

Restaurant Supply Chains

Restaurant Industry

RESTAURANT INDUSTRY
**2020
FACTS**




SALES
\$899 BILLION

LOCATIONS
1 MILLION+

EMPLOYEES
15.6 MILLION


2020 INDUSTRY SALES PROJECTION
\$899 BILLION



COMMERCIAL RESTAURANT SERVICES: \$828.8 BILLION	NONCOMMERCIAL RESTAURANT SERVICES: \$66.9 BILLION
EATING PLACES: \$817.5 BILLION	MILITARY RESTAURANT SERVICES: \$3.0 BILLION
BARS & TAVERNS: \$22.8 BILLION	
OTHER*: \$188.7 BILLION	

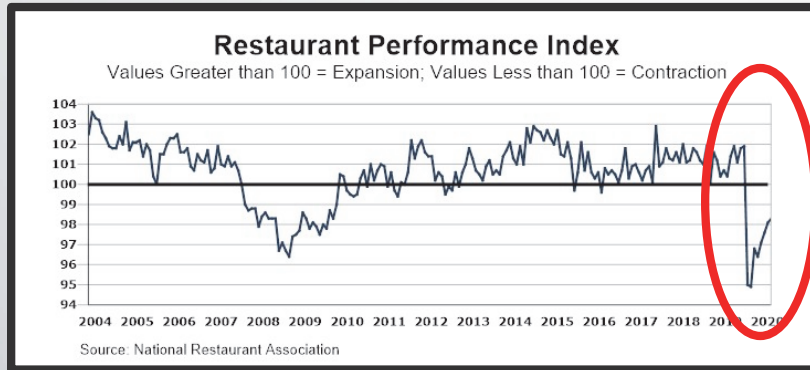
Note: Figures do not add precisely due to rounding.
*Includes managed services, lodging, retail, recreation, mobile and vending services.

RESTAURANT INDUSTRY'S SHARE OF THE FOOD DOLLAR



1955: 25% PRESENT: 51%

Covid-19 Impact

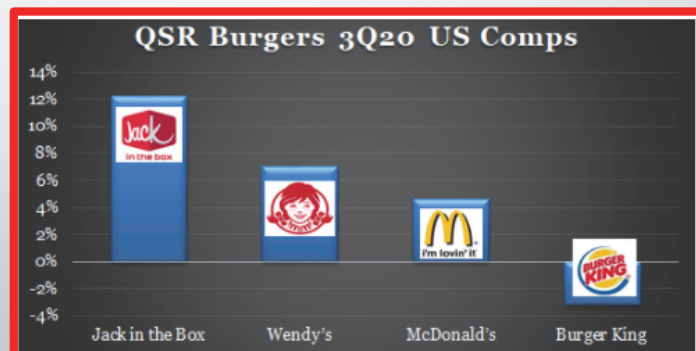


Industry Sales – 10.3 %
Industry traffic – 16.3%



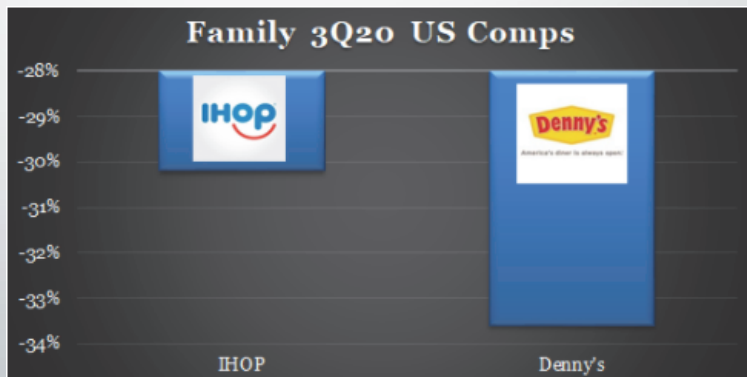
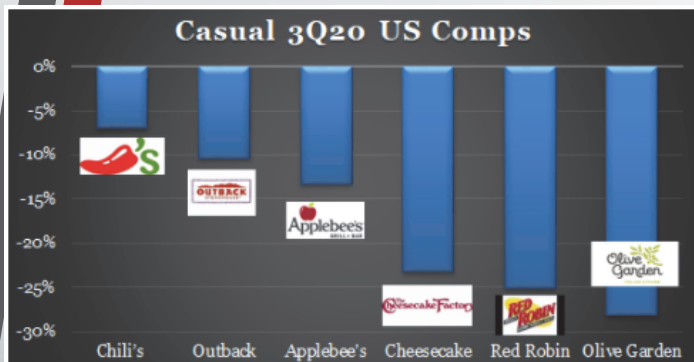
CEO Partners Inc. 2020

Worlds Apart



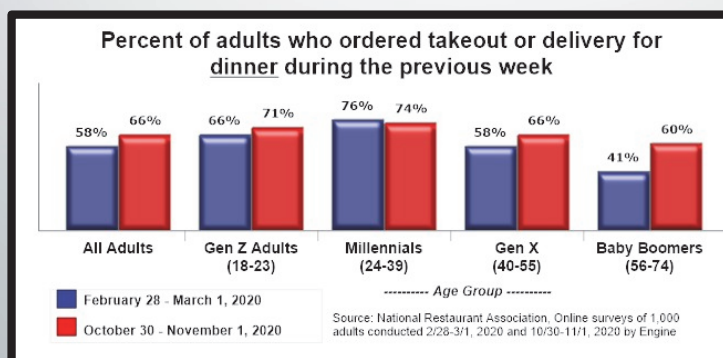
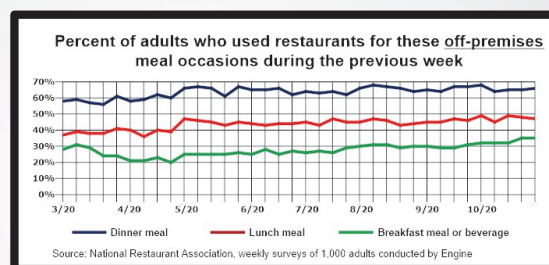
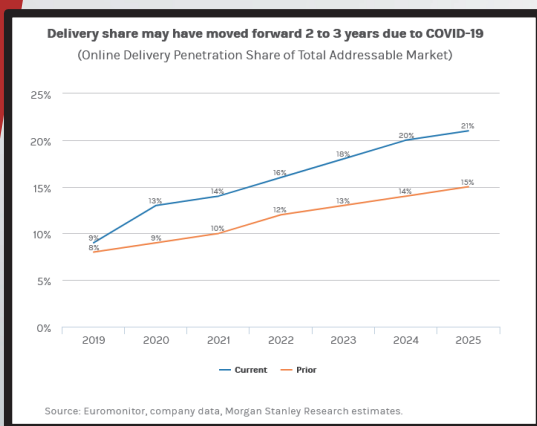
CEO Partners Inc. 2020

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CEO Partners Inc. 2020

Off- Premise



CEO Partners Inc. 2020

Survival

Concept	US Comps
Applebee's	-13.3%
Chili's	-7.0%
Cheesecake	-23.3%
Olive Garden	-28.2%
Outback	-10.4%
Red Robin	-25.1%
Casual	-17.9%
Denny's	-33.6%
IHOP	-30.2%
Family	-31.9%
Burger King	-3.2%
Jack in the Box	12.2%
McDonald's	4.6%
Wendy's	7.0%
Burger	5.2%
Domino's	17.5%
Papa John's	23.8%
Pizza Hut	6.0%
Pizza	15.8%
KFC	9.0%
Popeyes	19.7%
Wingstop	25.4%
Chicken	18.0%
Del Taco	4.1%
Chipotle	8.3%
Taco Bell	3.0%
Mexican	5.1%
Dunkin'	0.9%
Starbucks	-9.0%
Coffee	-4.1%
Carrols (BK)	0.8%
Carrols (Popeyes)	5.5%

October 2, 2020
Restaurant employment still 2.3 million below pre-coronavirus levels
 After an initial hiring surge in the aftermath of the coronavirus lockdowns, restaurant job growth slowed significantly in recent months.

Black Box Intelligence:
 Restaurant sales, traffic stumble again in November amid COVID spikes and colder weather

Guest sentiment offers insight into best performing menu items

Black Box Intelligence | Dec 09, 2020

The restaurant industry's sales stumbled again in November as the number of COVID cases rose rapidly and colder weather started to become an obstacle for outdoor dining in many areas of the country. Same-store sales growth was -10.3%, which represented a 3.8 percentage-point drop from October's year-over-year sales growth rate. November's -16.3% same-store traffic fell by 3.1 percentage points compared to the previous month's performance. This was the worst month for the industry since August based on year-over-year losses in sales and traffic.

But perhaps the most concerning insight from the latest data is that restaurant sales worsened throughout the month. Additionally, by the last week of November, same-store sales growth was the worst experienced by the industry in almost four months, signaling that we may be in the middle of a new restaurant downturn.

NEWS > CASUAL DINING

'Free-fall': 10,000 restaurants have closed over the past three months, according to the National Restaurant Association

More than 110,000 restaurants — or about 17% of the total restaurants in the country — have closed permanently or long-term during the COVID-19 pandemic

Joanna Fantozzi | Dec 07, 2020



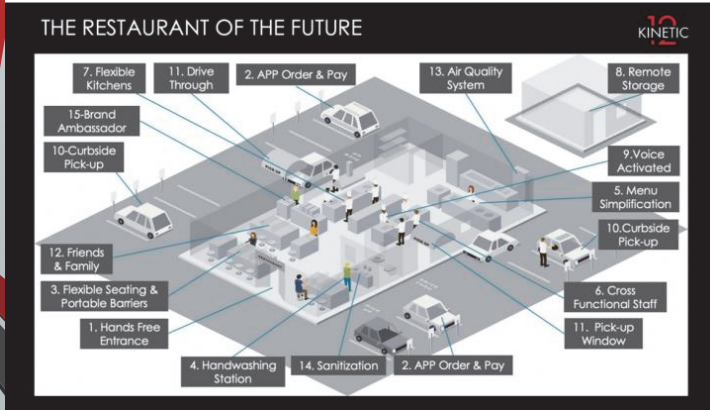
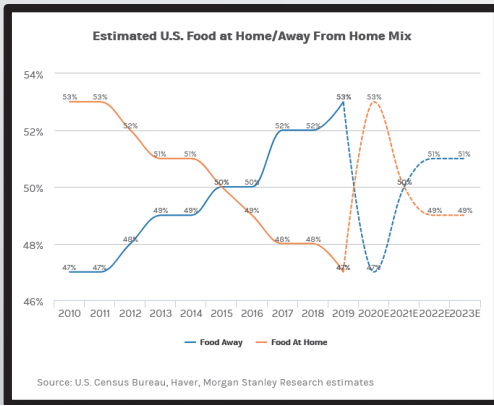
Survival



Second Wave



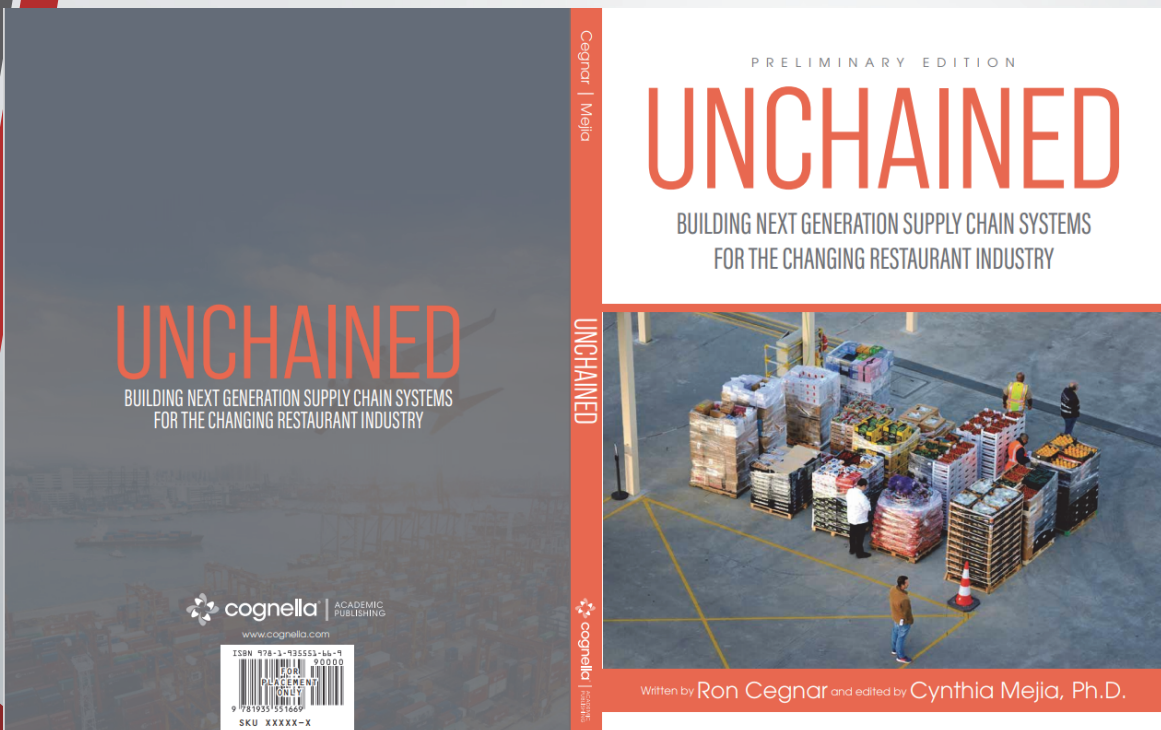
Future



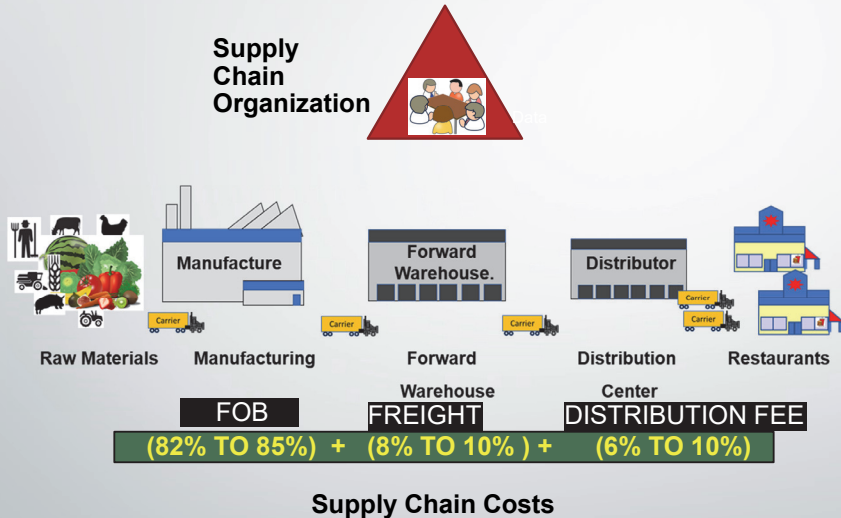
DINE-IN & DRIVE-THRU CONCEPT
 El Pollo Loco and La Madeleine both revealed new prototype stores geared for off-premise orders



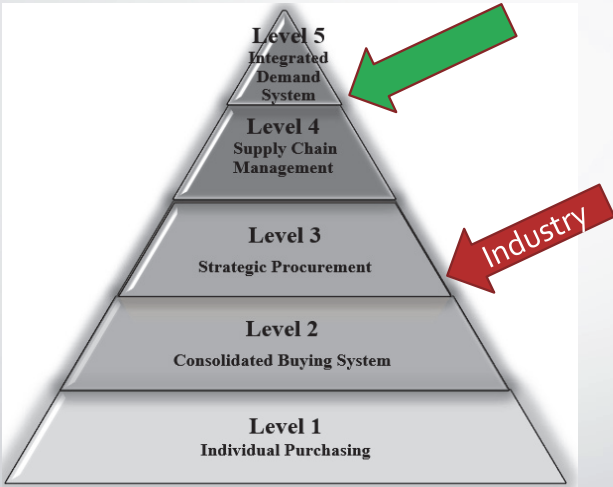
Book



Strategic Relationships



Supply Chain Pyramid



Summary

- **50% of food dollar**
- **\$300 Billion purchases**
- **Big industry – Almost \$1 trillion/16 million employees**
- **Market Share Battle**
- **Covid-19 Impact**
- **Survival**
- **Accelerated changes - Drive thru, Take-out, Delivery & Technology**
- **Need for more partnerships throughout the food chain**
- **Next generation supply chain systems**