

British Frozen Food Federation



You can be sure it's fresh – it's frozen

RESTAURANT SECTOR CONTINUES TO GROW

FROZEN FOOD SALES IN DECLINE

Data kindly supplied by Peter Backman of Horizons FS Ltd. shows that the total frozen food purchases in 2008 were worth £2.3 billion but had declined slightly compared to 2005 by 0.7%.

However, the restaurant sector, now worth £1.1 billion had grown by 0.8% and the number of outlets had increased by 3.2% to 57,869 in 2008. Restaurants are particularly dependent on frozen food which accounts for 28% of the total food purchases.

The pubs, hotels and leisure sector and contract catering and institutions continue to struggle and both sectors declined by 2.1% in value terms in 2008.

From 2005 to 2008, food and drink sales grew by 5.7% with an increase in all sectors.

The foodservice sector served 85 million fewer meals in 2008 compared with 2005, representing a fall of 1.0% as the economic downturn began to bite in the second half of 2008.

If you would like further detail behind the top line number, please contact Peter Backman at Horizons FS Ltd.

Tel: 020 8349 0162 or via their website: www.horizonsforsuccess.com

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FOCUS ON FOODSERVICE COMPLETE SECTOR STATISTICS 2005 AND 2008 COMPARISON

FOOD PURCHASES

Food Categories	RESTAURANTS			PUBS, HOTEL & LEISURE			CONTRACT CATERING & INSTITUTIONS			TOTAL		
	2005 £ millions	2008 £ millions	% Gain/Loss	2005 £ millions	2008 £ millions	% Gain/Loss	2005 £ millions	2008 £ millions	% Gain/Loss	2005 £ millions	2008 £ millions	% Gain/Loss
Frozen	1,126	1,135	0.8	716	701	-2.1	479	469	-2.1	2,321	2,305	-0.7
Chilled - Long Life	436	446	2.3	306	307	0.3	473	478	1.1	1,215	1,231	1.3
Chilled - Short Life	1,397	1,461	4.6	809	836	3.3	835	872	4.4	3,041	3,169	4.2
Ambient	1,033	1,053	1.9	1,612	1,627	0.9	877	873	-0.5	3,522	3,553	0.9
Total	3,992	4,095	2.6	3,443	3,471	0.8	2,664	2,692	1.1	10,099	10,258	1.6

GENERAL INFORMATION

Information Categories	RESTAURANTS			PUBS, HOTEL & LEISURE			CONTRACT CATERING & INSTITUTIONS			TOTAL		
	2005	2008	% Gain/Loss	2005	2008	% Gain/Loss	2005	2008	% Gain/Loss	2005	2008	% Gain/Loss
No. of Outlets	56,060	57,869	3.2	117,176	114,770	-2.1	89,745	89,494	-0.3	262,981	262,133	-0.3
No. of Meals Served - Millions	2,740	2,776	1.3	2,280	2,247	-1.4	3,599	3,511	-2.4	8,619	8,534	-1.0
Food and Drink Sales £ millions	17,847	19,006	6.5	16,122	16,955	5.2	4,983	5,215	4.7	38,952	41,176	5.7



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

FOODSERVICE SECTOR 2005 TO 2008

The information which follows summarises information that was shown during 2009

OUTLETS

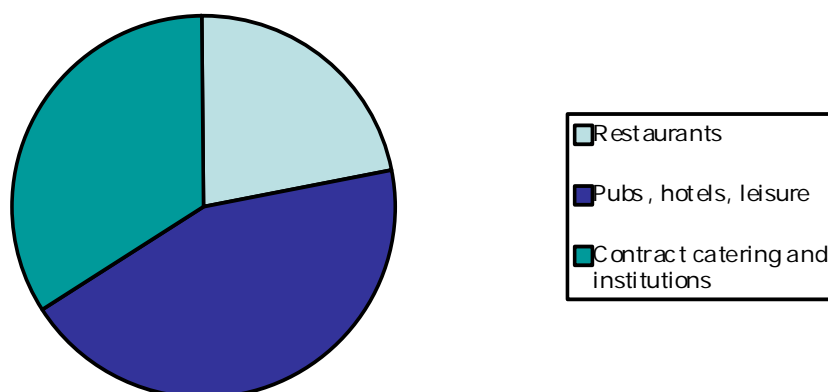
Source: Horizons

	2005	2008
Restaurants	56,060	57,869
Pubs, hotels, leisure	117,176	114,770
Contract catering and institutions	89,745	89,494
TOTAL	262,982	262,134

Note:

- "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 848 outlets between 2005 and 2008
- There is generally only a small change in outlet numbers, and the Restaurants, Pubs, Hotel and Leisure sectors newly opened outlets often replacing closures
- The combined numbers of pubs and hotels fell by 2,406 primarily reflecting a long term decline in numbers of pubs.

Number of outlets: 2008



FOODSERVICE SECTOR 2005 TO 2008

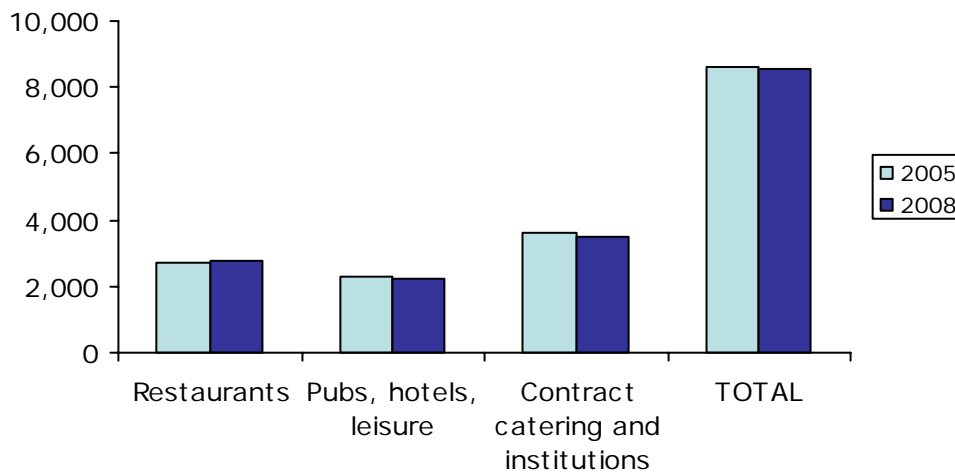
MEALS

	Millions	Millions
	2005	2008
Restaurants	2,740	2,776
Pubs, hotels, leisure	2,280	2,247
Contract catering and institutions	3,599	3,511
TOTAL	8,620	8,535

Source: Horizons

- The foodservice sector served 85 million fewer meals in 2008 compared with 2005 – representing a fall of 1.0% as the economic downturn began to bite in the second half of 2008
- However, the restaurant sector grew by 1.3%
- Pubs, hotels and the leisure sector served 33 million fewer meals
- The contract catering and institutional sectors saw a combined fall of 88 million meals – down by 1.0% over the three year period

Meals (Millions): 2005 -2008



FOODSERVICE SECTOR 2005 TO 2008

FOOD PURCHASES - 2005

£ Millions

	Total	Ambient	Chilled - long life	Chilled - short life	Frozen
Restaurants	3,992	1,033	436	1,397	1,126
Pubs, hotels, leisure	3,442	1,612	306	809	716
Contract catering and institutions	2,665	877	473	835	479
TOTAL	10,099	3,522	1,216	3,040	2,321

Source: Horizons

- Chilled and frozen food account for 65% of all the food purchased by foodservice operators
- Frozen food is 23% 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 PURCHASES – 2008

£ Millions

	Total	Ambient	Chilled - long life	Chilled - short life	Frozen
Restaurants	4,094	1,053	446	1,461	1,135
Pubs, hotels, leisure	3,472	1,627	307	836	701
Contract catering and institutions	2,691	873	478	872	469
TOTAL	10,257	3,553	1,231	3,169	2,304

Source: Horizons

- Fresh food (also called Chilled – short life) grew by 4.2% between 2005 and 2008 compared with an average of 1.6% for the market as a whole
- Purchases of Chilled–long life food grew by 1.2%, most of it accounted for by the £64 million increase in the Restaurant sector
- Frozen sales fell slightly overall but grew in the added-value restaurant sector.

FOODSERVICE SECTOR 2005 TO 2008

FOOD & DRINK SALES

	£ Millions	£ Millions
	2005	2008
Restaurants	17,847	19,006
Pubs, hotels, leisure	16,122	16,955
Contract catering and institutions	4,983	5,215
TOTAL	38,952	41,175

Source: Horizons

- From 2005 to 2008, food and drink sales grew by 5.7% with an increase in all sectors.
- Restaurant sale grew by £1,159 million and at 6.5%, the growth was the fastest of all sectors.

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