



MEALS, OUTLETS AND PURCHASES ALL DOWN IN FOODSERVICE

The latest information kindly supplied by Peter Backman of Horizons FS Ltd. shows that the number of meals served in the restaurants, pubs, hotel and leisure, and contact catering and institutions market has declined by 4.4% between 2009 and 2006. The number of outlets in that time has declined by 1.8% whilst the value of sales has grown by 1.6%. The value of food purchases in that time has declined by 5.0%.

All sectors are suffering but pubs, hotels and leisure food purchases at 6.2% down over the three years is fairing worst than contract catering and institutions down by 5.6% and restaurants down by 3.6%.

The frozen food market is now valued at £2.3 billion and is pretty flat compared to three years ago.

The biggest reduction in meal numbers has been seen in the pubs, hotels and leisure sector with an overall decline of 8.2%.

The foodservice sector is clearly going through a very tough time at present and the recent announcement of major cuts in government spending, the looming spectre of food inflation and the prospects of a slow recovery in the economy are not hopeful indicators. It is true, though, that the foodservice sector is resilient, innovative and very fragmented offering opportunities for the most inventive and creative of operators.

FOCUS ON FOODSERVICE COMPLETE SECTOR STATISTICS 2006 AND 2009 COMPARISON

GENERAL INFORMATION

Information Categories	RESTAURANTS			PUBS, HOTEL & LEISURE			CONTRACT CATERING & INSTITUTIONS			TOTAL		
	2006	2009	% Gain/Loss	2006	2009	% Gain/Loss	2006	2009	% Gain/Loss	2006	2009	% Gain/Loss
No. of Outlets	56,748	58,544	3.2	116,900	111,507	-4.6	90,009	88,922	-1.2	263,657	258,974	-1.8
No. of Meals Served - Millions	2,812	2,716	-3.4	2,319	2,128	-8.2	3,510	3,420	-2.6	8,641	8,264	-4.4
Food and Drink Sales £ millions	19,040	19,641	3.2	17,112	17,242	0.8	5,180	5,098	-1.6	41,331	41,981	1.6

FOOD PURCHASES

Food Categories	RESTAURANTS	PUBS, HOTEL & LEISURE	CONTRACT CATERING & INSTITUTIONS	TOTAL
	2009 £ millions	2009 £ millions	2009 £ millions	2009 £ millions
Frozen	1,133	676	452	2,261
Chilled - Long Life	444	302	470	1,216
Chilled - Short Life	1,462	829	852	3,142
Ambient	1,050	1,605	835	3,491
Total	4,088	3,412	2,609	10,109



Source: Horizons FS Ltd. For further information, contact Peter Backman, Horizons FS Ltd. Tel: 020 8349 0162
Website: www.horizonsforsuccess.com

Foodservice Sector Complete Sector Statistics 2006 to 2009

The information, which follows, summarises information that was shown during 2010

Outlets

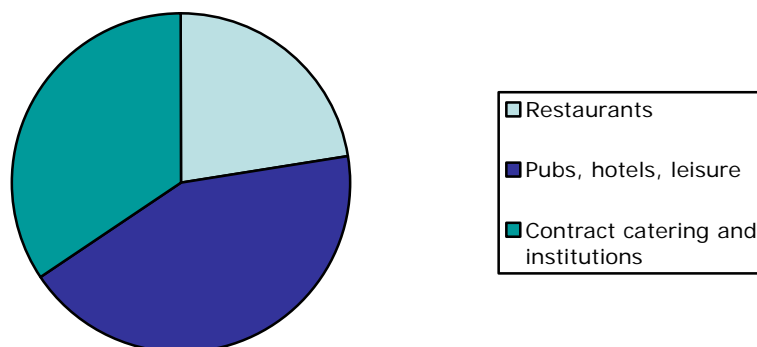
	2006	2009
Restaurants	56,748	58,544
Pubs, hotels, leisure	116,900	111,507
Contract catering and institutions	90,009	88,922
TOTAL	263,657	258,974

Source: Horizons

Notes:

- "Restaurants" include full service and quick service/fast food restaurants
- "Contract catering and institutions" covers B&I/workplace, health care, education, military, prisons etc
- There was a net fall of 4,683 outlets between 2005 and 2008
- The Restaurant sector expanded with the growth of food-led pubs whose sales of food exceed those of alcohol
- A significant fall in the numbers of pubs lead to an overall decline in the numbers of outlets in the combined Pubs, Hotel and Leisure sector
- There was also a small fall in the numbers of institutional outlets

Number of outlets: 2009



Foodservice Sector Complete Sector Statistics 2006 to 2009

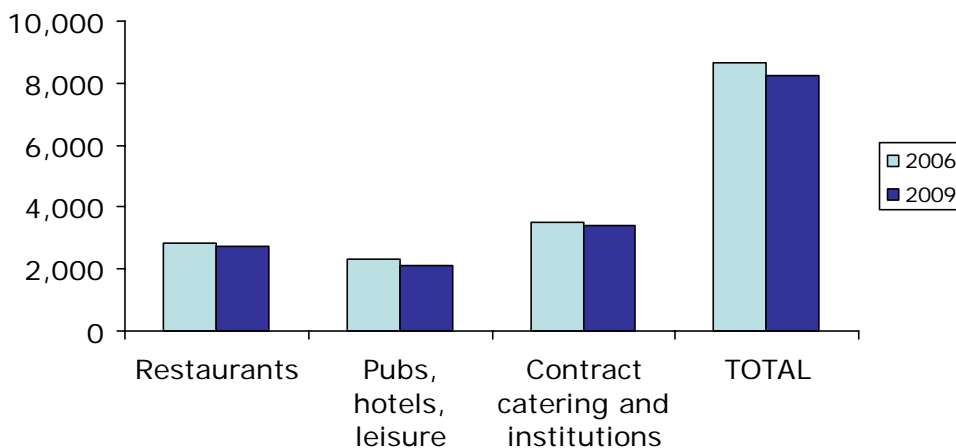
Meals

	Millions	Millions
	2006	2009
Restaurants	2,812	2,716
Pubs, hotels, leisure	2,319	2,128
Contract catering and institutions	3,510	3,420
TOTAL	8,641	8,264

Source: Horizons

- The foodservice sector served 377 million fewer meals in 2009 compared with 2006 – representing a fall of -4.4% particularly during the latter half of 2008 and the whole of 2009
- Reductions in meal numbers were seen in all sectors
- The greatest fall in both actual numbers and in percentage terms was seen in Pubs, Hotels, leisure with an overall decline of -8.2%
- Restaurants fell -3.4% and the institutional sector decline was -2.6

Meals (Millions): 2006 -2009



Foodservice Sector Complete Sector Statistics 2006 to 2009

Food Purchases

	2006		2009			
	£ Millions	£ Millions	Ambient	Chilled - long life	Chilled - short life	Frozen
	Total	Total				
Restaurants	4,240	4,088	1,050	444	1,462	1,133
Pubs, hotels, leisure	3,636	3,412	1,605	302	829	676
Contract catering and institutions	2,763	2,609	835	470	852	452
TOTAL	10,639	10,109	3,491	1,216	3,142	2,261

- Chilled and frozen food account for 65% of all the food purchased by foodservice operators
- Frozen food is 22% of the total - and Chilled – short life (or Fresh) food represents a further 31%
- Restaurants are especially dependent on frozen food which accounts for 28% of their total food purchases.

Food & Drink Sales

	£ Millions	£ Millions
	2006	2009
Restaurants	19,040	19,641
Pubs, hotels, leisure	17,112	17,242
Contract catering and institutions	5,180	5,098
TOTAL	41,331	41,981

- From 2006 to 2009, food and drink sales grew by 1.5%
- Restaurant sale grew by £601 million and at 3.2%, the growth was the fastest of all sectors
- Pubs, Hotels, leisure also grew – but at a slower 0.8%
- Sales in the Institutional sector fell by £82 million – or -1.6% - over the period

For full definitions of these sectors go to Horizons website www.horizonsforsuccess.com and click on "Detailed definitions"