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Restaurant lines are back...prices are going back - by Dennis Serpone

April 30, 2021 - Spotlights

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The industry standard, Restaurant Business, reports that "Industry sales surged 36% year-over-year, nearly hitting 2019 levels as consumers spent their stimulus checks at any restaurant that was open."

Restaurant sales surged 36% year-over-year in March as consumers spent their \$1,400 stimulus checks, enabling the industry to almost completely recover sales lost during the pandemic despite restrictive and costly capacity limits and thousands of closures.

Food services and drinking places generated \$61.2 billion in sales in March, up 13.4% from February according to U.S. Census data.

That was easily a post-pandemic high. It was also down just slightly from the \$62.7 billion in sales the industry recorded in March of two years ago.

Restaurant lines are back...the price for businesses for almost every segment of the food and liquor business are going back up.

As in almost every segment of society, the laws of supply and demand prevail. When the stock market crashes and everyone is in the mode of panic selling, that's the best time to buy. When there's a housing bubble, wait patiently and pick and chose the right deal. The same has been true in our niche of the market ...hospitality. Whether it is restaurants or hotels, the dynamics are the same...buy "low" when someone is in trouble, sell "high" when the business shows high profits.

The National Restaurant Exchange, and its sister company, The Hotel Exchange, are perfectly positioned to not only help the independent operator, but also the commercial developer and national franchisor. With a strong regional foundation and a national reach, these companies have a long history of successful interaction.

The sales improvement can largely be attributed to two issues—stimulus and consumers tired of the pandemic.

People have grown more confident in dining out recently, thanks to the prevalence of vaccines and easing restrictions—a number of states, such as Texas, have completely lifted restrictions. Florida is another example of a free economy...with Massachusetts soon to follow...hopefully.

Now, is the time to get out of Covid-19 malaise, breathe fresh air, and get back to enjoying the benefits that hard working restaurant operators offer you...and don't forget to tip well.

We'll see you this summer at my new hang-out, The Music Room the only recording studio and "blues" club on Cape Cod. Come in and meet two-time Grammy Award winner, Paul Nelson.

Dennis Serpone is the founder of The National Restaurant Exchange, Wakefield, Mass.

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