

Great Expectations for Restaurants in 2007

Industry sales growth will continue to be strongest in the Western and the Southern U.S., driven by growth in local economies, disposable income and population. With expected national sales of \$537 billion, a total economic impact of more than \$1.3 trillion, and 12.8 million employees in 2007, the nation's 935,000 restaurants are a driving force in national and state economies and job creation.

"We're looking at another solid year for restaurant industry growth in 2007, boosted by a stable economy, increasing personal disposable income and Americans' hunger for the flavors, experiences and convenience that restaurants provide," said Hudson Riehle, senior vice president of Research and Information Services for the Association.

"Nationwide, sales are expected to reach a record \$537 billion, and the industry will add another two million jobs in the next ten years, underscoring the industry's role as the cornerstone of the nation's economy. On the state level, the restaurant industry is a similar powerhouse that will feed local economies. Nevada will again post the strongest sales growth, and Arizona will take the lead in job creation."

Nationally, restaurant-industry sales are expected to increase by 5.0 percent in 2007, or 2.1 percent real (inflation-adjusted) growth. Among the states, Nevada is expected to lead the nation with 8.1 percent sales growth; Arizona follows with 7.6 percent, Florida with 7.1 percent, Texas with 6.9 percent, and Idaho with 6.5 percent. The highest restaurant-sales volume is expected in California, where sales are expected to reach \$54.2 billion; Texas at \$32.0 billion, New York at \$27.0 billion, Florida at \$25.7 billion, and Illinois at \$17.8 billion.

With the number of restaurant locations in the United States growing to 935,000 in 2007, the number of restaurant jobs will also increase; the industry is expected to add two million jobs in the next ten years. Arizona is expected to show the highest restaurant job growth by the year 2017 at 25.9 percent, followed by Nevada at 25.0 percent, South Carolina at 23.9 percent, Utah at 23.1 percent, and Florida at 23.0 percent.

In 2007, California will have the largest number of restaurant-industry employees (1,416,100), followed by Texas (939,800), Florida (864,500), New York (650,900), and Ohio (553,100).

The restaurant business is a booming market with high expectations for the 2007-year. For more information on this article contact the FoodWise Group at www.foodwisegroup.com.

Sources Include: Sue Hensley from National Restaurant Association 2007 Restaurant Industry Forecast