

# What's eating the restaurant trade?

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Food and farming awards | Special Food Programme

VENUE: Bristol City Hall



- All is not well in restaurant land
- Closures from confident chains
- Sad stories from high street set ups

## THE FACTS and FIGURES

### **Kate Nicholls - The Board of UK Hospitality**

- 1500 closures in the restaurant sector
- New openings, innovation, investment and growth have stalled
- The key challenge:
  - Toxic mix of Brexit imposed price inflation
  - Soaring business rates (200-300%)
  - Labour cost increases
  - Acute labour shortages
  - Downturn in the economy with growth slowing
- Companies unable to trade out
- **Revenue:**
  1. £130 Billion
  2. 3m people are employed
  3. £40m in tax for the exchequer

## PANEL OBSERVATIONS

### **1. Russell Normal - Restaurateur, former Ops Director of Caprice Holdings**

- **Background:** I come from a Front of House background, I cut my teeth as a waiter, hospitality is at my core.
- **Passion:** It's important to make people feel welcome and have an experience around the food that is plus plus, so picking up the phone and taking a reservation is important.
- **Innovation:** Young independent exciting operators - chefs and restaurateurs - are finding different ways around closures through street food; testing ideas, they build a fan base without massive costs of bricks and mortar

### **2. Romy Gill (Chef, Restaurateur, Romy's Kitchen Restaurant)**

- **Background:** I'm self-taught chef. I loved cooking. I came 25 years ago all excited. I was taken out to Indian restaurants but found the food was all yellow. I said that I would open my own restaurant. It was 3 years planning, 5 years afterwards the opening. 10 years of blood sweat and tear.

- **Passion:** But I love cooking, I love feeding people. I use best quality produce and everything from South West. I grew up on local food and a lot of people (circa. 80%) come from outside and support me.
- **Innovation:** I love what I do but came to a decision to only open 3 days a week rather than 5 days - Thursdays, Friday, and Saturdays - as I'm fully booked. You walk through the doors you're a chef and when you go home you're a wife and a mum. It's difficult.

### 3. Tim Hayward (broadcaster, restaurateur & writes a column for the Financial Times)

- **Social Media:** Don't engage in negative comments. A bad Trip Advisor review means you'll get less of that kind of person coming in which is not such a bad thing. Put your head down and cook food people will keep coming back.
- **Customers:** We have taken away, in effect, eye contact over the phone. Customers are booking sometimes 3 places at ones and forgetting to cancel places so there are no shows.
- **Business models:** Restaurant businesses can be put into two categories: (a) the spreadsheets model with a role out plan or (b) you're kids bubbling with enthusiasm. You must decide where your restaurant is and where you're going. Chains are hit because of the downturn with people spending less money. Margins are tight. Business models are to the bone. Independents have an independent model, they work 48 hours instead of 36 with SWEAT equity and are doing it for lifestyle and always for love, NOT mass catering. A financial model dictates that you'll have less class cleaning of the toilets or less tomatoes for your pizza. We must all raise our game and make it all better.

### 4. Cyrus Todiwala OBE - chef proprietor of Café Spice Namasté and celebrity chef

- **Passion:** My day starts 4am and ends 12.30am it's a very long day but it's all passion driven.
- **Government:** Successive governments have failed to realise how important our industry is to the economy of this nation. I wish ministers had business of their own before they run the biggest business in the country. We don't have a minister for tourism. We are the second largest employers in Britain.
- **Food and Farming:** This industry supports the entire nation producing all food. Food and farming awards is based on fantastic people dotted across the British Isles; chefs, restaurants, food places, delis (etc.) and bring it all to the British Public.

#### ONE TIP FOR YOUNG CHEFS, RESTAURANTEURS:

1. If you have a dream, follow it.
2. Enthusiasm and excitement is one thing but get your facts right and get advice on controlling your first few months will see you through the next ten years.
3. Get a mentor – we have the best mentors in the world. Young people should not feel afraid to ask someone who's been in the industry on what will work.