

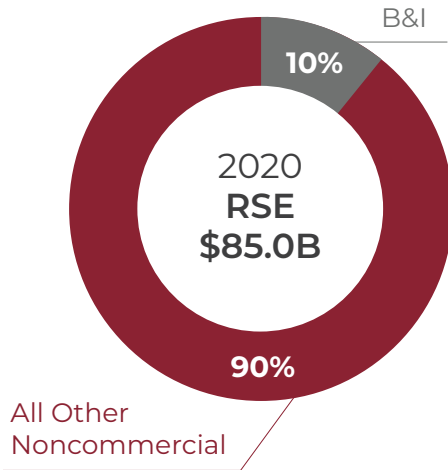
## BUSINESS & INDUSTRY



*The business and industry segment includes foodservice operations within company and corporation locations, office complexes, plants, factories, etc.*

## BUSINESS & INDUSTRY

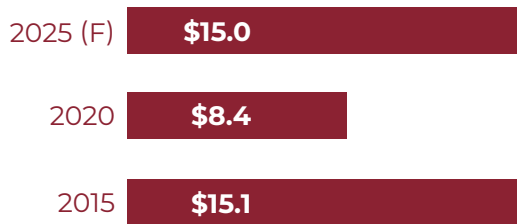
### Total Noncommercial Operator RSE



### Key Segment Metrics

The business and industry segment made up 10% of the total sales of the noncommercial segments in 2020. The total retail sales for the business and industry segment stood at \$8.4 billion in 2020, down from \$15.1 billion in 2015. The segment felt the impact of the pandemic as remote work became the norm for office-based jobs and many companies are still remote today. The segment is expected to return to pre-pandemic sales of \$15 billion by 2025.

### Business & Industry Sales (\$B)

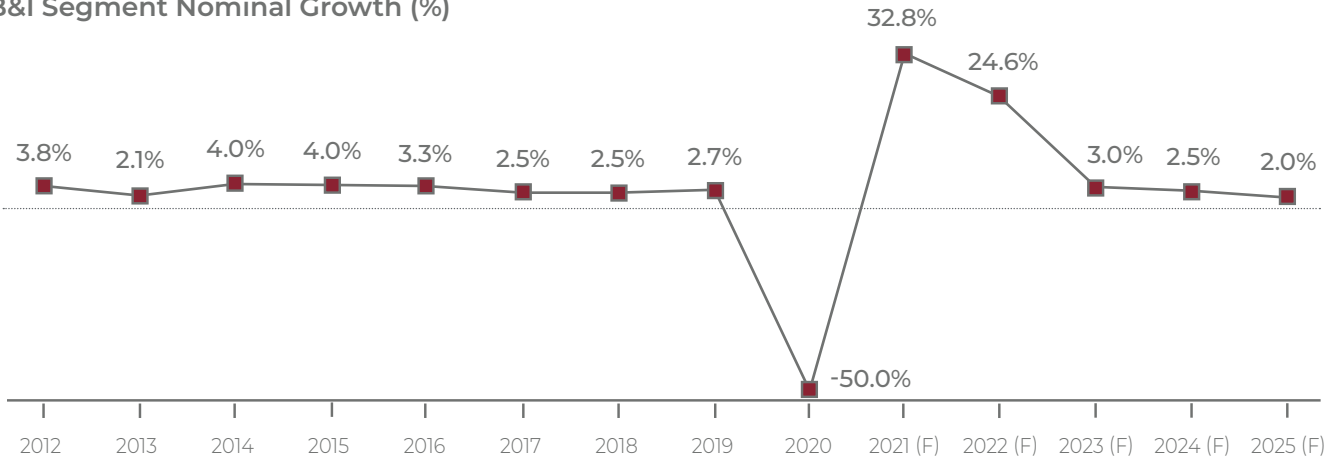


Years	CAGR (%)
2015-2020	-11.0%
2020-2025	12.3%

Prior to 2016, the business and industry segment saw some periods of growth up to 4%. Since then, the growth rates have decreased and stagnated to about 2.5%. As the pandemic hit, growth rates decreased dramatically to -50% in 2020. Going into 2025, the segment is expected to rebound at a slower pace as some companies make remote work a permanent option for employees. The overall growth and health of this segment is tied very closely to the broader health of the economy and of the employment situation in the United States.

# BUSINESS & INDUSTRY

B&I Segment Nominal Growth (%)



Self-Operated



Contract Managed

Foodservice management firms dominate the business and industry segment. Approximately 74% of all retail sales in the business and industry segment were made by operators managed by foodservice management firms.

The table to the right shows the top five business and industry accounts by their foodservice sales in 2019. Microsoft Redmond Campus reported \$51,500 in foodservice sales in 2019.

LARGEST BUSINESS & INDUSTRY ACCOUNTS RANKED BY ANNUAL FOODSERVICE SALES		
Company	2019 Foodservice Sales	Unit Count
Microsoft Redmond Campus (Redmond, WA)	\$51,500	47,000
Googleplex (Mountain View, CA)	\$34,900	17,000
Apple Park (Cupertino, CA)	\$30,200	12,000
Facebook Menlo Park (Menlo Park, CA)	\$29,000	15,000
Amazon Headquarters (Seattle, WA)	\$19,500	19,000

Source: Technomic Ignite Company

## BUSINESS & INDUSTRY

### KEY SEGMENT TRENDS

1. Sustainability and reducing food waste are becoming increasingly more important to business and industry operators. Composting is one way some operators in this segment are working to reduce food waste.
2. Food is increasingly being used as a recruitment tool and driver for employee satisfaction. This will continue to be important as employees return to offices.
3. Grab-and-go offerings are increasingly being made available for employees looking for even more convenience from their business and industry operator.
4. An increasing number of operators are moving away from the traditional single main cafeteria line and are instead opting for individual action stations.

### KEY DECISION MAKERS

1. **Foodservice Directors**—Foodservice directors are those who run the foodservice operations and tend to have a strong input into the types of equipment necessary for that operation.
2. **Operations Managers**—Operations managers oversee most of the key unit-level functions related to facility management including purchase of equipment and supplies.
3. **Chefs**—Chefs play a secondary role as influencers. They often won't make the final decision but can have an impact on what is being evaluated.
4. **Design Consultants**—Particularly on new projects and major renovations or remodels, business and industry operations will defer to design consultants on brand and equipment specification.

### ROLE OF EQUIPMENT WITHIN THE SEGMENT

1. To meet the emerging trend of increased customization, business and industry foodservice operators would greatly benefit from having cooking equipment like rapid-cook ovens that can offer operators the ability to serve their customers quickly.
2. Operators can also benefit from versatile and mobile chef stations, which can have applications as individual action stations, as more business and industry operators move away from single main cafeteria lines and adopt more modern operational layouts.
3. Business and industry foodservice operators looking to implement efforts to improve sustainability will benefit from having highly energy-efficient equipment for refrigeration and dishwashing. Moreover, foodservice equipment that minimizes food waste will also be attractive for operators looking to curb their food waste and reduce food costs.
4. Business and industry foodservice operators who choose easily and conveniently accessible, open-front, grab-and-go display units may see a boost in sales from employees looking for on-the-go food options.