

B&I Revenue is Down, but Catering is Up

B&I CENSUS HIGHLIGHTS

- **76%** of the respondents in this year's census outsource their foodservice to contractors, with nine management companies represented.
- Average foodservice revenue per respondent last year was **\$3.66** million, down **7.4%** from the **\$3.96** million reported in 2009. In the coming year, **40%** expect sales to increase, while **14%** project a decrease and **46%** see sales remaining flat.
- Among respondents, **16%** saw their customer base grow in the last year, while **32%** saw the number of potential customers decline and **50%** reported that their customer base remained flat.
- The average amount of food purchases among survey respondents in 2010 was **\$1.65** million, with a mean food cost of **\$2.77** per meal.
- Only **18%** of respondents—all outsourced facilities—operate one or more convenience-type retail units in addition to employee cafeterias.
- **92%** of respondents offer catering, and on average **29%** of total revenue comes from this service. This represents a three percentage point increase in revenue over last year.
- **78%** of operators—10 percentage points less than last year—say they offer grab-and-go items in their cafeterias. On average, operators estimate, **41%** of meals are consumed away from the cafeteria dining area.
- **84%** of operators have an executive chef on staff.
- When it comes to going cashless (see chart below) companies that manage their own foodservice are more likely to offer payroll deduction—**38%** versus **21%** of contract-managed corporations.

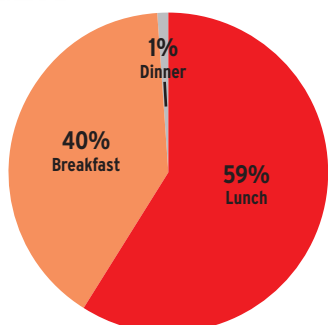
CASHLESS SOCIETY

Going cashless remains key for many B&I operators, with 74% of census respondents saying they allow customers to use some method of cashless payment. What they offer:



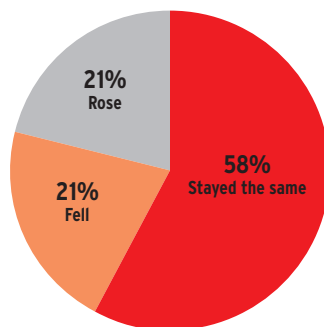
LUNCH KEEPS LION'S SHARE

The percentage of meals served at each daypart remained virtually unchanged from last year, with lunch service continuing to make up the majority of B&I business. The percentages, by meal:



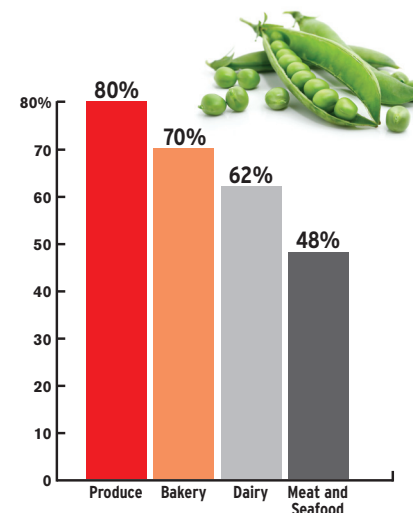
EASING THE BURDEN

Among the operators in our census, 56% say their foodservice operations are subsidized by their companies, with the average subsidy among them at 53%. Four companies in our survey said their operations are completely subsidized. Operators report that subsidy levels in the past year:



THE LOCAL ANGLE

Local sourcing of products is done by 84% of the operators in our census. What they source, by popularity:



PERFORMANCE REPORT FOR B&I OPERATIONS

COMPANY (location)	Total 2010 Foodservice		Total Daily Meals			% Subsidy
	Purchases	Sales	Breakfast	Lunch	Dinner	
ANNUAL FOOD PURCHASES MORE THAN \$1 MILLION						
Schering-Plough (Union, N.J.) SOD, FLIK	\$14,000,000	\$18,000,000	NA	NA	NA	10%
Sonoco (Houma, La.)	\$12,000,000	\$5,100,000	NA	NA	NA	100%
Citigroup (New York) COM, ARA, SOD	\$11,000,000	\$16,000,000	5,000	7,000	0	0%
USAA (San Antonio) SOD	\$10,197,000	\$30,000,000	8,500	11,000	500	0%
Credit Suisse First Boston (New York) RA	\$7,000,000	\$12,000,000	4,000	4,000	0	0%
Procter & Gamble (Cincinnati) COM	\$6,150,000	\$11,000,000	4,500	7,300	0	0%
ANNUAL FOOD PURCHASES \$300,000 - \$1 MILLION						
Con Edison (New York) CUL	\$1,000,000	\$2,100,000	1,200	700	0	0%
Disney World (Lake Buena Vista, Fla.) ARA	\$1,000,000	\$2,500,000	125	400	0	0%
Pitney Bowes (Killingworth, Conn.) CUL	\$868,000	\$2,300,000	350	550	0	NA
US Food & Drug Administration (Olney, Md.) SOD	\$850,000	\$2,200,000	900	2,200	0	0%
GSA Internal Revenue (Lanham, Md.) SOD	\$840,000	\$2,000,000	1,400	1,500	0	0%
Bank of America (Jacksonville, Fla.) EUR	\$800,000	\$1,800,000	725	1,375	0	0%
ANNUAL FOOD PURCHASES \$100,000 - \$299,999						
Lincoln Electric (Euclid, Ohio)	\$290,000	\$940,000	286	610	0	0%
TeleTech (Englewood, Colo.) EUR	\$255,000	\$500,000	280	300	0	NA
General Electric Boat Division (North Kingston, R.I.) ARA	\$240,000	\$470,000	270	195	0	0%
State Auto Insurance (Columbus, Ohio) COM	\$235,000	\$535,000	200	320	0	100%
Albertsons (Boise, Idaho) ARA	\$200,000	\$450,000	200	300	0	NA
Amtrol (West Warwick, R.I.)	\$190,000	\$100,000	80	120	75	50%
Averages for 50 Companies	\$2,303,890	\$3,664,820	988	1,489	32	53%

ARA = Aramark; COM = Compass Group; CUL = CulinArt Inc.; EUR = Eurest Dining Services; FLIK = Flik International Co.; RA = Restaurant Associates; SOD = Sodexo; NA = Not available

To view the complete Performance Report click on Research then CENSUS REPORTS at:
FOODSERVICEDIRECTOR.COM

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Citigroup (New York) COM, ARA, SOD	\$11,000,000	\$16,000,000	5,000	7,000	0	0%
USAA (San Antonio) SOD	\$10,197,000	\$30,000,000	8,500	11,000	500	0%
Credit Suisse First Boston (New York) RA	\$7,000,000	\$12,000,000	4,000	4,000	0	0%
Procter & Gamble (Cincinnati) COM	\$6,150,000	\$11,000,000	4,500	7,300	0	0%
Quad/Graphics (Lomira, Wis.)	\$5,600,000	\$11,000,000	1,000	3,000	0	0%
Limited Brands (Reynoldsburg, Ohio)	\$5,100,000	\$3,400,000	280	700	0	NA
Freddie Mac (McLean, Va.) FLIK	\$5,000,000	\$6,000,000	1,000	4,000	0	NA
Prudential Financial (Newark, N.J.) COM	\$4,400,000	\$8,200,000	3,300	3,500	0	0%
The Boeing Co. (St. Louis) ARA	\$4,000,000	\$8,000,000	5,500	7,500	0	0%
Amerada Hess (Houston)	\$3,000,000	\$4,000,000	200	650	0	NA
Rockwell Automation (Milwaukee) ARA	\$2,670,000	\$5,030,000	500	1,200	0	10%
Paul Weiss (New York) FLIK	\$2,300,000	\$3,700,000	450	500	300	25%
Davis Polk & Wardwell (New York) FLIK	\$2,280,000	\$2,900,000	500	850	400	NA
Conde Nast Publications (New York) RA	\$2,000,000	\$2,800,000	750	1,200	0	0%
U.S. Bank (Milwaukee) COM	\$1,600,000	\$2,100,000	600	1,300	0	0%
Ross Products Division (Columbus, Ohio)	\$1,500,000	\$2,900,000	450	1,500	0	NA
Northrop Grumman (Rolling Meadows, Ill.) ARA	\$1,175,000	\$1,627,000	990	980	255	23%
Con Edison (New York) CUL	\$1,000,000	\$2,100,000	1,200	700	0	0%
Disney World (Lake Buena Vista, Fla.) ARA	\$1,000,000	\$2,500,000	125	400	0	0%
Pitney Bowes (Killingworth, Conn.) CUL	\$868,000	\$2,300,000	350	550	0	NA
US Food & Drug Administration (Olney, Md.) SOD	\$850,000	\$2,200,000	900	2,200	0	0%
GSA Internal Revenue (Lanham, Md.) SOD	\$840,000	\$2,000,000	1,400	1,500	0	0%
Bank of America (Jacksonville, Fla.) EUR	\$800,000	\$1,800,000	725	1,375	0	0%
Pepsi Bottling Group (Somers, N.Y.) FLIK	\$785,000	\$1,264,000	347	663	0	35%
Unilever Foods (Englewood Cliffs, N.J.) SOD	\$750,000	\$1,370,000	380	820	0	60%
Wyeth (Madison, N.J.) SOD	\$750,000	\$1,500,000	300	500	0	50%
GTech (West Greenwich, R.I.)	\$700,000	\$1,100,000	250	375	0	0%
Blue Cross & Blue Shield (Providence, R.I.) EF	\$500,000	\$875,000	260	525	0	100%
Siemens (Mundelein, Ill.) SOD	\$500,000	\$760,000	210	525	0	40%
Coufter (Miami) ARA	\$450,000	\$930,000	200	250	0	NA
John Deere (East Moline, Ill.) ARA	\$412,500	\$750,000	600	600	0	0%
Hawker Beechcraft (Wichita, Kan.) EUR	\$400,000	\$1,000,000	150	600	0	0%
UniGroup (Fenton, Mo.)	\$385,000	\$740,000	350	350	0	0%
S&C Electric (Chicago)	\$303,000	\$750,000	150	250	0	50%
AIG (Neptune, N.J.) SOD	\$300,000	\$100,000	150	150	0	NA
Ford Foundation (New York) RA	\$300,000	\$400,000	60	130	0	70%
Lincoln Electric (Euclid, Ohio)	\$290,000	\$940,000	286	610	0	0%
TeleTech (Englewood, Colo.) EUR	\$255,000	\$500,000	280	300	0	NA
General Electric Boat Division (North Kingston, R.I.) ARA	\$240,000	\$470,000	270	195	0	0%
State Auto Insurance (Columbus, Ohio) COM	\$235,000	\$535,000	200	320	0	100%
Albertsons (Boise, Idaho) ARA	\$200,000	\$450,000	200	300	0	NA
Amtrol (West Warwick, R.I.)	\$190,000	\$100,000	80	120	75	50%
Security Benefit (Topeka, Kan.) ARA	\$190,000	\$425,000	200	275	0	NA
W.K. Kellogg Foundation (Battle Creek, Mich.) CDS	\$180,000	\$165,000	0	150	0	NA
Raytheon (Largo, Fla.) EUR	\$150,000	\$620,000	250	350	0	100%
ADP New England Region (North Waltham, Mass.) SOD	\$145,000	\$300,000	15	75	0	20%
Federated Department Stores (Cincinnati)	\$130,000	\$340,000	0	72	0	0%
Oak Leaf Concessions (Littleton, Mass.)	\$124,000	\$200,000	12	58	0	NA
Averages for 50 Companies	\$2,303,890	\$3,664,820	988	1,489	32	53%

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