


Sizzlin' News

RESTAURANT INDUSTRY FACTS

Below are some facts and figures regarding the cornerstone of our nation's economy: the restaurant industry.

- 2005 Restaurant Industry Overview
 - Sales: \$476 billion
 - Locations: 900,000 — serving more than 70 billion meal and snack occasions
 - Employees: 12.2 million — the industry is the largest employer besides government
- Restaurant industry sales are forecast to advance 4.9% in 2005 and equal to 4% of the US gross domestic product.
- The overall economic impact of the restaurant industry is expected to exceed \$1.2 trillion in 2005, including sales in related industries such as agriculture, transportation and manufacturing.
- Every dollar spent by consumers in restaurants generates an additional \$1.98 spent in other industries allied with the restaurant industry.
- Every additional \$1 million in restaurant sales generates an additional 42 jobs for the nation's economy.
- Average unit sales in 2002 were \$730,000 at full-service restaurants and \$619,000 at limited-service restaurants.
- More than seven out of 10 eating-and-drinking places are single-unit (independent) operations.
- Eating-and-drinking places are mostly small business, with seven out of 10 having fewer than 20 employees.

By The Numbers

- \$1.3 billion — restaurant-industry sales on a typical day in 2005.
- Two out of three — percentage of quickservice operators who have added low-carb items to their menu as a result of the low-carb diet trend.
- Nearly half — percentage of tableservice operators reporting that takeout represents a larger proportion of their total sales compared to two years ago.
- One out of three — percent of consumers who have used curbside takeout at a tableservice restaurant.
- 4 percent — median pre-tax income in 2003 for fullservice restaurants with average per-person checks of \$15 to \$24.99.
- 45 percent — Percentage of 25-to-34-year-olds who have used the Internet to find out information about a restaurant they have not patronized before. 

Source: *Nation's Restaurant News*

EG Forrest

FOOD SERVICE DISTRIBUTORS

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Type of Establishment	2005 Estimated Sales (Billions)
Commercial	\$476
Eating Places	\$326
Drinking Places	\$15
Managed Services	\$32
Lodging Restaurants	\$25
Retail, Vending	\$39
Recreation, Mobile, Other	\$39


THIS IS IN

The SBA is cutting the fat from small-business procurement statistics. The changes would prevent small businesses that have grown large, or have been acquired by big business, from continuing to be counted as small businesses by federal agencies when reporting procurement data.

A study by the SBA's Office of Advocacy published last December found that, of the \$54.1 billion in federal procurement funds supposedly paid to small businesses in 2002, \$2 billion actually went to big businesses.

Federal agencies are supposed to work toward a goal of awarding 23 percent of their purchases to small business. Thomas M. Sullivan, the SBA's chief counsel for advocacy, says the too-big companies did nothing illegal; they just took advantage of a legal loophole.


The SBA has made one final and one proposed change aimed at sewing that loophole shut. First, the agency said that as of December 2004, large companies that get novated contracts — that is, they acquire small companies that are selling goods to federal agencies — must immediately inform the federal agency's contracting officer. That officer then takes the contract off his agency's small-business tally.

A bigger change would be the SBA's proposed dictate that all companies listed as small recertify their status every five years. The General Services Administration already requires that of small companies who regularly do business with the government; the proposed rule would make the requirement apply to all federal contracts. The rule is expected to be finalized during the first half of 2005. 

Source: *Entrepreneur*

STUDY QUESTIONS MONDAY AS BEST E-MAIL DAY

A study by e-mail service provider ExactTarget contradicts reports stating that open and click rates are best for e-mail messages sent out on Mondays. ExactTarget's study analyzed data from December 2003 to November 2004 representing 2,000 organizations, 160,000 e-mail campaigns and 800 million messages. Findings include:

- **The best days for opens may not be best for clicks.** Marketers must decide which they want to drive. Maximizing open rates is important for brand exposure while clicks are key for conversions.
- **Monday's ranking falls.** MarketingSherpa published a study last summer saying the best day to send was Monday. This study was based on results for second-quarter 2004. ExactTarget's analysis for second-quarter 2004 also suggests that Monday was the best day to send in that quarter. However, since the report was published, Monday consistently has ranked fifth and sixth for "best day to send" in terms of open rate.
- **Wednesday to Friday delivery maximizes open rates.** Starting in July, the best days to maximize open rates shifted to later in the week. For July to November, Friday performed best, but was less than one-half percent ahead of Wednesday and Thursday in average open.
- **Weekends rule for generating clicks.** Weekend results are mixed, with open rates below average. But Sunday and Saturday yield the highest click-through rates, respectively. With less competition for the inbox on weekends, people who open e-mail have more time to read and respond to it.
- **Results by industry vary.** High-tech companies fare well on Fridays, membership organizations on Wednesdays and online retailers drive twice the click-through rates when sending on Sundays.
- **Inbox competition is alive and well.** Sending at peak times increases competition for attention in the subscriber's inbox. Open and click-through rates are generally lower when more people are sending. 

Source: *DM News*