

Commercial Foodservice

From a Consultants Viewpoint

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September 19, 2006



The FoodService Industry is comprised of many venues

- Fullservice restaurants
- Quickservice restaurants
- Convenience Stores
- Buffets and Self-Serve Operations
- Catering
- School and universities
- Hospitals and nursing homes
- Lodging
- Retail hosts
- Recreation
- Prisons
- Military
- Business and Industry

**With Annual Sales of
\$500 billion**

Source: National Restaurant Association

**Over 12.5 million
employees**

Source: National Restaurant Association

And 925,000 Locations

Source: National Restaurant Association

**It is a vast system that faces
a great many challenges**

Top Challenges Facing Restaurant Operators April 2004, April 2005, and April 2006

April 2004		April 2005		April 2005	
Insurance Costs	23%	R&R Employees	20%	R&R Employees	32%
Sales Volume	16	Food Costs	18	Sales Volume	18
R&R Employees	14	Sales Volume	17	Gas/Energy Prices	17
Food Costs	11	Gas/Energy Prices	9	The Economy	6
Competition	6	Competition	9	Competition	6
Gas/Energy Prices	1	The Economy	3	Food Costs	5

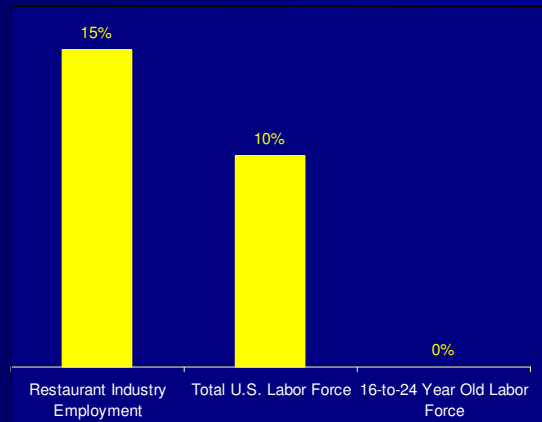
Source: National Restaurant Association, Restaurant Industry Tracking Survey

**The greatest of these is
recruiting and retaining
employees**

**Eating and Drinking Places
account for 1 out of every 6
net new jobs in the
economy**

Yet our labor pool is shrinking

2006 - 2016



Source: National Restaurant Association, based on Bureau of labor Statistics data

In addition, the industry is under a great deal of pressure from both the public and the regulatory community to help fight the growing obesity problem in the U.S.

- Removal of trans-fatty acids
- Portion size reduction
- Healthier kids menus
- Lower fat items
- Lower sodium items

However, energy usage and environmental issues are moving up the priority list as well

Some issues have been around for awhile

- Disposal of grease and wastewater
- Disposal of solid waste
- Emission control

While others rise in importance, such as...

- Overall energy costs – gas, electric
- Distribution costs
- HVAC costs
- Construction regulations and costs

As design consultants, we know that there is a world of opportunity for more energy efficient equipment while acknowledging that our clients still select equipment on initial price instead of long term usage

What can we do?

- Develop solutions that save both energy and labor
- Broaden the list of equipment eligible for the Energy Star® rating
- Continue to educate on and support the use of Life-Cycle costing
- Make it easier and more cost effective use energy efficient equipment than not to

Thank you for your time.

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