

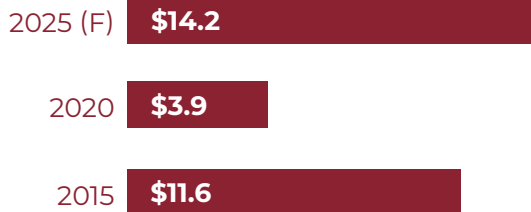
TRANSPORTATION FOODSERVICE



The transportation segment of the foodservice industry includes food offered on buses, trains, ferries, and airlines but does not include the foodservice operators and restaurants based in airports, bus stations or train stations.

TRANSPORTATION FOODSERVICE

Transportation Sales (\$B)

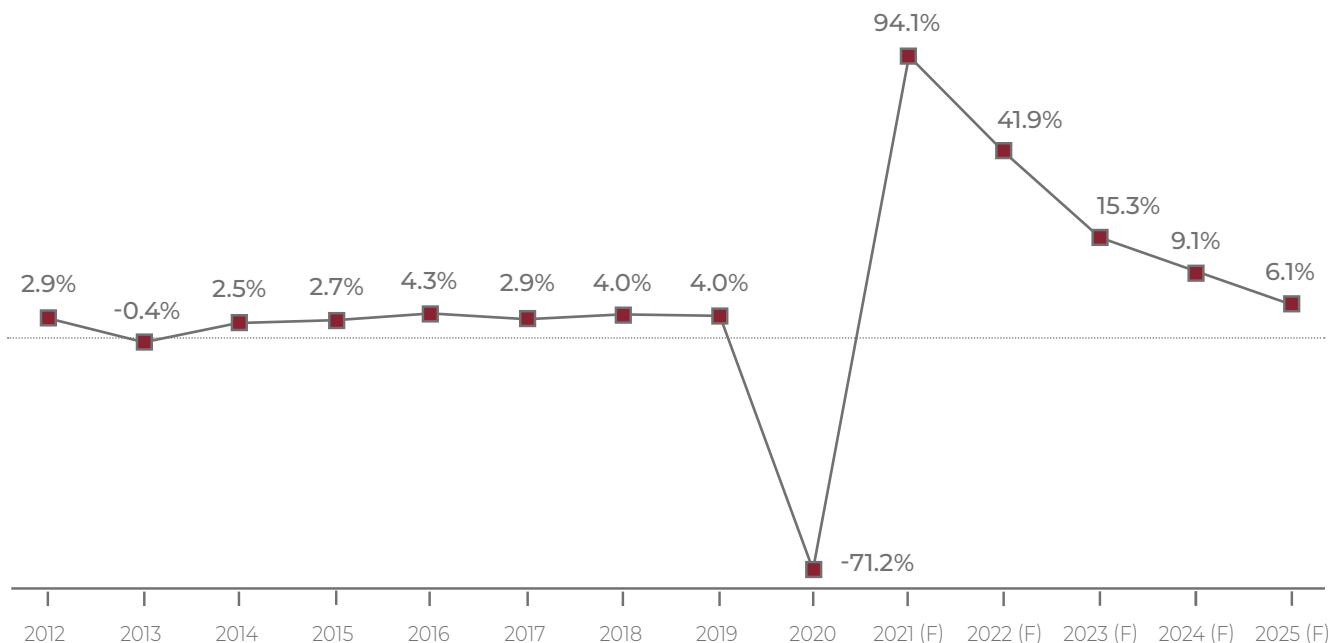


Years	CAGR (%)
2015-2020	-19.7%
2020-2025	29.7%

In 2020, this segment reported \$3.9 billion in retail sales, experiencing a sharp decrease in sales as travel was significantly impacted by the COVID-19 pandemic. By 2025, the transportation foodservice segment is expected surpass pre-pandemic sales, bringing its total retail sales figures to \$14.2 billion.

The transportation foodservice segment has mostly seen periods of moderate growth, except for the decline due to the pandemic in 2020. The segment is expected to grow rapidly as personal and business travel resumes in 2021 and beyond.

Transportation Segment Nominal Growth (%)



TRANSPORTATION FOODSERVICE

KEY SEGMENT TRENDS

1. Eco-friendly initiatives will increasingly become an expectation rather than an exception. Expect U.S.-based airline companies to quickly follow suit.
2. Many airlines, such as Virgin Atlantic and Alaska Airlines, are prioritizing healthier and more wholesome food for passengers, such as salads and Mediterranean tapas.
3. Many airlines are now partnering with and offering high-end menus designed and inspired by celebrity chefs for their first-class passengers.
4. Amtrak has been developing concepts around quick-service-style menu items as well as chef-inspired specialty meals.

KEY DECISION MAKERS

1. **Foodservice Directors**—Foodservice directors are those who run the foodservice operations of the catering companies 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.

ROLE OF EQUIPMENT WITHIN THE SEGMENT

1. With space an issue for both airlines and trains, compact, space-saving equipment for refrigeration and heating would play an essential role for foodservice operators.
2. Additionally, multifunctional equipment would also allow operators to maximize their foodservice operations without sacrificing precious space.
3. Onboard cooking equipment with adaptive intelligent cooking features that monitor the cooking progress and make changes accordingly are also emerging, which help to reduce flight attendants' workload and result in quality meal preparation.