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Brinker International, Inc. (NYSE:[EAT](#)) Q4 2025 Earnings Conference Call August 13, 2025 10:00 AM ET

Company Participants

Kevin D. Hochman - President, CEO & Director

Kim Sanders - Vice President of Investor & Government Relations

Michaela M. Ware - Executive VP & CFO

Conference Call Participants

Alexander Russell Slagle - Jefferies LLC, Research Division
Brian Hugh Mullan - Piper Sandler & Co., Research Division
Brian James Harbour - Morgan Stanley, Research Division
Brian Michael Vaccaro - Raymond James & Associates, Inc., Research Division
Christopher Thomas O'Cull - Stifel, Nicolaus & Company, Incorporated, Research Division
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Jeffrey Andrew Bernstein - Barclays Bank PLC, Research Division
Jeffrey Daniel Farmer - Gordon Haskett Research Advisors
Jon Michael Tower - Citigroup Inc., Research Division

Operator

Good day, and welcome to Brinker International's Q4 F '25 Earnings Call. [Operator Instructions] It is now my pleasure to turn the floor over to your host, Kim Sanders, Vice President of Investor Relations. Ma'am, the floor is yours.

Kim Sanders

Thank you, Holly, and good morning, everyone and thank you for joining us on today's call. Here with me today are Kevin Hochman, President and Chief Executive Officer and President of Chili's; and Mika Ware, Chief Financial Officer.

Results for our fourth quarter were released earlier this morning and are available on our website at brinker.com. As usual, Kevin and Mika will first make prepared comments related to our strategic initiatives and operating performance. Then we will open the call for your questions. Before beginning our comments, I would like to remind everyone of our safe harbor regarding forward-looking statements.

During our call, management may discuss certain items, which are not based entirely on historical facts. Any such items should be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All such statements are subject to risks and uncertainties, which could cause actual results to differ materially from those anticipated.

Such risks and uncertainties include factors more completely described in this morning's press release and the company's filings with the SEC. And of course, on the call, we may refer to certain non-GAAP financial measures that management uses in its review of the business and believes will provide insight into the company's ongoing operations. And with that said, I will turn the call over to Kevin.

Kevin D. Hochman

Thank you, Kim, and good morning, everyone. Thank you for joining us today to discuss our financial and operating performance in the quarter as well as to share guidance for fiscal '26. Q4 Chili's same-store sales were plus 24%, outperforming a stronger casual dining industry by 1,890 basis points. This result was lapping a plus 15% in Q4 last year for a 2-year comp of plus 39% Q4 '25 marks the completion of the 3 years into our turnaround plan, and the sustained results continue to be very encouraging.

Chili's has now beat the industry in the past 7 quarters on traffic as well as completed our 17th consecutive quarter of positive same- store sales growth. Our 3-year fiscal '25 comp sales growth number is plus 40%, and that growth has lifted AUVs to \$4.5 million. Through simplification and growth, we've also been able to expand Chili's restaurant operating margins significantly from 11.9% in fiscal '22 to 17.6% in fiscal '25.

With \$4.5 million AUVs, everything generally gets easier for the restaurants, labor budgets, repairs and maintenance, staffing, cleaning and keeping food coming out hot and delicious. When you have these fundamentals in place and labor and facilities are properly funded, it's a lot easier to continue improving the guest and team member experience over the next 3 years. With a significantly streamlined menu, more labor deployed, a restaurant in the state in better condition with better equipment and a branded culture that people are excited about, Chili's is well-positioned to continue growing market share in the industry for years to come.

These strong quarterly results were achieved by our continued focus on the fundamentals of casual dining, food service and atmosphere. At the end of Q4, we relaunched our ribs platform. Customers are raving about the look, the size and the taste of the ribs. It's a very noticeable upgrade with a full rack of ribs that are so big and look so delicious, they are a wow when guests see them come to the table.

After we get a quarter of execution reps for our restaurant teams on the new ribs, our plan is to turn on digital marketing in Q2, it's clear we have a winning product with our new ribs and our intent now is to use them to drive traffic. We also rolled out our new frozen marg program, which features a new premium PATRÓN frozen base within new Taylor marg machines.

The new Taylors deliver a superior frozen marg texture as well as have a larger production capacity, which is important because we are selling nearly twice the number of frozen margs even at the significantly higher \$10 price point. Customers love the new PATRÓN Frozen, the Flamingo freeze featuring Tito's Vodka and the Arctic Drift featuring Malibu Coconut Rum and Blue Curaçao. We believe we now have the best-tasting frozen margs in the restaurant industry.

The marketing team successfully launched a new frozen program at a press event in New York City, featuring the world's first-ever frozen Chili's restaurant and the reviews and sales of the new frozen program are significantly exceeding expectations. And lastly, on food, I'd like to share the results of the Big QP launch, which continues our Chili's industry-leading value story at \$10.99. The marketing team came up with a brilliant launch event, they called Fast Food Financing, where guests tired of paying high prices for fast food could apply for loans to pay for their next fast food purchase and try the new Big QP.

This event not only created incredible buzz all throughout the country, it reinforced Chili's as a restaurant value leader. And through sharp menu merchandising, we've been able to keep 3 For Me mix flat at under 18% and reduced \$10.99 mix to 7.7% even with the Big QP success. We also delivered more operational improvements in Q4. TurboChef have now been successfully installed in all restaurants, resulting in the retirement of the CTX and Impinger units. We continue to hear from the restaurant teams that TurboChef put out way less heat in the kitchen, cooks more evenly and quickly are more reliable and easier to clean than the old equipment.

They also enabled a noticeable, delicious bark on our new ribs, and we believe the sales growth in ribs alone will deliver the return on investment we need for the new equipment. Q4 also saw continued simplification of pantry ingredients and menu items. We eliminated a net of 10 pantry SKUs and 8 food and drink menu items, which will allow our bartenders and cooks to focus on making fewer things better and help with less things to order and to inventory.

We have now started the year 4 of our turnaround, and there are some that have questioned the sustainability of our results, which is a fair question given the history of casual dining and of Chili's. Our strategy that we shared 2.5 years ago at our Investment Day was simple: address the key fundamentals to winning casual dining for the long term, food service and atmosphere. And while there's still lots of opportunity ahead of us, we are a much different Chili's today than we were 3 years ago. Here are some facts that provide some color on how much different Chili's is today.

Our average restaurant volume has grown from \$3.1 million at the end of fiscal '22 to \$4.5 million in fiscal '25, and Chili's restaurant operating margin has improved from 11.9% in fiscal '22 to 17.6% today. We've eliminated over 25% of our menu, and we do fewer things a whole lot better. We focused on improving our 5 to Drive core segments, burgers, crispers, fajitas, Margaritas and a Triple Dipper. As a result of the simplification of menu upgrades, food grade scores have never been higher.

On service, we now invest over \$160 million more in labor than we did in fiscal '22, and that going investment is built into the 17.6% restaurant operating margin. Guest with a problem or GWAP, our dining room key measure we track daily on a guest experience is a mere 2.3% and has never been lower since we started tracking it.

Less things to do with more people to do those things makes it a whole lot easier to deliver better food and service. On repairs and maintenance, we've invested over \$100 million incrementally in the past 3 years, allowing us to catch up on deferred maintenance accumulated during COVID, which had significantly impacted the guest and team member experience. Our estate has never been in better condition than it is today, and we are now funded ongoing to keep it that way. Our marketing budgets are also much bigger now, which allows us to drive traffic to our better operating restaurants.

In fiscal '22, we invested \$32 million in marketing. In fiscal '25, we invested \$137 million. We built a world-class marketing team led by George Felix, Jesse Johnson, Steve Kelly, Mary Ellen Scott to invest those incremental dollars, and that team is now widely considered the best in restaurant marketing. They were awarded Ad Age's 2025 Brand of the Year, which spans all industries and not just restaurants.

Lastly, because of our much-improved performance, we've been able to strengthen our balance sheet. We paid down over \$570 million of our outstanding debt in the past 3 years and are now at a very strong 1.7 lease-adjusted leverage ratio. This will give us increased flexibility in the future and the financial strength to weather any macro headwinds or bumps in the road that would be more difficult if we continue to have all that leverage.

The reason why we are sharing this detail is to substantiate that Chili's is a completely different concept today than it was 3 years ago. Those who believe our success was driven solely from a cheese pull in social media are just not close enough to our story. Yes, Internet virality and TV advertising will bring new guests in, but that success is fleeting and short-lived unless the experience they have in their restaurant matches what they saw in advertising.

The investments we have made in the food operations and facilities have allowed our guest experience to match the quality of our world-class marketing. As we say at Chili's, marketing brings them in, but operation keeps them coming back. This is why we continue to grow and sustain those gains.

Now I'd like to spend a few minutes on what's coming in fiscal '26. Our Chili's fiscal '26 plans are strong and will allow us to continue the momentum and comp the comp, which includes rolling 2 big quarters of plus 30% same-store sales growth in Q2 and Q3 of fiscal

'25 and a whopping plus 43% same-store sales growth in November. Our 12 Vice Presidents of Operations once again selected an obsession metric to be laser-focused on this fiscal.

With their confidence in the plans and their confidence in the restaurant team's ability to deliver them, I'm excited to share they have again chosen traffic as their obsession metric in fiscal '26. In the food pillar, we'll have a full year of the ribs upgrade that started in July. Queso and nacho upgrades at the beginning of Q2, which we believe will position us to have the best-tasting queso in the industry, served hot with every order.

And in the back half of the year, we have a major relaunch of our chicken sandwich platform. Chicken sandwiches are a very large and growing segment. We have an exceptional product at an exceptional value, which positions us well to grow share in the chicken category. And from the beverage side, we'll have a full year of our new frozen marg platform and a full lineup of exciting \$6 marg of the month.

We expect this plan will extend our #1 position in margaritas, driven by our barbell pricing strategy and growth in the large frozen marg segment.

We are also investing in base ingredients to continue elevating food-grade scores. Throughout the fiscal, we will be making investments in more premium mayo, ranch, bacon bits and 50% thicker bacon, which are key building blocks in the Chili's menu and are featured in many of our recipes. At a time when others may be pulling back on quality to offset inflationary headwinds, we view this as an opportunity to accelerate our food quality versus competition.

From the operations front, we have several initiatives coming in fiscal '26. We will have 4 quarters of simplification rollouts, which will continue to make it easier for our teams to execute with excellence. Fiscal '26 will see the start of our north of six initiatives, where we take the best-in-class processes from high \$6 million AUV restaurants and roll them into the balance of the system to increase throughput.

And lastly, we will launch a new hospitality initiative that includes new labor scheduling process tools to help our general managers build stronger teams and an initiative to help build a culture of manager ownership and accountability. In the atmosphere pillar, we are now finished with catching up on repairs and maintenance. And with our improved cash position, we are now switching over to playing offense, which means remodeling and building new restaurants.

We're on track to do our first 4 remodels in the new modern Greenville reimage package by the end of this calendar year, where we'll learn what's working, what's not and land on the right package to roll to the system. The modern Greenville project objective is to remodel 10% of the fleet annually, which means restaurants are refreshed every 10 years, and we maintain an atmosphere that guests are excited to dine in.

We expect to ramp up reimage pace in calendar '26, and our plan is to get to a run rate of the 10% by the beginning of calendar '27. The work I've seen so far is exciting. And when we showed the modern Greenville remodel renderings to the managers last week at our annual conference, there were a lot of OS and OS with iPhones out snapping away. Our world-class marketing team set a vision for an exciting new design that is uniquely Chili's and our construction team is doing a brilliant job of how to cost-effectively bring this to life.

To up our reimagining and our new restaurant development capability, we have invested in the new officer role to lead the group. I'm pleased to share that Richard Ingram started a few months ago as our Vice President of Restaurant Development. His responsibilities across both Chili's and Maggiano's are to: one, lead the reimage program to upgrade our estate; and two, restart a new restaurant opening program that will accelerate development.

Richard spent over 2 decades working in development at a large convenience store chain that built a lot of new stores over a long period of time, and we are confident Richard will be able to do the same at Brinker. Lastly, I want to share several of the big technology initiatives we have planned for '26 to improve both the guest and team member restaurant experience. The biggest one is a dramatic simplification of the handheld iPad application our servers use to take hundreds of millions of orders annually. It will feature a more intuitive design created by a third-party UX expert, the removal of over 700 SKUs that are no longer sold but currently show up in the application and faster paths to create orders.

The results will be hundreds of millions of less taps for our servers, less scrolling and more importantly, more accuracy and faster order taking. We also believe this initiative will help with server turnover as we've had some issues of new servers leaving after being frustrated by the current tablet system within 30 days of starting. The new app will also continue to work even if the restaurant's Internet connection goes down through a seamless offline mode and also feature easier split check capability, which can be a pain for our servers and slow down table turns in the current system.

Another major tech initiative is upgrading the Internet and WiFi throughout our estate. This was a project that began last year with our Comcast partners and will be completed by calendar year-end. It brings 3 important improvements to our connection: one, cellular backup if the network goes down to continue service; two, higher speed Internet for restaurants on older technology; and three, better WiFi coverage within the restaurants by installing over 5,000 new access points. Given how much of our operation now depends on the Internet connection and the speed of it, this is a very important foundational upgrade.

CIO, Chris Caldwell, has done an exceptional job in his first year refocusing his organization on enterprise technology projects that will make a real difference, removing friction and improving productivity every day for our restaurant teams. Now let's do an update on Maggiano's. Today, we announced a leadership change. Dominique Barone has made a decision to step away from Maggiano's and Brinker.

Dom brought Brinker a new lens to hospitality and food that has inspired all of us to see what the Maggiano's brand can be, especially with the recent reimaged Orlando Maggiano's, our first reimaged restaurant in the Maggiano's turnaround. I want to offer my sincere thanks to Dom for his friendship, leadership and service to Brinker over the past 2 years and wish him the very best in his next.

While we are making progress on menu simplification and upgrading recipes, we do have an opportunity to apply more of the Chili's turnaround to Maggiano's. One of the keys at Chili's was leaning into the things that made Chili's great when it was at its best and making those things relevant again. When Maggiano's was at its best and growing the fastest, its core was a menu of delicious Italian American favorites served in abundant portions in an inviting atmosphere where you'd have a great time with friends and family. This was the recipe for great value.

The core essence is why guests frequent Maggiano's and is what we need to focus on to reignite and make Maggiano's a growth concept. To accelerate a back to Maggiano's turnaround, I will now be overseeing Maggiano's as the Interim President. We also have promoted the Chili's VP of Operations from the Florida region, Rich Kitzel, to COO of Maggiano's. Florida has been a top 3 performing Chili's region for years, and Rich's leadership has been the reason why. Rich is known for being a disciplined operator who builds great teams and is not afraid to challenge the status quo when change is needed. Rich and I, together with the Maggiano's leadership team are crafting a back-to-Maggiano's plan, which will apply the key learnings from the Chili's turnaround to address the biggest opportunities on the brand's food service and atmosphere.

We will also commit to spending more time listening to the restaurant team's ideas like we've done on Chili's to drive the ideation that will accelerate Maggiano's turnaround. I'm looking forward to sharing plans in upcoming calls. I continue to be encouraged by our business momentum, and I'm just so proud of our team.

Our Chili's business has been rebuilt for long-term sustainable growth with a larger consumer base that now includes a new generation being introduced to the brand, a tighter menu, more labor, properly working equipment, upgraded technology and restaurants in good condition. That stronger foundation plus an exceptionally strong fiscal '26 plan gives me the confidence we'll be able not just to sustain the growth from '25, but add an additional 4 quarters of growth.

It's not just our executive team in Dallas that's confident in the plans. We just completed our Annual General Manager Conference in Las Vegas last week, and they all couldn't have been more excited about the progress we've made together and the fiscal '26 plans. With great plans, the right investments and field leadership who has fired up, I am very confident about our ability to deliver fiscal '26. Before I hand the call off to Mika, I do want to recognize 3 restaurant leaders from that conference for their amazing results this year. John Covaca is our fiscal '25 General Manager of the Year. He leads a great team at Bethpage in New York on Long Island. He was selected above 1,000-plus other general managers.

Henry Altuve was our above restaurant leader of the year. He's done an exceptional job leading the South Florida market and was chosen out of over 140 directors of operations. And Vice President, Dale Bullotta, was our 5-star VP this year. Now Dale just beat only 11 other VPOs, but that's still really good because our VPOs are the best in the business. A big congratulations to John, Henry and Dale. Well done. Now I'm going to hand the call over to Mika, and she's going to walk you through the fiscal '25 fourth quarter numbers and our guidance for fiscal '26. Go ahead, Mika.

Michaela M. Ware

Thank you, Kevin, and good morning, everyone. Today's results mark the fifth quarter in a row of double-digit same-store sales growth for Chili's. As Kevin mentioned, this comes on the heels of lapping the prior year fourth quarter same-store sales growth of almost 15%, capping off a very successful fiscal 2025 for Brinker. This was year 3 of our Invest to Grow strategy, and we continue to deliver industry-leading results by focusing on the fundamentals of food, service and atmosphere.

Our multilayered marketing strategy continues to drive trial and our ongoing operational improvements are bringing guests back. For the year, we reported total revenue growth of 21.9%, eclipsing over \$5 billion in revenues for the first time in our history. We also reported restaurant operating margin improvement of 420 basis points and adjusted EPS growth of 117.1%. In addition, we improved average annual volumes at Chili's from \$3.6 million a year ago to over \$4.5 million.

Turning to the fourth quarter. We continue to see strong year-over-year top-line growth, same-store sales and traffic well above industry averages and significant restaurant margin expansion at Chili's. Brinker reported total revenues of \$1.462 billion with consolidated comp sales of positive 21.3%. Our adjusted diluted EPS for the quarter was \$2.49, up from \$1.61 last year. Chili's reported top-line sales growth with comps coming in at positive 23.7%, driven by positive traffic of 16.3%, positive mix of 4.7% and price of 2.7%. Our improved operations and effective marketing have brought more guests to Chili's.

By showcasing our strong everyday value, we've continued to build on the success we saw with the Big Smasher launch last year, carrying that momentum through this quarter and into July. July sales and traffic for Chili's increased double digits again, and we continue to maintain our significant gap to the casual dining industry.

Turning to Maggiano's. The brand reported comp sales for the quarter of negative 0.4%. As Kevin mentioned, Maggiano's will continue to focus on the fundamentals of improving food, service and atmosphere, and we remain confident in our ability to grow the business for the long term. At the Brinker level, we saw continued strong flow-through this quarter with restaurant operating margin coming in at 17.8% a 260-basis-point improvement year-over-year, primarily driven by sales leverage, partially offset by unfavorable food and beverage costs and higher advertising costs.

Food and beverage costs for the quarter were unfavorable 60 basis points year-over-year due to an unfavorable menu mix with 1.7% of commodity inflation offset by price. We remain pleased with the mix and profitability of our \$10.99 3 For Me value platform, which continues to perform as expected. It offers a compelling price point for guests seeking value while still allowing us to maintain margin profitability.

Labor for the quarter was favorable 60 basis points year-over-year. Top-line sales growth offset additional investments in labor, increased manager bonus due to performance achievements and wage rate inflation of approximately 3.8%. Advertising expenses for the fourth quarter were 3% of sales and increased 20 basis points year-over-year to help support the rollout of the Big QP campaign.

Our marketing team continues to do an excellent job with menu innovation, keeping Chili's in the cultural conversation and making the brand relevant again, which is helping to drive traffic. G&A for the quarter came in at 4% of total revenues with year-over-year sales leverage, offset by increases in ERP and system support costs. Depreciation and amortization for the quarter came in at 4% of total revenues and increased 30 basis points year-over-year due to accelerated depreciation associated with the retirement of kitchen equipment.

Fourth quarter adjusted EBITDA was approximately \$212 million, a 50% increase from prior year. The tax rate for the quarter increased to 19.5%, driven by the increase in sales, which accelerates at a greater rate than the offset generated by the FICA tax tip credit and due to an increase in nondeductible executive compensation related to an increase in the stock price.

Capital expenditures for the quarter were approximately \$80 million, driven by accelerated investments in kitchen equipment and capital maintenance. Due to our ability to generate significant free cash flow, in addition to investing back in our restaurants, we repaid the remaining amounts outstanding on our revolver of approximately \$90 million, totaling over \$350 million in debt repaid year-to-date.

This further improved our balance sheet and reduced our lease-adjusted leverage to 1.7x. In addition, during the quarter, we extended and increased our \$900 million revolver that was set to expire in August of 2026. Our new \$1 billion revolver expires in May of 2030 and locks in ample liquidity to continue to support our disciplined capital allocation strategy, which is to invest in the business, pay down debt and return excess cash to shareholders. In support of our capital allocation strategy, our Brinker Board of Directors authorized an additional \$400 million under our current share repurchase program, bringing the total amount available to \$507 million.

Turning to fiscal 2026. We will continue the path of making smart and opportunistic investments against the backdrop of our successful strategy to continue growing the business. In addition, we'll continue with our barbell pricing strategy to protect our industry-leading value for those that need it while providing more premium options for those who want a more elevated experience.

We'll continue to focus on menu management with the expectation that mix will be relatively flat, and we'll continue to focus on improving the guest experience with expectations of delivering traffic well above the industry. Regarding fiscal '26 guidance, in this morning's press release, we shared that we expect fiscal '26 annual revenues in the range of \$5.6 billion to \$5.7 billion, adjusted

diluted EPS in the range of \$9.90 to \$10.50, weighted average shares in the range of 45 million to 46 million and capital expenditures in the range of \$270 million to \$290 million.

Assumptions underlying this guidance include planned commodity and wage inflation in the low single digits, a tax rate of approximately 19% and 1 to 4 net company-owned restaurant closures, which are not expected to impact overall profitability. In the upcoming year, we will turn our focus to ramping up our reimage programs for both Chili's and Maggiano's while also working on our long-term new unit growth strategy with the goal of fully rolling out both programs during fiscal 2027, helping us return to positive net unit growth.

To provide some additional context on our guidance, we are confident our plans will enable us to lap fiscal 2025 and continue to significantly outperform the industry on sales and traffic. We anticipate the strongest same-store sales growth at Chili's in the first quarter of the year with more moderate gains in subsequent quarters due to last year's high comparison base.

Positive sales and traffic are expected for Chili's each quarter. As a reminder, we will continue to manage the business for the long term and make investments strategically, so the timing of expenses may not be spread evenly across quarters. An unwavering commitment to investment in the fundamentals, continuing to improve our food service and atmosphere, has put us at the top of the casual dining industry.

Being a part of the turnaround for the Chili's brand has been fun, and the exciting thing is that we are just getting started. I'm so proud of what the team has accomplished over the past 3 years, and I remain confident that by sticking to our Invest to Grow strategy, we'll continue to drive further growth and sustain momentum through the business for the long term. And with our comments now complete, I will turn the call back to Holly to moderate questions.

Question-and-Answer Session

Operator

[Operator Instructions] Your first question for today is from David Palmer with Evercore ISI.

David Sterling Palmer

I feel like I always say congratulations, but congratulations on a fantastic year. A question really on the restaurant margins, and I wanted to maybe ask for a comment on Maggiano's. But on the midpoint of the guidance would seem to imply maybe 100 basis points of restaurant margin expansion next year, and that's better than what the Street was expecting. Your comps guidance was more or less in line with the Street.

So just wondering maybe could you give some details about the line items you would expect to get leverage from or perhaps deleverage from? I would expect there's going to be some comparison help from restaurant expenses, given the repair and maintenance investments, but there's concern about food inflation. So any color around that would be helpful.

And then on Maggiano's, just wondering conceptually at this point, Kevin, in what ways do you feel like the Maggiano's turnaround is going to be different in ways that are more or perhaps even less challenging than what you saw with Chili's? I see one brand as being a little bit more marketing-led than the other one. So any color on that and the prospects for the turnaround would be helpful.

Michaela M. Ware

Thank you, David. Okay. Well, I'll start. So just to clarify a little bit, our margin expansion next year, I think it's going to be more like I have talked about in the past in that 30 to 40 basis points expansion.

So I'm not really promising 100 basis points at this time. That's more in line with the sales and the guidance that we gave on revenue. I will say that there is some inflation in the cost of sales line. We could invest a little bit there. We've actually planned about \$12 million of investment in the cost of sales line for Chili's. We also have a couple of million planned in the food and beverage line for Maggiano's.

For labor, we will continue to leverage that again as we move forward and also our fixed costs in the other excess line. So I'm thinking margins are still -- we're planning on expanding, but I think it's more in that 30 to 40 basis points range. Obviously, if sales are higher than we planned, then that gives us more opportunity to continue to expand the margins like we did this year.

Kevin D. Hochman

And then on Maggiano's, David. So I don't think it's really that much different than the Chili's turnaround. I think that's part of the challenges that we've had in the past year is that I think we kind of fell in love a little too much with this idea of elevating the experience when you actually talk to Maggiano's core guests and why they frequent Maggiano's, it's pretty clear. They love the taste of the food. They love scratch-made Italian favorites. They love the abundant portion.

So this idea of this over-the-top value that they get from Maggiano's, and they love the connections that they get from the teammates at Maggiano's and the connections that they make. So it almost feels like it's not a chain restaurant to them. It's like their local restaurant. And when we look at what we were doing in the last 12 months and compare that to what I just said, there were some things that were consistent and then there were some disconnects.

So for example, we had certain ways of busing tables that made less noise, and it was a lot more detailed in the way you drop plates on napkins and it takes a lot longer to bus a table when the reality is the Maggiano's guest just wants to be seated when the reservation comes, right? Or if you're a walk-in, they don't want to be told 40 minutes, they want to be told 10 minutes, right?

So if we get true about the experience that the Maggiano's guest wants and then actually sit down with the Maggiano's leaders in the restaurants to understand how we can better serve them, I'm very confident we can get this thing back on track. So I don't think it's going to be that different than Maggiano's. And I couldn't be more excited than the COO that is coming over from Chili's, who literally helped lead the 3-year turnaround at Chili's and knows exactly what success looks like. So I'm very confident we're going to get that thing back on track.

Operator

Your next question is from Chris O'Cull with Stifel.

Christopher Thomas O'Cull

Congrats on another great quarter. Kevin, I believe fiscal '26 was the final year contemplated in the 3-year growth outlook the company had provided at the Investor Day. Just looking ahead, do you see a need to update those growth targets? And maybe if so, what particular metrics do you believe you should revisit? And then I had a follow-up.

Kevin D. Hochman

I can start and then, Mika, feel free to chime in. The biggest thing I think that we see in the next 3 years that we didn't really contemplate at that Investor Day 2.5 years ago was this ability to start building faster. It's going to take a year to build out that organization and find enough sites to really ramp up growth.

But like we're in a way different place today than we were 3 years ago. 3 years ago, whatever available capital we had needed to be deployed to the existing restaurants to get them in good working condition, get the equipment in the right places that they needed to be so that we could start our turnaround on Chili's and not build new restaurants. And now we're in a completely different place on that, right? The restaurants are in a much better condition. We have the equipment that's required to service the volumes that we're at now.

So I don't see the need for deploying as much capital to the existing restaurants we can deploy the new restaurants. The second thing that's completely different about the business today is that the restaurants make 3x the restaurant contribution today than they did 3 years ago. So when we build new restaurants, we get paybacks a whole lot faster, which makes it a whole lot more attractive to deploy capital to new restaurants.

So that's -- when you asked that question, that was the first thing I thought was that's a very big difference than we were 3 years ago. And so there might be some needs to update that once we have a new build plan in place, which we're not ready to share yet. But I don't know, Mika, you wanted to add anything beyond that.

Michaela M. Ware

Yes. No. But just taking a step back, that 3% to 5% revenue growth is -- that's a really nice range for us longer term. So we don't feel any need to immediately change it. EBITDA growth in the 5% to 8% and double-digit EPS growth. So right now, we feel really good about that.

But like Kevin said, as we ramp up new unit growth, as we see -- we've had some really great years of exceptional growth as we see that start to normalize, then we'll make sure that our long-term algorithm reflects all of our expectations as we move forward. But right now, it's still a very relevant algorithm for us.

Christopher Thomas O'Cull

And then, Kevin, how are you thinking about opportunities to either increase marketing investment or improve the efficiency of the spend that you already are making? And then any comments maybe just on what could come next in terms of value? I mean the Big QP messaging has been very successful, but I'm just curious what maybe the value innovation pipeline could look like.

Kevin D. Hochman

Yes. So what was the first question again, Chris, I'm sorry.

Michaela M. Ware

He just said about investment. So we are investing. We're keeping our marketing accrual at about 3% of total revenues, but that does allow us to incrementally invest every year as it grows a little bit. So I think we have about \$19 million, \$20 million more in the budget this year. We've made some huge step-ups at this point. So it will be more about tweaking it and investing smaller pieces where we think it makes sense. But you want to talk about just the overall TV strategy, social and value.

Kevin D. Hochman

I've forgotten the first question. So there is more money in the budget, like Mika said, for marketing. Every year, the team looks at what worked, what didn't and they make tweaks to the menu -- the marketing mix. So there will probably be slightly more mix to social this year based on the work that we've been doing with influencers.

But I don't think there's like major mix changes that we would report on other than some small tweaks. I mean, obviously, things are working pretty well. So it's kind of hard to rationalize making major changes to the mix other than just putting more money into the business. And then as far as the value, we're going to stay on value. So we've got a bunch of new margaritas of the month at \$6 coming. We're going to continue to ride the Big QP. We've got some new advertising ideas on value.

One is going to be unpriced pointed that's going to start fairly soon, something we haven't advertised yet, which I think is really exciting -- will be really exciting for the guest. And it won't screen value like a price point, but it will screen value in other ways. And then in the back half of the year, we plan to have an all-new message for \$10.99 value that we're not ready to share yet. But -- so we're very much in touch with. We need to make sure we continue to bring news to value, keep it exciting for the guests. We have a lead right now versus some of our competitors. We can't let our foot off the gas.

Operator

Your next question is from Jeff Farmer with Gordon Haskett.

Jeffrey Daniel Farmer

Could you guys just provide a little bit more color on the expectations for basically the same-store sales components, traffic, pricing, mix, your assumptions for Chili's in FY '26? And then beyond that, how you're thinking about casual dining segment traffic for '26 as well?

Michaela M. Ware

Okay. So I'll start, Jeff. So I'll start with price. So we have our 3% to 5% pricing strategy. We were taking price in previous years at a much higher rate. This last fiscal '25, we got it to the mid-single digits. And I think this upcoming year, what's embedded in our guidance is even a little bit lower, so a little bit closer to the 3% instead of the 5%.

Some good news with that is we don't have a lot of price increases planned for the back half of the year. So we have a lot of flexibility there. If we have any unexpected inflation, I think we have some flexibility to take price if need be. But with that being said, we're very aware of the consumer, and we're going to make sure that we protect our industry-leading value and just lean into that barbell strategy.

So we did take a little bit of price at the very end of Q4 in F '25. So that means that for F '26, Chili's price will be closer to that 4% range in Q1 and Q2, and then it will taper off to 3% and then maybe 2% as the year goes on. So those are some high-level guidance. Again, we always reserve the right to take a little price or those could change, but that's what we have embedded in the guidance right now.

As far as mix goes, I said in my script that we expect it to be flat. We've had some great mix a great mix run, especially with the Triple Dipper. As we start to lap that into F '26, that could start to moderate. I will say we had some great numbers in Q4 with on top of the Triple Dipper, we had some favorability. We added the \$12.99 layer in our 3 For Me and had some nice upgrades there that helped drive mix. We've also had some positive mix in appetizers and in desserts.

So with that being said, we're going to keep with our sharp menu management and any mix that continues to be positive will really be upside to what we're planning. And then as far as traffic goes, again, like I said, we plan to continue to be positive in traffic. We know that those comparisons get a little tougher in the back half, but our plan is to continue to drive traffic as the year progresses.

Operator

Your next question for today is from Dennis Geiger with UBS.

Dennis Geiger

First, I wanted to ask just on sort of any shifts in the contributors to your sales momentum. Kevin, I know you ran and Mika, I know you ran through a bunch of the drivers. Any shift this quarter from prior? You gave the 3 For Me mix. I don't know on the Triple Dipper [Technical Difficulty] on the marketing side, if you kind of noticed anything different there. And as it relates to 2026, some of your bigger, broader initiatives, do the contributors look different in '26 than '25, recognizing, of course, there are different initiatives specifically?

Michaela M. Ware

Well, the same-store sales being mid-single digits, so that's just a different guideline. But what it's going to be is, like I said, price will still be a contributor. It will be not as high where it's the mid-single digits, maybe closer to the 3% to 4% range. We have mix planned. flattish. And so any continued mix progress will be upside there. And then again, to have positive traffic to fill in the rest. So that's kind of what we're planning as we move forward.

Dennis Geiger

Got it. And then I just want to touch on the new customer dynamic and sort of what you're seeing there. I know you've given updates in the past as it relates to those new customers, the frequency after newer visits or kind of bringing customers back. Any kind of latest updates there on that cohort behavior shift that you guys are seeing?

Michaela M. Ware

Yes. So we're still growing all income levels. So that's the good news. We saw growth in low, medium and high, especially when you have traffic numbers like we've had. So every income level is growing. And as far as frequency goes, what I will tell you is we've had a huge influx, obviously, of new and lapsed users, and our frequency is actually staying flat.

So that's really good that we don't dilute that number as we move forward. So we're bringing new guests and they're falling -- they're having a great operational experience, and they're coming back just as frequently as our other guests. So we feel really good about how that's working out.

Operator

Your next question is from Christine Cho with Goldman Sachs.

Hyun Jin Cho

Congratulations on the successful 3-year milestone. I was hoping to get a little bit more detail on your store reimage plans this year, particularly around that 200 priority assets that need updating. Any color on the timeline, scope required investments and any early sense of kind of the sales lift or return profile for these investments?

Michaela M. Ware

Yes. So Christine, we're still really early in the process. So our plan is to get 4 restaurants reimaged here in Dallas. They're going to be at different levels and different scopes. We'll evaluate the results there. And then the team is working on what's really scalable for the back half of the year. So still a lot of learnings to be had this fiscal year. I expect later in the fiscal year, we'll have just more details to share on exact levels of investments, if we can expect any sales lift and what that ramp-up will be.

Again, on the 200, that is where we said, hey, those are some that we may prioritize as we start ramping up. But again, we're just looking to get to that run rate that Kevin mentioned of that 10% per year just to get in a more -- just a better cadence of keeping all of our restaurants updated and relevant.

Kevin D. Hochman

Yes. I mean the only thing I'd add is we're not in a rush to reimage. We're in a rush to get it right. And then once we get it right, we'll move with speed. So right now, we're just going to get those 4 reimage. We're going to learn from them. And then hopefully, we're

going to ramp up more in the back half of the year. But like I said on my prepared comments, we don't expect to get to that 100-plus run rate until the start of calendar '27.

Operator

Your next question for today is from Jeffrey Bernstein with Barclays.

Jeffrey Andrew Bernstein

My first question is just on the fiscal '26 comp. I think, Mika, you just confirmed kind of that mid-single-digit guidance, which is similar to the revenue growth, which I guess makes sense with really no material unit growth. But I think you also noted plans for positive comps each quarter of the year. Just wondering how you think about that, whether that's something that's important to you? And obviously, the second and third quarter seems like it will be a lot tougher to achieve.

I'm just wondering if you're making strategic decisions with that goal in mind or how you should -- how we should kind of think about that sequencing through the year? I know you said you're off to a good start, but just trying to understand the potential for those comps to go negative and still achieve that mid-single digit for the full year. And then one follow-up.

Michaela M. Ware

Yes. Right. So I'll start and let Kevin kind of add some color on that. But no, we feel really good. I talked about that we have some great momentum into Q1. So we know that we feel really solid about that. And we have some great plans to lap the -- to comp the comp, say. So we do expect to have positive same-store sales at Chili's all 4 quarters. Now it will be maybe less positive as we lap the harder numbers, but we still expect it to be positive.

Kevin D. Hochman

Yes. I mean we're very deliberate with the comments, Jeff, on that, in that we are very confident. Part of planning a year is math. Planning the year is making sure you have really strong plans so that you can deliver that math.

And the reason why we shared comments that we did is we fully were able to do this. So look at the plans and you look at the momentum and you look at the run rate, like we believe we're going to grow sales every quarter, regardless of how big the rollover is. So we thought that was very important to share with everybody.

Michaela M. Ware

That's our expectation.

Jeffrey Andrew Bernstein

No, we look forward to tracking that progress. And then the second question is just on the flow-through. I'm just wondering how you balance maybe the desire to flow through the comp momentum into restaurant margin and ultimately earnings versus reinvesting in the business. Presumably, you're still in the early days of this turnaround and therefore, reinvestment would be prudent.

So I'm just wondering how you balance that and maybe what the top reinvestment priorities are. It sounds like it's, I guess, remodels in the short term, but how do you balance the flow-through to earnings versus reinvesting?

Michaela M. Ware

Yes. So Jeff, that's always something that's on the top of our minds. If I take a step back and look at fiscal '25, Kevin recapped a ton of investments that we made. We watched our revenues that allows us to accelerate investments when we do really well. So with all those investments we've made, we still managed to grow restaurant operating margins by 400 basis points. I started talking about this a little bit, but we do have some nice investments still already factored in the guidance that I gave you.

So I mentioned the food that we have about \$12 million at Chili's built in for some investments in food. We have another \$1 million or \$2 million for Maggiano's. We actually have \$17 million built in for some incremental labor for Chili's. Another \$4 million from

Maggiano's. So I feel really good about the investments that we have, a nice amount of investments already built into this guidance we gave. So that's good. And I think that our rate of investment it is slowing a little bit, which is good, so we can flow through a little bit more. But we'll see what the sales do.

So the sales allow us to accelerate some of those ideas and have more. But at the end of the day, the most important thing is we are going to take some of the profits and flow-through and reinvest it back into the guest and team member experience because we think that is the secret sauce to our success is to continue to invest to improve that experience, gives us just better guest experience, more pricing power, all the things we need to stay relevant and keep that top line growing.

Operator

Your next question is from Brian Harbour with Morgan Stanley.

Brian James Harbour

Where do you see the chance to build more Chili's as you sort of get to that unit growth plan? And I guess, are there still other kind of -- I think you've done successful relocations in the past, too. Are there still opportunities to do that?

Michaela M. Ware

Yes. So historically, we've been very successful in our 3 biggest states, which is Texas and Florida and California. With Richard and team, we think we have an opportunity to even put some more analytics on the front half of this process and to go into some markets where we historically haven't gone.

So just with the strength of the brand, with the sales, with the margins that allows us to move to different spots, it could be -- we could build more. We have some very -- some of our most successful restaurants are in the Northeast. So we could lean into that a little bit more.

The Pacific Northwest is an area we said we haven't been in. And I do think there's just many areas across the country that we could probably look a little bit harder and expand our growth. So more to come on what we think that landscape looks like from a bigger picture, but we do think there's plenty of opportunity to build outside of those 3 main states.

Brian James Harbour

Okay. Mika, is cost inflation -- or I guess also the investments, is that going to be somewhat similar by quarter? Is there any lumpiness to that? I don't know where commodity contracting is if you think it's more inflation in the first half or anything like that.

Michaela M. Ware

Yes. Right now, I'd say it's more evenly spread. So commodities might be a little heavier. The inflation might be a little heavier in Q1. And so that one might be a little -- Q1 and Q3 look like they have a little lumpiness to it. But other than that, most of the other investments like labor and the other things I mentioned, are more evenly spread.

Operator

Your next question for today is from Jon Tower with Citi.

Jon Michael Tower

One for Mika and one for Kevin. Mika, with the accelerated depreciation for this quarter and last quarter, can you just kind of help us think about how that's going to look in fiscal '26? And then, Kevin, you had mentioned the north of six initiatives. I was just wondering if you could kind of flesh out what those stores are doing differently than the rest of the system, how they look and what you're going to integrate back into the remainder of the system versus what they have today to kind of push them towards that \$6 million AUV?

Michaela M. Ware

I'll start with depreciation. So Jon, if you back out that accelerated depreciation of about \$3 million, I talked about, I think that's probably dollar-wise a good starting place for next year, what you can think the run rate of depreciation will be.

Kevin D. Hochman

And then on north of six Jon, so there's several pieces to it. There's some short-term pieces and there's some longer-term pieces. So the questions range from how do they better use the space in the heart of the house or the kitchen to how do they staff differently, how do they schedule differently, even things like delivery.

So many of those restaurants get 3 deliveries a week instead of 2 deliveries a week and then how they also space out certain things come in a traditional delivery, some come with the fresh delivery and there's some things we can change on that so that when they do get deliveries, it's not so overwhelming because they can spread it across multiple different deliveries.

So there's a lot of different things coming for the north of six team, and it's really exciting because they're operating with the same mousetrap as the others. Like they're not bigger restaurants that don't have bigger kitchens. They're not in dramatically different trade areas. It literally is the way they operate. And so we're just taking the best learnings from those restaurants. We're applying them to the existing restaurants.

And then those restaurants are also coming up with new things that they don't do that we can potentially deploy the entire system to also improve throughput for everybody. So it's very, very encouraging. And when we actually have things that roll out, I'll make sure I share them in the operational updates in our earnings calls. But our belief is there's so much more capacity still left in our business.

Like if you look at our traffic over the last 20 years, like we're nowhere near where our peak was. So everybody is like wondering like how much more can they do? And the answer is a whole lot more. If you believe 20 years ago with probably a more complex menu, we were able to do even more throughput. So when we have more details on what we roll out, we'll make sure we share it. But like the first one we've done is moving a bunch of restaurants from 2 deliveries to 3 deliveries, which frees up a ton of time for those managers.

Operator

Your next question for today is from Brian Mullan with Piper Sandler.

Brian Hugh Mullan

Kevin, you talked in the prepared remarks about how much the business has changed over the last few years. In that spirit, I just want to ask about the evolution of the Core 4. I think it was something like 40% of sales when you started, I think.

Maybe talk about how that's grown and where that sits today? And then just related to that, as you address improving the rest of the menu from here forward, do you think the Core 4 maintains the sales volumes at the same time, you grow the rest of the menu? Any thoughts would be great.

Kevin D. Hochman

Yes. Well, we call it 5 to Drive now includes Triple. It continues to grow. So we continue to put heat on it, which is exciting. The thing that's really exciting, I think, in the next 3 years of the turnaround is our ability to then upgrade the balance of the menu.

So a lot of times people hear great things about Chili's and they're like, oh, I'm going to give another try. And they come in and some -- we haven't touched everything. And the things that we haven't touched, they have a lower probability of being as good as the things that we have touched. And maybe they don't have as good experience as they would with the 5 that Drive and our core items.

And then they leave thinking, well, maybe all the hype is wrong, and this is the same old Chili's, right? So one of the ways that we can continue the comp growth over the next 3 years is to make sure everything is as great as the 5 to drive and is consistently made and has the right operational procedures.

So that's all upside. And we just saw that. Ribs was not part of the Core 4 when we started. We spent almost 2 years fixing that product, fixing the process, getting to a much bigger rib spec, getting to a better recipe, better smoking, crust on the ribs. We had to get new equipment to do that. And I promise you go in and get a full rack of ribs, you're going to be blown away. I mean it's pretty awesome, and I'm pretty excited about that product.

And the thing I've really challenged the team is like, why can't all of our products be that wow, right? They should be. That's why people go out to eat. So I have a lot of -- I have a huge amount of confidence that we're focused on the right things in the next 3 years, which is these other items that are not quite as big as the Core 4 or the 5 to Drive. And my hope would be 3 years from now is that everything is as great as the 5 to Drive, and I think we have plans to do that.

Brian Hugh Mullan

Okay. And just as a follow-up, same line of question. The steak platform and the salad platform, is there -- can you get to that this year? Or is that maybe beyond this year?

Kevin D. Hochman

No, I shared all of our food innovation in the call. So our hope is to get that in the '27 steaks and salads. So the main items that we're working on, there will be a full year ribs, full year frozen, we've got the new queso, which will also show up -- it shows up like 5 different ways in the menu, but the nachos, the trash canned style nachos, chicken bacon ranch nachos are going to be a big -- I think, a big hit in the restaurants.

And in the back half, we got this new chicken sandwich platform. And then all throughout the year, there's 4 core ingredients that show up in a ton of our recipes that we're upgrading, which is bacon bits. We're going to 50% more thick bacon strips. We've got upgraded mayo coming that will eventually upgrade the ranch once the mayo is upgraded. So we've got some pretty big upgrades coming in the core products that I think are going to help all of the dishes, too.

Operator

Your next question is from Alex Slagle with Jefferies.

Alexander Russell Slagle

Congrats. Question on the ribs and what you think the opportunity is there in terms of sales mix, how you want to really entice people to come in and drive that frequency. And I'm kind of curious what the ribs mix was way back if you have any information on that kind of going years back.

Kevin D. Hochman

Yes. I don't really have the specific numbers. I can tell you, we don't mix that much today, right? So before the rib upgrade, I think it was between 4% and 5% when you add the Smokehouse combos. What I can tell you right now is per 100s are up over 20%, and that's just from the menu merchandising and the quality of the ribs.

And when you see guests when they get the rib platter, they're just kind of blown away. That's why we have so much confidence that it's something that we could use to drive traffic. It's not the biggest segment in the world, like bone-in, bone-in products aren't the biggest segment because young people tend to like things that are boneless. But we think we have such a good product, we think we'll be able to use that to drive traffic over time.

Maybe it won't be the big tent pole that you see on TV with \$10.99 burgers, but we do believe it's such a good product. There should be ways to be able to get -- to use it to drive demand and drive traffic into our restaurants because it is such a wow when you order it. So, so far, without any kind of advertising, just the menu merchandising and the quality of product, we've seen an increase of 20% on incidents. So there's no reason why we don't think that could be even more once we turn advertising on.

Alexander Russell Slagle

Great. And that's in the 2Q?

Kevin D. Hochman

Yes. That plan is to turn advertising on in Q2, that's right.

Operator

Your next question is from Eric Gonzalez with KeyBanc.

Eric Andrew Gonzalez

Congrats on just a great year. I'm just curious if there's any discernible difference between the performance at lunch versus dinner or perhaps you're seeing strength during the week versus the weekend. Just anything you can read into regarding consumer behavior around the dayparts and the days of the week.

Michaela M. Ware

You know what, Eric, the great news is that there's not really a big difference. So we're driving lunch, we're driving dinner. We're driving weekday, weekend. So we're driving just all pieces of the business. The great news is that \$10.99, 3 For Me, that does drive lunch. It drives everything. So yes, no, we're seeing growth across all parts. So very happy with that.

Eric Andrew Gonzalez

Great. And then, Kevin, just on the Maggiano's turnaround, obviously, it's not a huge part of the business, but I'm just wondering how you're going to manage your time and just make sure that it doesn't become a distraction? Or do you feel like Chili's is just such a well-oiled machine that maybe you could delegate a little more responsibility and really focus on Maggiano's? Or is this -- just how you're thinking about that going forward?

Kevin D. Hochman

Yes. I mean, obviously, that's a concern for everybody, right, because we've had such great success on Chili's. The first thing I'd tell you is we have an exceptionally strong Brinker and Chili's leadership team. So over the last 3 years, we've built -- I mean, pretty much every one of our leaders are best-in-class in the industry. And so it makes it a little bit easier to take a little bit of time away from there to go spend more time in Maggiano's restaurants.

The second thing I would tell you is all of our executives are doing listening sessions now. So year 1, it probably was just me and a little bit of our COO, Doug Comings. Now all of our executives are doing listening sessions. So we stay very much in touch with what's happening in Chili's. There's nobody on our leadership team that doesn't know what the hot topics are that we need to burn dog and improve in the business to continue to drive the comp.

So the number one I'd say is I think the team is a lot stronger today than it was 3 years ago. The second is I've mapped out my time. I've done this before in a prior assignment where I run 2 brands. And it's very easy when you start making choices about what's most important and what's not to figure out how to carve out time to do this. So I don't -- one, I don't [indiscernible] forever. And two, I don't think it's going to be that much time.

If I thought it would be more time, I'd probably be having a different discussion with our Board about what we want to do. So I'm not particularly worried about it. I'm actually energized by the opportunity because I think the more I've gotten into the business in the last couple of months, the more I see is very, very similar challenges to Chili's, and I think we're treating it a little bit differently, and I don't think it needs to be treated that much differently.

So I'm excited. I think in the next earnings call, we'll be able to share the initial things that we're going to do because I think it is pretty clear what we need to do. And I think you're going to see some progress. So -- but I'm not -- to answer your question more directly, I'm not worried at all about the amount of time it's going to take.

Operator

Your next question is from Brian Vaccaro with Raymond James.

Brian Michael Vaccaro

I had a question on the Triple Dipper. And sorry if I missed it, but what was the sales mix in the quarter? And are there any specific initiatives planned to continue to drive that platform?

Kevin D. Hochman

So while they pull the mix, I'll share the next initiative on Triple. So the social team is constantly mining for how our guests are using the Triple Dipper and seeing are there ideas that we can use. And so there's really -- there's 2 things going on. One is there's going to be a social influencer push on a new way that the customer has been using the Triple.

So they've been ordering mozz planks and then putting them on the Burger Bites and then pulling the Burger Bite apart so you get like a cheese pull inside of a burger. And that's going to be happening soon. I think it's in the next couple of weeks. I don't have the exact date. where that's going to go live. So we hope that will create some excitement on Triple.

And then the second is we are going to be putting Triple on TV. And that's something that we just worked with -- in our General Manager conference to make sure that they are aligned with what's happening. But it's a big deal because we do a ton of Triples today. And so we're likely going to be doing more once it goes on TV, and we need to make sure that operationally, we're ready. And we've been spent the last 2 quarters making some things more operationally simple on the triples so that we can handle more volume.

And we're also doing the TV at a time of year where the absolute volumes seasonally are lower. So we're going to get a pretty good read about understanding whether we can activate Triple on TV, both in terms of driving demand with TV, similar to what we've done with social as well as can we handle the volume operationally by doing in a quarter where we just don't -- absolute volumes aren't as high.

So I'm very excited about the Triple plans and I think all the other improvements that we're making on things like bacon bits and ranch and mayo, I think it's going to also help the quality of the Triple Dipper too. So I think we're going to have a great year on Triple Dipper.

Michaela M. Ware

Yes. And Brian, as I think we talked about last quarter, percent of total sales for Triple Dipper is still about 15% of our total sales, so still going strong.

Brian Michael Vaccaro

Okay. Great. That's very helpful. And I guess you talked also about rolling upgraded server handhelds. When do you expect that to be rolled? And kind of just any details on how that cost is going to be accounted for? Do you expect that to impact average table station sizes or to yield any productivity gains?

Kevin D. Hochman

Yes. So it's not -- so there's no -- it's not a hardware upgrade. We actually -- last year, we actually upgraded all of our iPads to the latest version, and we got enough iPads because the restaurants are so busy, we needed more iPads for all the servers. So that's been -- that's already been deployed last fiscal.

The upgrade that we're talking about is a software upgrade. So it's completely changing the user interface. It's removing all the 700 PLUs that kind of clutter the system and then shortening the amount of time it takes to order something. So I think the team did a time study on it.

It's going to remove 8 years of tapping for the servers when you add it all up annually. So it's a pretty big project. I believe it's going to go live by Q3, but we can get an exact time of that. But I'm pretty sure at the end of the calendar year, it's going to be ready to go, assuming the testing goes well.

Brian Michael Vaccaro

Great. And I guess just one more, Mika. On the fiscal '26 guidance, what does that embed for G&A?

Michaela M. Ware

Yes. So G&A is going to be about 4% of total revenues for the full year.

Operator

We have reached the end of the question-and-answer session, and I will now turn the call back to Kim Sanders for closing remarks.

Kim Sanders

Thank you, Holly. That concludes our call for today. We appreciate everyone joining us and look forward to updating you on our first quarter fiscal 2026 results in October. Have a wonderful day. Bye, everyone. Thank you.

Michaela M. Ware

Bye.

Operator

Thank you. This concludes today's conference call. You may disconnect your phone lines at this time and have a wonderful day. Thank you for your participation.

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