NUTRITICS

88% OF OPERATORS ARE NOT FULLY PREPARED:

EXCLUSIVE NEW RESEARCH BY TECHNOMIC REVEALS CALIFORNIA'S ALLERGEN LAW IS EXPOSING A NATIONAL WEAK SPOT IN RESTAURANT OPERATIONS

Technomic by informa



YOUR ALLERGEN MANAGEMENT SYSTEM IS ABOUT TO FAIL YOU

California's new allergen disclosure law is doing more than introducing another compliance requirement — it is exposing a deeper operational vulnerability across foodservice. Behind every menu update, supplier substitution and recipe tweak lies a growing challenge: keeping allergen and ingredient information accurate, synchronized, and compliant in real time.

This exclusive Technomic research reveals how widespread this problem is. While most operators understand the seriousness of allergen compliance, an alarming 88% admit they are not fully prepared to meet the demands of California's new allergen disclosure law.

Even more concerning, the findings suggest this is not simply a California issue and represent a warning sign for the entire U.S. foodservice sector.

This report highlights a major shift in how leading operators are approaching menu management, technology, and operational control. – and shows you what's actually happening behind the scenes.

Read on for the key findings and insights your leadership team needs to know – and do - right now before something goes wrong.

WHY THIS IS IMPORTANT

For restaurant leaders, ADDE SB 68 is shaping up as a national signal, not a local anomaly. What California is forcing today, other states are likely to formalize tomorrow; a concern that 55% of operators outside of California share according to this research. The brands that respond fastest will not simply reduce compliance risk, they will gain an operating advantage in speed, consistency, and guest trust.



TECHNOMIC INSIGHT #1

88% OF CALIFORNIA OPERATORS AREN'T READY: CALIFORNIA'S ALLERGEN LAW IS EXPOSING A SYSTEMIC DATA RISK

California's Allergen Disclosure for Dining Experiences Act (SB68) is forcing a shift - turning menu accuracy from an operational task into a board-level concern due to the compliance risks this law introduces.

The law applies to operators with 20+ units and at least one California location, requiring clear allergen labelling on all consumer-facing menus.

ONLY 12% BELIEVE THAT THEIR CURRENT SYSTEM TO MANAGE THE COMPLIANCE RISKS ARE UP TO THE TASK*

TECHNOMIC DATA REVEALS THE SCALE OF THE CHALLENGE:

88%
ARE NOT FULLY PREPARED

53%
STRUGGLE WITH MENU UPDATE COMPLEXITY

50%
CITE COST AS A MAJOR CONCERN

44%
FLAG STAFF TRAINING AS A BARRIER

52%
SEE SUPPLIER DATA ACCURACY AS A TOP RISK

The concern goes beyond the physical process of labeling. The real issue is confidence because operators aren't just worried about frontline execution. They are also concerned about whether the underlying supplier data is reliable enough to support safe, compliant decisions in the first place.

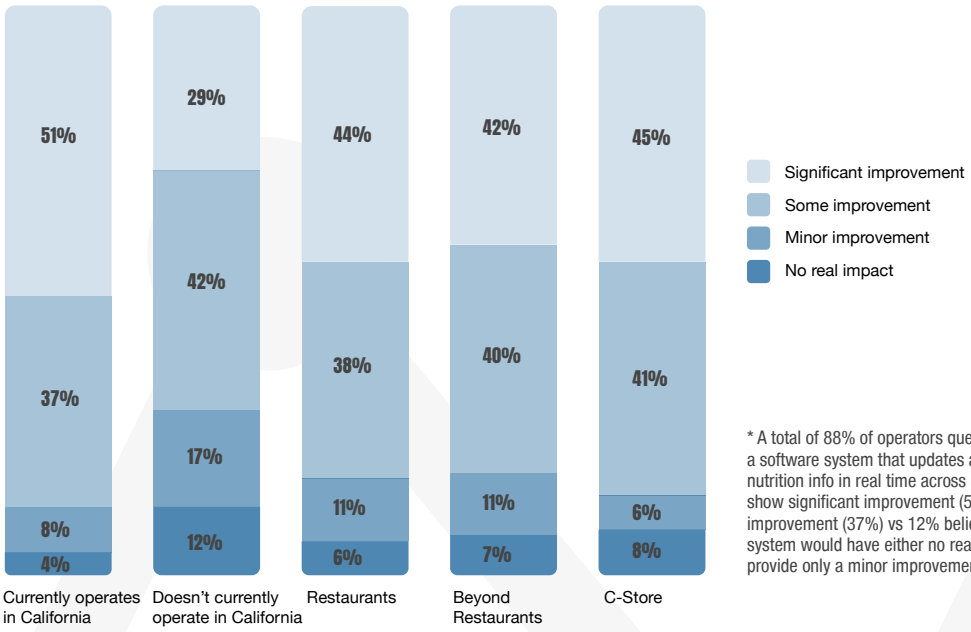
That changes the nature of the conversation. Ingredient transparency, once treated largely as an operational detail, is becoming a risk-management issue with legal, reputational and financial consequences.

LEADERSHIP IMPLICATIONS

> “California is now functioning as the first full-scale stress test for allergen-readiness in foodservice. The real challenge is not simply adding allergen information to menus. It is maintaining confidence that the information is accurate everywhere it appears, every time a recipe, supplier, or ingredient changes.” **TECHNOMIC**

That is why supplier-data accuracy rises to the top of the concern list. If the upstream information is late, incomplete, or wrong, every downstream output is vulnerable: printed menus, digital channels, staff guidance, and guest-facing disclosures.

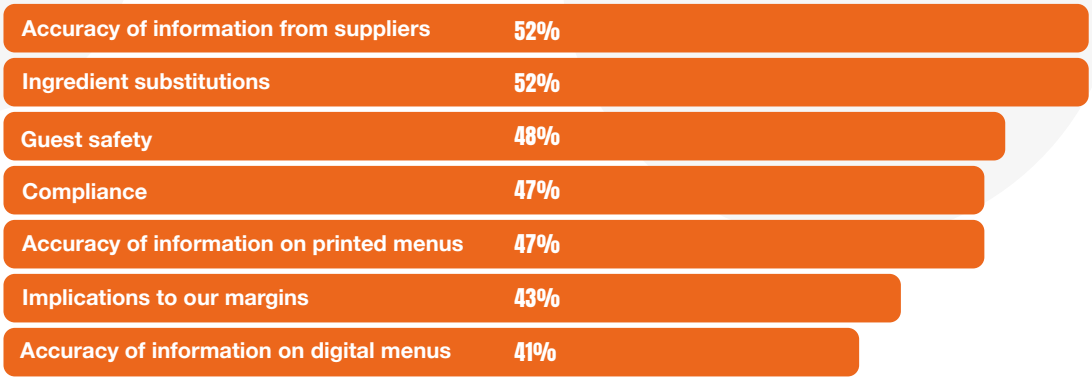
IMPACT OF A SOFTWARE SYSTEM THAT UPDATES ALLERGEN AND NUTRITION INFORMATION IN REAL TIME ACROSS MENUS AND STAFF TOOLS



* A total of 88% of operators questioned said a software system that updates allergen and nutrition info in real time across menus would show significant improvement (51%) or some improvement (37%) vs 12% believing such a system would have either no real impact (4%) or provide only a minor improvement (8%)

CALIFORNIA OPERATORS SEE SUPPLIER-DATA ACCURACY AND INGREDIENT SUBSTITUTIONS AS THE BIGGEST THREATS TO COMPLIANCE.

LEVEL OF CONCERN AROUND ASPECTS RELATED TO ADDE* % MODERATELY/ EXTREMELY CONCERNED AMONG THOSE WHO CURRENTLY OPERATE IN CALIFORNIA

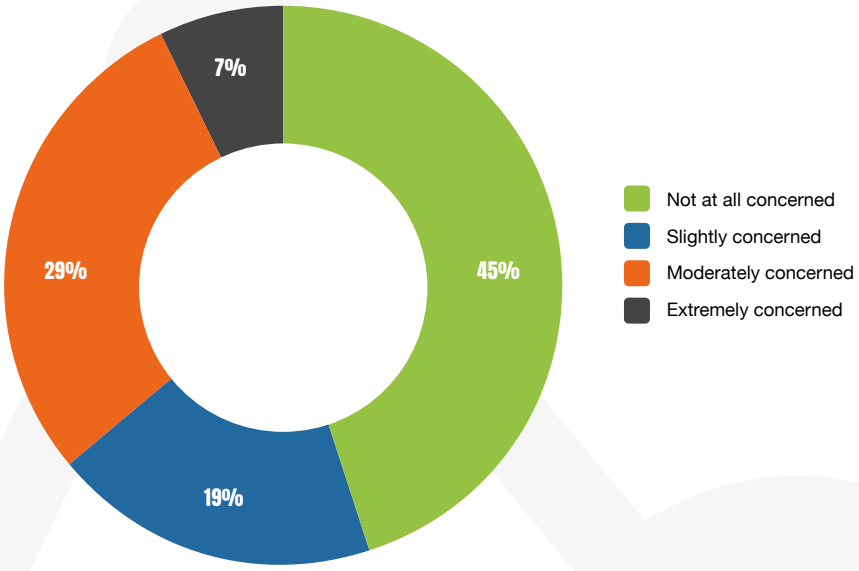


WHAT LEADERSHIP SHOULD DO

- Treat California as the enterprise proving ground. The operating model built to comply there is likely to become the template for broader national readiness.
- Pressure-test supplier-data flow. The question to answer is how quickly and accurately supplier changes cascade into recipes, menus and staff tools.
- Move allergen governance above any single function. Procurement, IT, culinary, operations, legal, and training all own part of the compliance chain.

TECHNOMIC INSIGHT #2
IT DOESN'T END WITH CALIFORNIA

CONCERN AROUND SIMILAR LEGISLATION PASSING IN OTHER STATES
NOT OPERATING IN CALIFORNIA

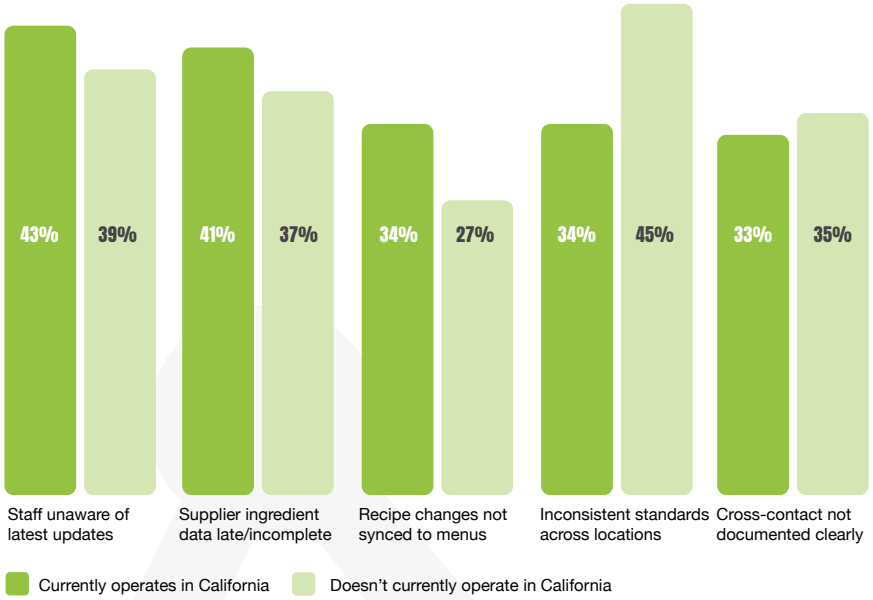


"What California is forcing today, other states are likely to formalize tomorrow; a concern 55% of operators outside of California share." TECHNOMIC

TECHNOMIC INSIGHT #3
THE BIGGER STORY: A NATIONAL COMPLIANCE GAP IS ALREADY HERE

Technomic research shows that the problem is not confined to California; the same structural weaknesses appear across the broader market.

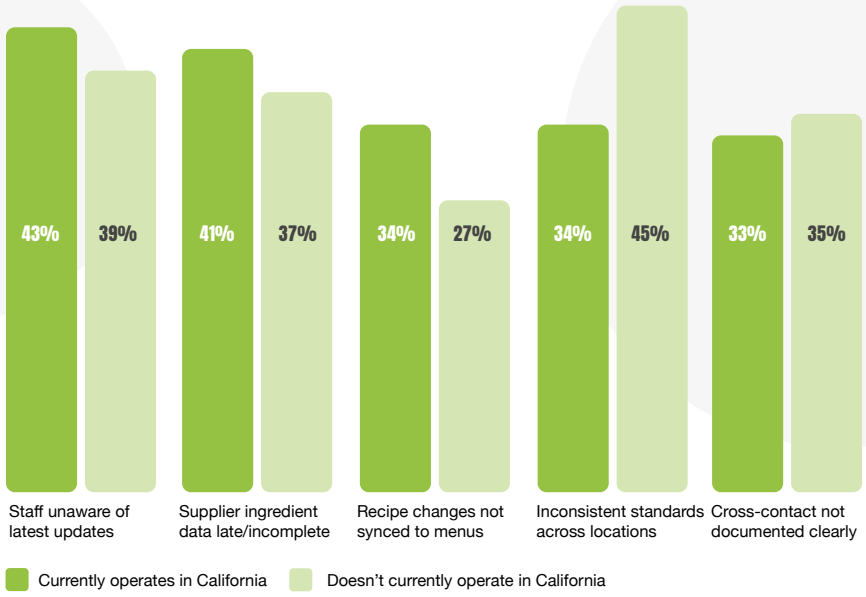
TOP ALLERGEN-MANAGEMENT WEAKNESS



These numbers point to a common pattern: the greatest risk is not necessarily a lack of policy but potential failure at the handoff points where information moves from supplier to recipe, from recipe to menu, from menu to frontline teams and ultimately to the guest.

This is echoed in the data below showing where operators believe positive changes could be made:

TOP WAYS TO IMPROVE ALLERGEN MANAGEMENT PRACTICES



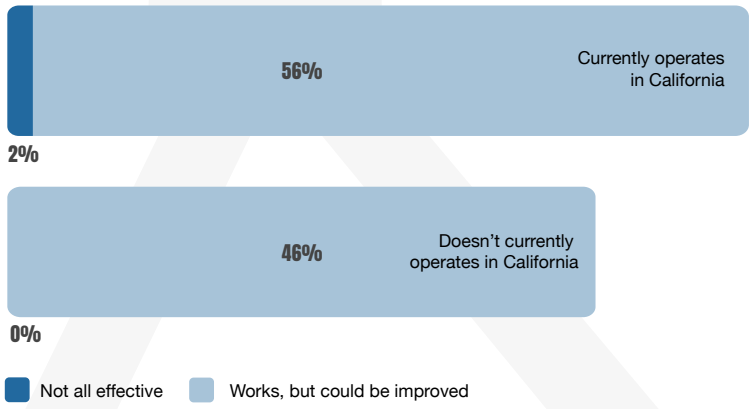
TECHNOMIC INSIGHT #4
EFFECTIVENESS OF CURRENT ALLERGEN MANAGEMENT PRACTICES

“ This is what makes the findings especially newsworthy. Most operators are not saying they have no allergen controls, but that those controls are difficult to maintain under real operating conditions. These operating conditions can be overly complex and represent the crux of the potential problems that could arise.

In modern foodservice, where suppliers fluctuate, menus rotate, and staff turnover remains high, that difference is everything.” TECHNOMIC

The chart below shows there is also almost universal agreement amongst both brands operating in California and those that do not, that their allergen management practices work, but could be improved.

The implication is clear: many operators are facing a control gap.



WHAT LEADERSHIP SHOULD DO

- Define a single source of truth for allergen data. If every channel is not pulling from the same governed source, risk remains embedded.
- Track update lag as aggressively as accuracy. A correct allergen file that reaches the field too late is still a compliance problem.
- Audit breakdowns at the handoff points. Most failures happen between systems, teams, and processes, not within a single task.

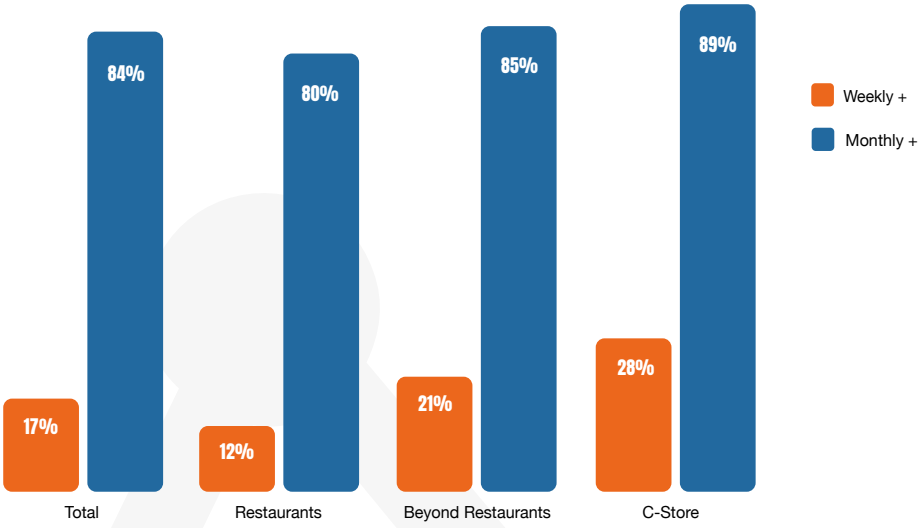
TECHNOMIC INSIGHT #5

AMERICA'S MENUS ARE CHANGING TOO FAST FOR MANUAL SYSTEMS TO KEEP UP

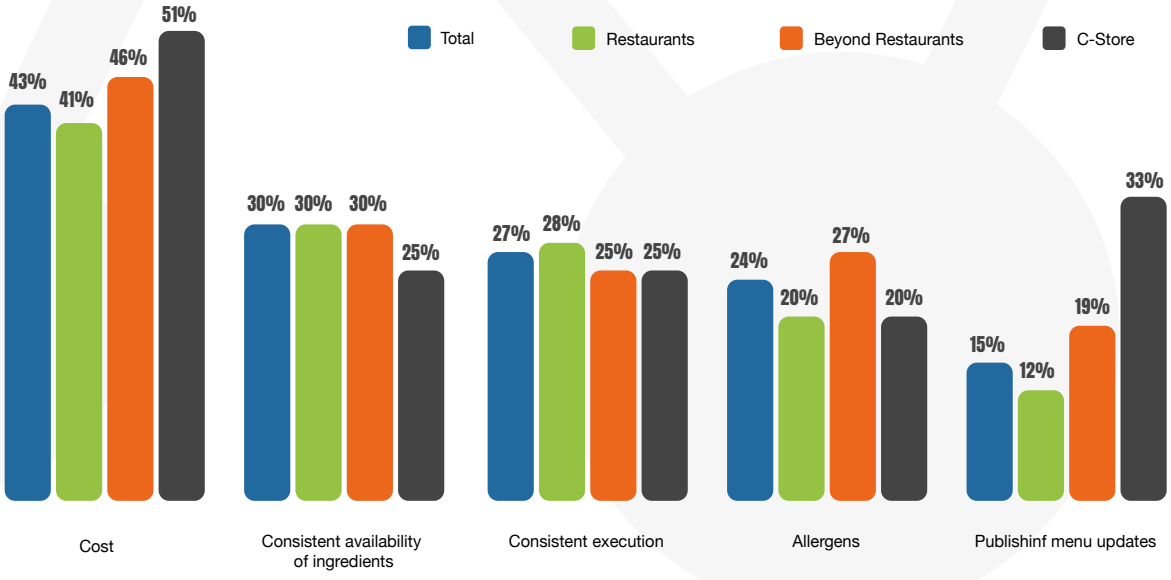
Technomic data below shows the menu itself has become a moving target. Frequent menu updates have already made the menu management process complex enough.

- **84%** of operators update menus at least monthly
- **17%** update menus weekly
- In convenience and education, nearly **90%** update menus at least monthly

FREQUENCY OF MENU UPDATES



TOP CHALLENEGS OF MENU UPDATES



At the same time, the chart above shows the biggest menu update obstacles remain:

- Ingredient cost and availability **(43–51%)**
- Execution and staff communication **(25–27%)**
- Allergen consistency and documentation **(20–24%)**

WHAT FREQUENT MENU UPDATES MEAN

Every menu update has become a mini operational launch. A supplier substitution can alter recipe specs. A recipe change can affect allergen declarations. A declaration change must flow to digital menus, printed menus, and staff tools. If any step lags, inconsistency appears.

That is why manual systems are under such visible strain. The pace of menu change has overtaken the processes many operators still rely on to govern accuracy.

> “This is the operational reality behind the compliance story. Menu management is no longer a periodic marketing workflow. It is a continuous cycle of change that now touches procurement, culinary, training, digital publishing, and legal.” **TECHNOMIC**

WHAT LEADERSHIP SHOULD DO

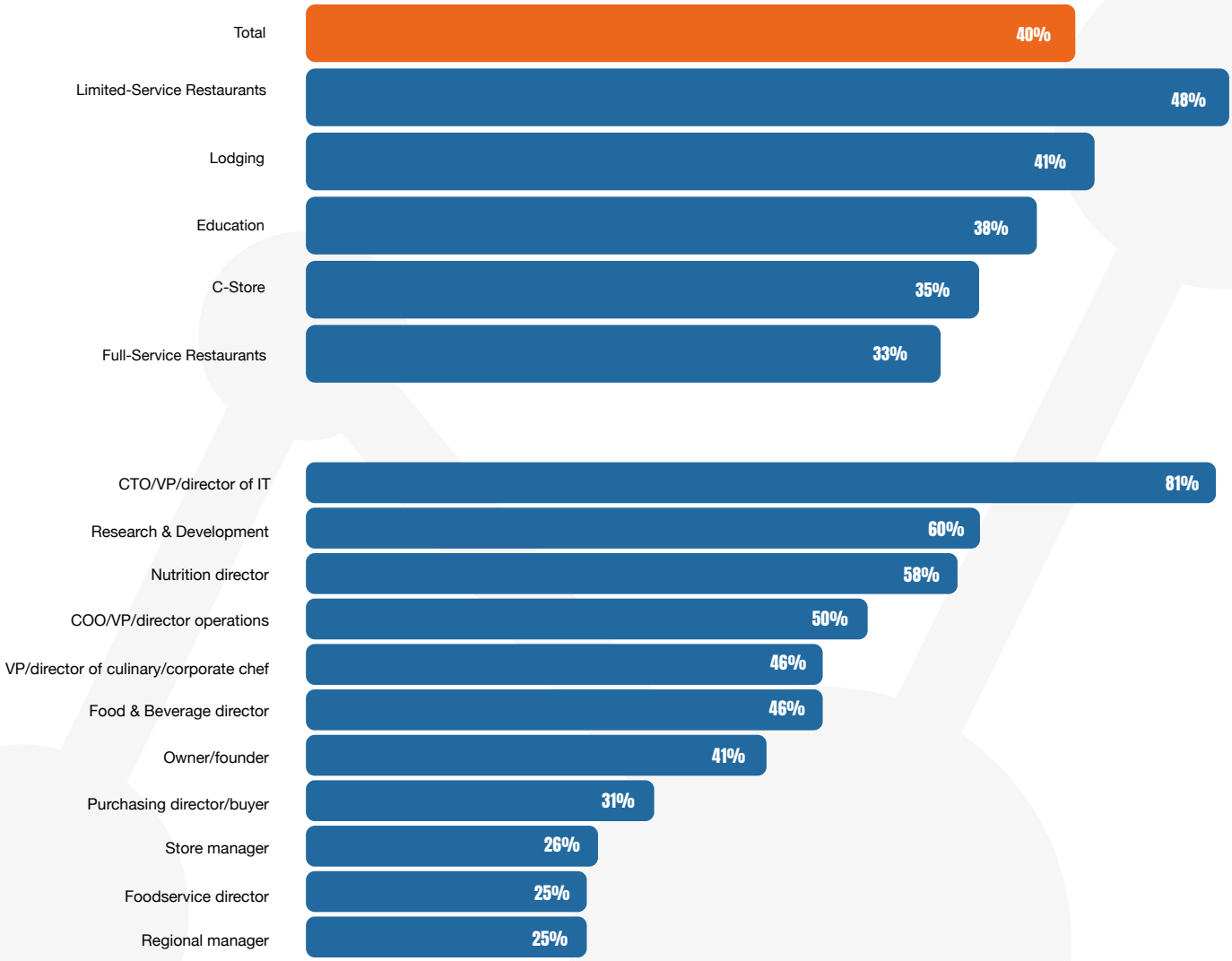
- Treat menu velocity as a risk multiplier. The more frequently a brand changes its menu, the stronger its need for governed, real-time menu management systems.
- Match innovation pace with information capability. Menu strategy should be shaped not only by consumer demand, but by the organization’s ability to operationalize change accurately and effectively.
- Map the end-to-end workflow for every menu change. Leaders should know exactly how ingredient changes are presented to guests in menu copy, allergen disclosures, calorie counts, etc.



TECHNOMIC INSIGHT #6
THE PEOPLE CLOSEST TO THE SYSTEMS ARE THE MOST WORRIED

One of the clearest signals in the Technomic data is *where* concern is concentrated.

"I'M VERY WORRIED THAT WITHOUT THE RIGHT MENU MANAGEMENT RESOURCES IT WILL BE TOO HARD FOR OUR FOOD OPERATIONS TO COMPLY WITH THE NEWALLERGEN LAW."
% CONCERNED



- **40%** of operators nationwide say they could struggle to comply without new digital resources.
- **48%** of Limited-Service Restaurant operators express concern — the highest among segments.
- **81%** of CTOs and IT leaders are concerned, the highest of any role.
- R&D, Nutrition, and Culinary leaders also show elevated concern, with more than half reporting strong worry about allergen accuracy and compliance demands.

WHAT THIS MEANS

Employees most in-tune with the process are looking for infrastructure that can both ensure compliance and prevent the day-to-day failures that can occur with routine menu updates.

It suggests that many organizations may have a knowledge or visibility gap. Store-level teams are focused on keeping service running smoothly. They cannot always see whether the systems feeding them are synchronized, current, and defensible. IT and data-adjacent leaders understand this and they are looking for tools that will set up store-level employees for success.

WHAT LEADERSHIP SHOULD DO

- Listen hardest to the functions expressing the most concern - they are often the ones with the clearest view of latent system risk.
- Create executive-level ownership across IT, culinary, operations, and procurement. No one function can solve this alone.
- Require system-level reporting. Leadership dashboards should show data lag, publishing accuracy, and update completion across channels.



TECHNOMIC INSIGHT #7

THE MARKET IS ALREADY VOTING FOR REAL-TIME SOFTWARE

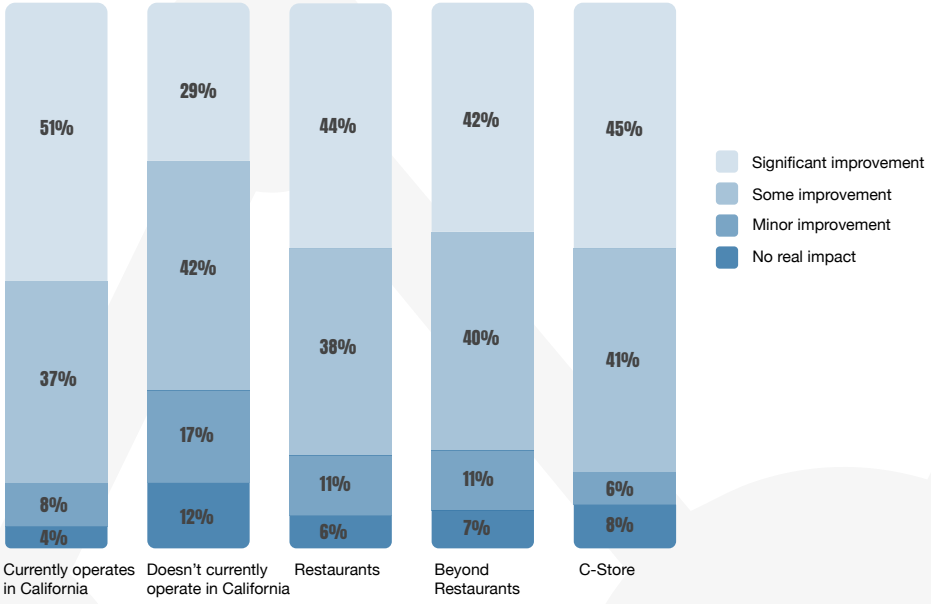
Technomic research shows a decisive shift in operator sentiment toward software-enabled control.

Among California operators, 88% believe real-time software that updates allergen and nutrition data across menus and staff tools would improve operations.

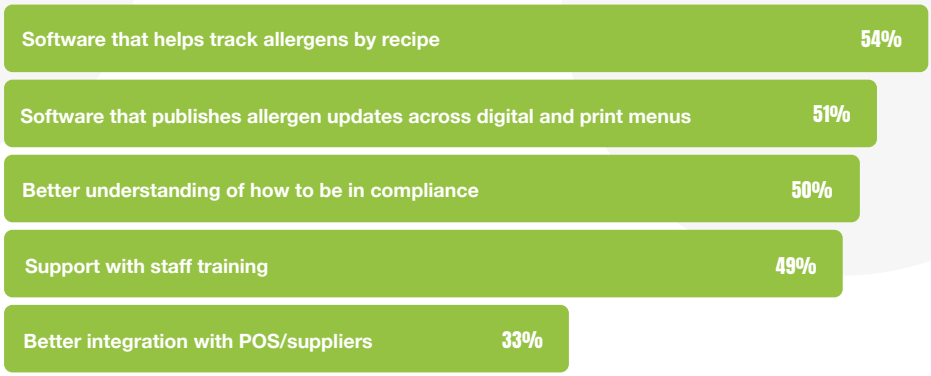
Among non-California operators, 71% believe the same technology would improve compliance and efficiency even before they face direct regulation.

SEVEN IN TEN OPERATORS EXPECT MEANINGFUL GAINS FROM REAL-TIME ALLERGEN SOFTWARE

IMPACT OF A SOFTWARE SYSTEM THAT UPDATES ALLERGEN AND NUTRITION INFORMATION IN REAL TIME ACROSS MENUS AND STAFF TOOLS



CAPABILITIES OPERATORS WANT THE MOST



WHAT THIS MEANS

On the face of it, the ask is for recipe-level allergen tracking, real-time publishing updates, staff support and supplier integration. Underlying these asks is broader need though: a control layer capable of connecting upstream data with downstream execution. In practical terms, operators are telling the market that they no longer want fragmented compliance workarounds. They need synchronized menu infrastructure.

This study started out focused on the impact of the allergen legislation on operations, but it has highlighted the central importance of menu-management processes and the role technology plays as the solution.

> “This level of support for software to track allergens in real time is notable because operators are not just asking for a faster way to label menus, but for a better way to run their underlying operating system.” **TECHNOMIC**

WHAT LEADERSHIP SHOULD DO

- Evaluate technology as strategic infrastructure, not a niche compliance fix.
- Prioritize platforms that connect supplier, recipe, menu, and staff workflows.
- Build the investment case around speed, consistency, labor efficiency, and guest trust.
- Ensure the processes facilitated by the technology enable accurate compliance menu labelling compliance.



TOP TAKEAWAYS
FOR MULTI-UNIT OPERATORS

1. COMPLIANCE READINESS IS BECOMING A PUBLIC MARKER OF OPERATIONAL MATURITY

The brands that move early will not just be more compliant. They will look more controlled, more transparent and more trustworthy to guests and stakeholders.

Leadership should set an enterprise-wide standard for allergen-data governance and define who owns each link in the chain.

2. MENU MANAGEMENT NOW SITS AT THE CENTER OF COMPLIANCE RISK

The visible issue may be allergen labeling, but the underlying challenge is synchronized control over ingredients, recipes, publishing, and training.

Leadership should review how data moves today and identify every point where allergen information is manually copied, reformatted, or re-entered.

3. SILOED FUNCTIONS WILL NOT SOLVE A SYSTEMS PROBLEM

Culinary, operations, IT, procurement, marketing and training all influence whether allergen information stays accurate at scale.

Leadership should create cross-functional governance with explicit accountability for menu-change integrity.

4. TRAINING HAS TO BECOME DYNAMIC, NOT PERIODIC

High turnover and fast menu cycles make static allergen training increasingly unfit for purpose.

Leadership should invest in systems that can push updates directly into frontline workflows and make version control visible.

5. SUPPLIER DATA QUALITY NEEDS TO BE TREATED AS STRATEGIC INFRASTRUCTURE

The research makes clear that upstream information quality is one of the biggest determinants of downstream compliance.

Leadership should embed allergen-data standards into supplier onboarding, SLAs, and ongoing supplier performance management.

6. CALIFORNIA SHOULD BE USED AS THE OPERATING LABORATORY FOR NATIONAL READINESS

What works there can be standardized before the rest of the country catches up.

Leadership should benchmark update lag, publishing accuracy and staff-readiness performance in California, then scale those learnings systemwide.

“THE NEXT COMPETITIVE DIVIDE MAY BE MENU CONTROL”

TECHNOMIC

Our research points to a clear conclusion: allergen disclosure is becoming the next major fault line in foodservice operations that could rival calorie count mandates from a decade before.

California may be the immediate trigger but the underlying issue is national. In a business environment defined by frequent menu change, supplier volatility, and rising expectations for transparency, fragmented systems are becoming harder to defend. Operators clearly feel they can improve their current processes in order to drive menu update accuracy and efficiency.

The operators that invest now in scalable, data-driven menu management will be better positioned to meet new compliance demands. But just as importantly, they will be better positioned to execute change faster, communicate those changes more clearly, and earn greater trust from guests.

Success in menu innovation can only be achieved if the information behind it is controlled, accurate and flowing freely at all levels of the organization (from the corporate kitchen to the unit kitchen and from marketing to customer facing menus).

Coming off several straight years of heightened inflation, supply chain disruption and market uncertainty operators will need to find creative ways to drive efficiency without losing their hospitality edge.

In the context of the legislation, menu management software solutions should be at the center of the cost and efficiency savings discussion.



ABOUT THE RESEARCH

This White Paper is based on Technomic proprietary 2026 Operator Allergen Management Study, a quantitative survey of 304 U.S. multi-unit foodservice executives spanning restaurants, convenience retail, lodging, education, and non-commercial segments.

The data reflect statistically reliable sentiment across corporate, culinary, operations, nutrition, and technology leadership roles, analyzed by region, role, and concept type.

ABOUT Technomic

Technomic is the leading U.S. research firm specializing in foodservice insights, tracking operator sentiment, menu innovation, and market performance across all industry segments.
For decades, Technomic has helped brands, operators, and suppliers understand the forces reshaping foodservice — and the decisions required to stay ahead of them.

FURTHER INFORMATION

This independent research from Technomic was commissioned by Nutritics, the platform that has helped foodservice operators manage their data and comply with many types of legislation since 2013.

For further advice on ADDE SB68, visit **https://adde.food-regulations.org/**

For further information on how technology can streamline operations, help with compliance and cut costs, please visit **www.nutritics.com** or contact **sales@nutritics.com**

