

Restaurant

Business start-up guide

Restaurant industry overview

There is a huge range of restaurants in Australia that offer a wide variety of food and service styles. Demand for restaurants is growing as the economy recovers from the global financial crisis, and more people choose to eat out instead of cooking at home.

Starting or buying a restaurant involves many essential steps. Legally, you must ensure that you apply for and receive the correct licences.

This guide explains how to start a restaurant in Queensland. It will help you understand the challenges and opportunities of entering the restaurant industry so you can make good business decisions.

Getting into the restaurant industry

Before you start a restaurant, you need to understand how the industry works, what things you need to consider in your planning, and the legal requirements you must meet.

Finding a competitive edge in Queensland's restaurant industry

The type of restaurant you choose to open can be a point of difference from your nearby competitors. The 4 main restaurant types are:

- licensed
- bring your own (BYO)
- licensed and BYO
- unlicensed.

There is a lot of competition between restaurant owners, as well as other businesses like cafés, coffee shops, pubs, taverns and clubs. Competition in the food service industry is generally based on price, food quality and customer service. However, as a restaurant, you can compete on a number of other factors as well.

To give your restaurant a competitive edge, select a location that customers can easily access with nearby car parking or public transport. Another way to compete is to offer a wide range of food and offer menu options for specific diets (e.g. vegetarian, vegan, gluten-free, dairy-free).

Your restaurant's ambience, décor and furnishings, as well as food presentation, all add value to your customer's experience so make sure you have a clear idea of how you want to style your restaurant to stand out from your competition.

Key success factors for a restaurant

To start a successful restaurant, you need to:

- be clear about the type of café and customers you want
- design and market your business for target customers
- have business operating experience (e.g. managing cash flow, quality control)
- hire skilled staff
- meet government regulations
- build word-of-mouth recommendations
- have access to niche markets.

Restaurant industry entry barriers

There is a high entry and exit rate in the restaurant industry because there are few entry barriers. You don't need formal qualifications, though experience or training in hospitality will be very useful. It is also easy to obtain the required food business and liquor licences.

The main barrier is finding enough money to start your restaurant, but there are ways to lower your costs. You can lease premises, equipment, furniture and settings instead of buying outright. Another way to reduce start-up costs is to consider a franchise restaurant, which includes cheaper outfitting, equipment, training and computer systems.

(Source IBISWorld, March 2012)

Restaurant industry requirements

A number of licensing and registration regulations govern the restaurant industry. When starting a restaurant you may need to consider the following requirements.

Operating a food service business

To serve food in your restaurant, you may need a Food Business Licence from the [local council](#) where your food business is based. Licence costs and application processing times will vary so check details with your local council when you apply. Licensed food businesses may have more than 1 registered premises.

Serving alcohol to customers

To serve alcohol to your customers, you may need a [Liquor Licence \(Commercial other\)](#) from the Office of Liquor and Gaming Regulation. Licence costs vary depending on your business type so check with the Office of Liquor and Gaming Regulation when you request an application form.

Picking up meat (e.g. from an abattoir) to sell to customers

To pick up meat to sell to customers, you may need to fill in an [Application for Accreditation](#) from [Safe Food Production Queensland](#). Accreditation costs vary depending on your business type and it may take Safe Food up to 4 weeks to process your application. You must ensure the meat's integrity for your customers' safety.

Food safety

You are legally required to meet the food health and safety standards set in the *Food Safety Act 2006* and *Food Production (Safety) Act 2000*. Ensure you make and store food safely for your customers.

Learn more about [food industry regulations](#).

Legislation that may apply to your business

- *Fire and Rescue Service Act 1990*
- *Food Act 2006*
- *Integrated Planning Act 1997*
- *Liquor Act 1992*
- *Local Government Act 2009*
- *Retail Shop Leases Act 1994*

- *Sale of Goods Act 1896*
- *Vocational Education, Training and Employment Act 2000*
- *Work Health and Safety Act 2011*

To access copies of legislation, visit www.legislation.qld.gov.au.

Useful industry contacts

Business Support Unit

For more information on licences, regulations, market research, business planning and other support services phone 13 25 23 or visit business.qld.gov.au

Australian Retailers Association

Phone 1300 368 041

Visit www.retail.org.au

Catering Institute of Australia

Phone (08) 9325 3824

Visit www.cateringinstitute.com.au

International Coffee Organisation

Visit www.ico.org

Restaurant & Catering Australia

Phone 1300 722 878

Visit www.restaurantcater.asn.au

Sustainable Tourism Online

Phone (07) 3238 1900

Visit www.sustainabletourisonline.com

The Organic Federation of Australia (OFA)

Phone (03) 5634 7526

Visit www.ofa.org.au

United Retail Federation

Phone 1300 721 730

Visit www.unitedretailfederation.com.au

