration — \$30,000

Prep Equipment — \$20,000

Dish Machine — \$12,000

Ventilation System — \$40,000

Smallwares — \$15,000

Installation — \$25,000

Estimated Total — **\$187,000**

Strategic purchasing decisions can often reduce these costs by **\$40,000–\$70,000**.

In many projects, ventilation systems, installation labor, and smallwares are the categories most likely to increase beyond initial estimates.

The 10 Biggest Equipment Purchasing Mistakes

1. Buying equipment before finalizing the menu
2. Overbuilding the kitchen with unnecessary equipment
3. Choosing the cheapest equipment instead of reliable equipment
4. Ignoring kitchen workflow
5. Purchasing everything brand new
6. Financing small disposable items
7. Ignoring service availability
8. Underestimating infrastructure requirements
9. Buying equipment piece-by-piece online
10. Not consulting experienced professionals

Avoiding these mistakes can save tens of thousands of dollars.

Restaurant Equipment Planning Checklist

Before purchasing equipment confirm:

- ✓ Finalized menu
- ✓ Seating capacity projections
- ✓ Peak service volume estimates
- ✓ Electrical capacity verification
- ✓ Gas supply availability
- ✓ Ventilation requirements
- ✓ Kitchen workflow design
- ✓ Installation timeline

Consultant Insight: Simpler Kitchens Often Work Better

Many first-time restaurant owners assume that a larger and more complex kitchen will create operational flexibility. In practice, the opposite is often true.

Focused kitchens designed around a concise menu often operate more efficiently than kitchens filled with underused equipment.

Smaller, more efficient cooking lines often result in:

- faster service
- lower labor costs
- simpler training
- easier maintenance

Rather than attempting to build kitchens capable of producing every possible menu item, experienced operators design kitchens around the food they intend to serve consistently.

In restaurant development, the most expensive mistakes are rarely caused by a single decision. More often they occur when a series of small equipment choices gradually expand the scope and cost of the kitchen.

Planning a Restaurant Project?

If you are planning a new restaurant, renovating an existing kitchen, or evaluating equipment purchases, it can be helpful to review kitchen design and procurement decisions early in the development process.

Many of the most expensive mistakes in restaurant development occur during the planning stage—long before construction begins.

An experienced operator or consultant can often identify opportunities to:

- simplify kitchen layouts
- reduce unnecessary equipment purchases
- improve workflow and station design
- control installation and infrastructure costs

Even small changes in kitchen design or equipment selection can significantly impact both startup costs and long-term operational efficiency.

About Eric Faber

Eric Faber is a restaurant consultant with decades of experience in restaurant operations, kitchen development, distribution, packaging, and hospitality consulting.

Through **U.S. Restaurant Consultants**, he works with restaurant owners and hospitality entrepreneurs on:

- restaurant concept development
- kitchen design and equipment planning
- procurement strategy
- operational systems

Learn more at:

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