



PUBS, HOTELS & LEISURE SECTOR

The latest information kindly supplied by Peter Backman of Horizons for Success shows that the value of the Pubs, Hotels & Leisure sector for frozen in 2010 showed the value of purchases in that sector was worth £668 million for the frozen element.

When you compare 2010 to 2007 it makes fairly grim reading with a number of outlets declining by 4.4% to just over 110,000 whilst the number of meals served has reduced by 11.1% to just over two billion whilst the value of food and drink sales has fallen by 3.8%.

The frozen foods sector accounts for around 20% of all purchases in this sector whilst in the pubs sector it is even higher at 36% of food purchased.

It goes without saying the key factor behind the decline in all sectors was the worsening economic climate and its resulting negative impact of disposable income.

The foodservice sector continues to have a really difficult time with no sign of disposable income improving and indeed with the latest round of spending cuts and austerity measures the outlook is not fantastic.

It is reassuring that the foodservice market has got a tremendous ability to reinvent itself, innovate and proactively respond to difficult times.

**BRITISH FROZEN FOOD FEDERATION
FOCUS ON FOODSERVICE 2007 & 2010 COMPARISON
PUBS, HOTELS & LEISURE SECTOR**



FOOD PURCHASES

Food Categories	PUBS	HOTELS	LEISURE	TOTAL
	2010 £ millions	2010 £ millions	2010 £ millions	2010 £ millions
Frozen	439	124	105	668
Chilled - Long Life	72	165	65	302
Chilled - Short Life	297	387	153	837
Ambient	427	817	365	1,609
Total	1,235	1,493	688	3,416

GENERAL INFORMATION

Information Categories	PUBS			HOTELS			LEISURE			TOTAL		
	2007	2010	Percentage Gain/Loss	2007	2010	Percentage Gain/Loss	2007	2010	Percentage Gain/Loss	2007	2010	Percentage Gain/Loss
No. of Outlets	50,841	45,863	-9.8	46,188	45,840	-0.8	19,370	19,551	0.9	116,399	111,254	-4.4
No. of Meals Served - Millions	1,152	954	-17.2	660	615	-6.8	544	526	-3.3	2,356	2,095	-11.1
Food and Drink Sales - £ millions	6,530	5,738	-12.1	7,904	7,946	0.5	3,346	3,426	2.4	17,780	17,110	-3.8



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



Foodservice Sector 2007 to 2010 Pubs, Hotels and Leisure

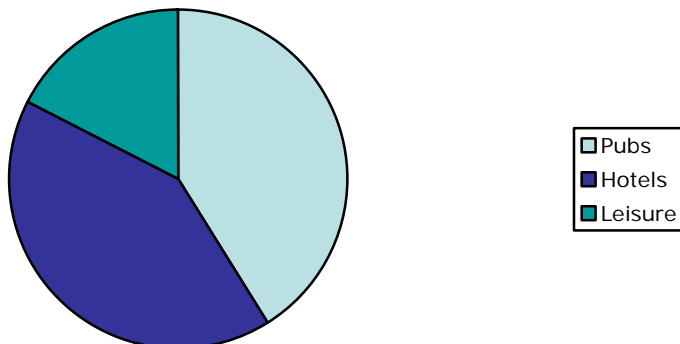
Outlets

	2007	2010
Pubs	50,841	45,863
Hotels	46,188	45,840
Leisure	19,370	19,551
TOTAL	116,399	111,254

Source: Horizons

- Most outlets in this category are not destinations so far as eating out is concerned; they rely on other activities such as accommodation or drinking - for the bulk of their business
- The 111,000 or so outlets in this category account for slightly more than two fifths – 42% - of all foodservice outlets, down from 44% three years ago
- Numbers are falling primarily because of the reduction in pub numbers – and a fall in the numbers of B&Bs and guesthouses but these falling numbers are being replaced by a growing number of budget hotels.
- There has been substantial growth in largest hotels – especially those with over 200 rooms.

Number of outlets: 2010



**Foodservice Sector 2007 to 2010
Pubs, Hotels and Leisure**

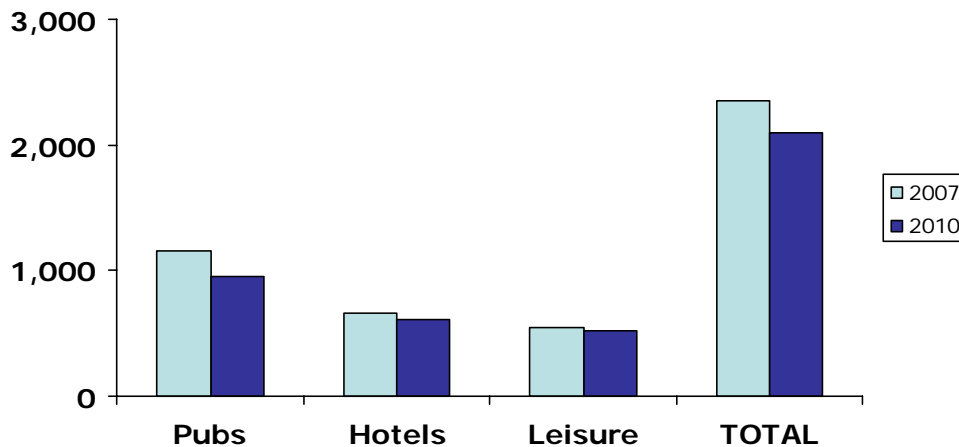
Meals

	Millions	Millions
	2007	2010
Pubs	1,152	954
Hotels	660	615
Leisure	544	526
TOTAL	2,355	2,095

Source: Horizons

- Numbers of meals fell by over 10% between 2007 and 2010
- Although the decline was seen in all sectors, the number of meals served in leisure outlets fell the least in both actual and percentage terms
- The key factor behind the decline in all sectors was the worsening economic climate and its resulting negative impact on disposable income

Meals (Millions): 2006 -2009



**Foodservice Sector 2007 to 2010
Pubs, Hotels and Leisure**

Food Purchases	2007		2010			
	£ Millions					
	Total	Total	Ambient	Chilled - long life	Chilled - short life	Frozen
Pubs	1,477	1,235	427	72	297	439
Hotels	1,574	1,493	817	165	387	124
Leisure	708	688	365	65	153	105
TOTAL	3,759	3,416	1,609	303	837	668

Source: Horizons

- Food purchases fell by 9% or £343 million in inflation adjusted prices between 2007 and last year
- Ambient food is the most important food category with 47% of purchases
- Frozen food continues to account for 20% of purchases in this sector
- Frozen food accounted for 36% of all food purchased by pubs in 2010
- Hotels, on the other are more reliant on chilled food – both long life and short life/fresh – which accounted for a growing 37% of purchases

**Foodservice Sector 2007 to 2010
Pubs, Hotels and Leisure**

**Food & Drink
Sales**

£
Millions

	2007	2010
Pubs	6,530	5,738
Hotels	7,904	7,946
Leisure	3,346	3,426
TOTAL	17,780	17,109

Source: Horizons

- Consumer expenditure in these sectors fell by almost £700 million or - 3.8%, slightly higher than the rate of inflation
- Sales in the Leisure sector increased by 2% and in Hotels by 0.5%
- Pub sales fell by 12%

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