

Mandated Menu Labeling Provides a Ready-Made Role for Digital Signage

Digital menu boards can provide a proven, cost-effective solution for restaurant operators to meet the federally legislated nutritional and caloric information requirements.

By Linda Hofflander

Many American restaurateurs have anxiously watched and waited as new federal food and menu labeling bills were introduced to the Senate in the fall of 2008. Now, the wait for this legislation, which proposed to mandate and regulate the posting and availability of nutritional and caloric information within restaurant chains across the country, is over. As an unintended consequence, it also ushers in a new opportunity for the role of digital signage in food service establishments.

On March 23, 2010, President Obama signed into law the Health Care Reform Act, which included menu labeling language that will require caloric information on chain restaurant menus, menu boards and drive-through displays. The legislation applies across the country to chains with 20 or more locations, requiring them to provide nutritional information to consumers at the point of purchase and to provide additional nutritional information on request.

This new law currently has the Food and Drug Administration creating a national standard for menu labeling for restaurants or food establishments with 20 or more locations doing business under the same name, and offering substantially the same menu items, regardless of a particular location's ownership status. Within 120 days of the Act's enactment the United State's Secretary of Health and Human Services will publish a notice in the Federal Register specifying the terms and conditions for implementation. No later than one year after the date of the enactment of this clause, the Secretary will disseminate the final regulations imposed to carry out mandates aspects of this provision.

The Secretary's proposed regulations will specify the format and manner of nutrient disclosure requirements and take into consideration a variety of factors such as standardization of recipes and method of preparation, reasonable variation in serving size and formulation of menu items, allotted space on menus and menu boards, inadvertent human error, training of food service workers and allowable variations in ingredients.

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Labeling standards outlined by the FDA will supersede all existing state and city laws. The FDA also will enforce requirements, with the possibility of the imposition of criminal penalties for non-compliance.

The National Restaurant Association (NRA) praised passage of the provision in the bill that will provide more consistent nutritional information to consumers in chain restaurants across the country.¹

To adequately address the nutritional labeling requirements, restaurants can utilize intelligent software to link menu labeling with recipes via digital menu-boards or signage. An intelligent menu labeling system shares nutritional information based on the menu items currently offered. This allows valuable menu signage real-estate to focus on revenue generating food items.

Menu Labeling Standards

There has been significant support within the food service industry, and most notably the National Restaurant Association (NRA), for implementing national standards (See “National Standards”) for menu labeling as a single federal standard will control the propagation of conflicting and confusing individual state and local regulations. In fact, many chains see a national standard as the answer to managing the inevitable complexity of compliance.²

Keeping nutritional and caloric information alongside a menu item may be the easiest way for consumers to understand what they are buying, but it serves up corresponding communication challenges for the store owner at the point of purchase. As a result, many restaurants currently provide nutritional and calorie information through in-store brochures, tray liners, small signage, wrappers and online Web sites.

For food services conducting business across the country, the lack of an instant communication solution hinders compliance,

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productivity and efficiency. To comply with enacted reform measures, specifically the legislatively-driven communication of nutritional information, creating and installing the ability to instantly push data to consumers' in-store with a push of a button is now mission critical for restaurants. In response, many are turning their attention to evaluating technology solutions as a method of delivering the information now required by law.

The expense and logistical maneuvering necessary to remain compliant with legislation directly impacts the profits and public perception of the restaurant industry. How can the industry accurately maintain and communicate to customers the nutritional information necessary to meet the new federal regulations?

Digital Signage to the Rescue

The answer lies in digital signage systems that perform intelligent, multi-sourced data analysis, extract menu item nutritional data and publish it real-time via a digital display to align with the day-parted menu board viewed in-store.

An intelligent digital menu board and nutritional labeling system can provide:

- Legally compliant nutritional information
- Compelling menu item video and images
- Sales Lift
- Consistent messaging
- Reduced perceived wait times
- Reduce or eliminate POS clutter.

Quick service and fast casual restaurants will find in digital media a solution to quickly become 100-percent compliant with nutritional labeling legislation. Hardware costs have fallen, and the more modern, all-in-one signage systems are cost-effective, providing a return on investment by reducing the expense of traditional print design, printing, kitting, shipping and installation.

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ABOUT THE AUTHOR

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FOOTNOTES:

1 Christa Hoyland, "Will national menu labeling hold?" Fast Casual, April 2, 2009.

2 Authenticated US Government Information, 111th Congress 1st Session H.R. 1398, March 9, 2009

3 Menu labeling section 2572 of health care reform bill 3962

National Standards (Footnote 3)

What should be disclosed?

1. Standard Menu Items on menu boards and drive-through menu boards should include:

- a. A calorie disclosure statement adjacent to the name of the standard menu item stated within the context of total daily diet.*
- b. A statement about suggested daily calorie intake in a way that the public can understand the context of their food choice.*
- c. A statement about the availability of additional nutritional information that should be available upon request.*

2. Self-Service Food and Food on Display such as a salad bar, buffet line, cafeteria line or similar self-service facility and self-service beverage will require a sign be placed next to each food item listing calories displayed per food item or serving.

3. Variable Menu Items such as pizza, ice cream and beverages. The Secretary will establish regulations for disclosing nutritional information for standard menu items that come in different flavors, varieties or combinations but are listed as a single menu item.

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4. Vending Machines for operators running 20 or more vending machines will be required to display a sign placed in close proximity to the food item or selection button clearly stating the number of calories in the item.

** The primary writing of the restaurant or retail food establishment from which a consumer makes an order selection.*

What does NOT need to be disclosed?

1. Items not listed on the menu board such as condiments or other general use items.

2. Daily specials, custom orders or temporary menu items appearing less than 60 days a year.

3. Food that is part of a market test and appearing less than 90 days.