

Statement on Steam Cafe

August 11, 2023

MIT made the difficult decision to close Steam Café in Building 7. Below is more information about this decision, plans to support the MIT community through the transition, and answers to some frequently asked questions.

A changing retail dining landscape

The pandemic and hybrid work have fundamentally changed the retail dining business. MIT continues to confront significant, growing annual retail dining losses. To help us respond and implement improvements, [DSL enlisted The Pulse Group](#) to study how to make MIT eateries more enticing, accessible, and financially sustainable.

MIT's senior leaders agreed with Pulse's findings that Steam Café has a very low potential to increase usage. This is due to a number of factors including its small size and lack of an on-site kitchen, the impact of hybrid schedules on the already limited customer base, and the growing number of eateries nearby.

Next steps

While we recognize that Steam Café's closure affects the MIT community, first and foremost, we need to consider the impact to Steam Café staff. Bon Appetit, MIT's third-party dining vendor, and DSL are encouraging displaced employees to apply for open positions in retail and residential dining at MIT. Second, we are taking the steps below to transition to a new approach to campus retail dining and to mitigate the impact of the closure on our community members:

- Working with the community to update the Steam site to include new healthy 24/7 vending, microwaves, and furniture, and to create opportunities for catered events;
- Reopening the renovated Student Center's (W20) retail eateries on September 12 (including award-winning Somali eatery [Tawakal Halal Café](#), selected by students, to join Commonwealth Kitchen's Launchpad on W20's second floor) and working with a local grocer to open a store in the former LaVerde's space in spring 2024;
- Expanding offerings at Bosworth's in Lobby 7 to include sandwiches and sushi, and extending Bosworth's hours to 7 am - 4 pm weekdays; and
- Enhancing offerings at Forbes Café in the Stata Center (Building 32) to include an expanded sushi selection, grab-and-go sandwiches and wraps, and the new [Global Bytes station](#), which will feature an \$8 lunch special every weekday.

Looking ahead

As we design retail dining options that meet the changing needs and patterns of our community, we envision three vibrant hubs for food service, based in and around W20, the Stata Center, and the Kendall area. The Pulse Group research suggests that venues centered in

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these areas will help meet the emerging needs of our students, staff, and faculty for the long term.

If you have questions about Steam Café or the vision for the future of retail dining at MIT, please email dining.input@mit.edu.

FREQUENTLY ASKED QUESTIONS

Why was this decision made?

The decision to close Steam Café was made because the current retail dining system needs improved food offerings that are more enticing, accessible, and financially sustainable. Over the years, maintaining financial sustainability in food service operations has been a challenge. While some of the dining areas have performed well or have been close to breaking even financially, others have not. Moreover, customers are asking for enhanced food offerings that are priced reasonably.

In the summer of 2022, [DSL enlisted the Pulse Group](#) to analyze several retail eateries on MIT's campus in the context of sweeping changes affecting the restaurant business. Like so many restaurants, campus eateries are still feeling the impact of pandemic-driven changes such as decreased foot traffic, altered eating patterns, and pressures on staffing, supply chains, and food costs. The Pulse Group review included extensive engagement encompassing a community survey and in-person interviews with students and staff.

The Pulse Group's findings made it clear that without changes, customer dissatisfaction and financial challenges would persist. The report revealed the following:

- Current dining concepts, menus, and service formats are tired compared to national benchmarks and competition around campus;
- The majority of Institute customers do not think that existing concepts are a good value or meet their retail dining expectations;
- Average per-customer sales checks in locations with made-to-order food are low by market standards;
- Operational costs need to be managed effectively: labor shortages and increasing indirect costs as well as food costs are higher than the national benchmark, which is exacerbated by the low per-customer check average; and
- Competition in the Cambridge market is escalating, with almost 70,000 square feet of proximate retail dining expected to come online in the next 36 months, including a 22,000-square-foot food hall with upwards of 15 vendors.

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Following the Pulse Group study, it became clear that there is very low potential to increase food quality and revenues in Steam Café because of its small size, lack of on-site kitchen, and limited customer base even during the critical lunch hours.

How is MIT helping impacted staff?

There are open positions in MIT's campus dining program and, as members of the Unite Here Local 26, the displaced employees are being encouraged to apply for these positions in residential dining halls and other retail cafes at MIT.

Can you explain the timing of this decision?

This decision was made after a year-long review of retail dining that included a campus-wide survey, interviews with key stakeholders, and an analysis of patrons' utilization patterns. Findings from this study, conducted by the Pulse Group, offered several recommendations for improving campus retail dining. This spring, we began conversations with faculty leaders about the challenges we are facing in retail dining, our decision to close Steam Café, and mitigation strategies. We also took time to work with Bon Appetit to ensure impacted staff could find new employment in open positions in residence halls and other retail cafes.

What are the immediate next steps with the community to help mitigate the impact of the closing?

- With community input, the former café site will be repurposed with healthy 24/7 vending, microwaves, furniture, and use as a catered event space;
- Offerings are being enhanced at Forbes Café in the Stata Center (Building 32) to include an expanded sushi selection, grab-and-go sandwiches and wraps, and the new [Global Bytes station](#) which will feature an \$8 lunch special every weekday;
- Offerings are also being expanded at Bosworth's in Lobby 7 to include sandwiches and sushi, and to extend its hours to 7 am - 4 pm weekdays;
- The renovated Student Center's (W20) retail eateries will reopen on September 12 (including award-winning Somali eatery [Tawakal Halal Café](#), selected by students, to join Commonwealth Kitchen's Launchpad on W20's second floor) and working with a local grocer to open a store in the former LaVerde's space in spring 2024; and
- A number of new eateries are opening in the Kendall Square area, including a 15-kiosk food hall on Main Street.