



CELEBRATING
55 YEARS

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Promises made, promises kept - by Dennis Serpone

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Dennis Serpone

The election of Donald Trump by over 50% of the population has set in motion a euphoria that is sweeping the country. The stock market keeps breaking daily records bringing us back to pre-Biden days. Car sales, new and used, are through the roof although at higher cost, waiting lines at high end restaurants are back and the number of new food and beverage businesses are growing exponentially. The government has been printing money at unsustainable levels fueling the feeling of confidence throughout the business communities.

We have to recognize that small businesses, the mom & pop food operations and entertainment venues drive our economy. More financially successful people have come out of this once thriving industry. As long as people need to eat and the entry into this career is so low, the proliferation and variation of food businesses will grow. That being said, several factors are reformulating the industry. The new normal is a greater number of choices for what you want when you decide to go out to eat alone or with family.

In the not too distant past, actually back about 50 years, the drinking age in Massachusetts was lowered to that of a number of other states to 18 years old. Then the well-meaning legislators bent to the will of the restaurant industry and threw in Happy Hours. The industry soared... low unemployment, soaring tax revenue, and the growth of chains everywhere. Breakfast places thrived, lunch places were busy, happy hours were the place to be, and full service restaurants routinely were active till 11 PM with waitresses announcing to each table, "the kitchen will be closing at 10:30, get your last minute order in." For those of us who still haunt full service restaurants, we're at our table at 7 and relatively alone at 9 with the wait staff beginning their closing routine. Further clouding the condition of the restaurant industry is the cost of eating away from home. There was a time when restaurants rarely saw hundred dollar bills. Today they're as common as \$20 bills. Two people having a basic dinner, one drink a piece, coffee and dessert will generate an earth-shattering bill of \$150 dollars and may not include the tip.

Subsequently, fast food outlets have grown like wildfire. Even though pizza and sandwiches reflect higher prices, the lack of tipping and the faster service makes gravitating to them so much easier. It appears that most of the activity is toward the end of the week, with the high-end and mid-range seeming to be busy. Bars and pubs are doing well, especially those that feature sports or entertainment.

The casual and fast food restaurants are seeing a brisk pace of repeat customer. Also, with more and more people ordering in, take-out places are hopping. Where would the industry be without Uber Eats or Door Dash? More importantly, where would our entire economy be without credit cards. Did you ever wonder what casino chips and credit cards have in common? They're not 'real money'. 100% of wagering in casino's is with chips, and over 90% of restaurant bills are paid with credit cards.

Now, you ask the question, "how will the food and beverage industry be affected by this new administration that touts A NEW PROSPERITY?"

“What the mind can conceive and achieve, the mind can achieve.”

All indications, if you can believe what you hear, the Trump administrators are going to bring down the cost of energy by opening up the Keystone pipeline, opening up closed drilling fields, reauthorize fracking and rescinding so many onerous building and equipment regulations instituted by the prior administration.

I was interviewed by a nationally recognized podcaster who posed the question that everyone is asking, “where is the food and beverage industry going to be in 6 months?” But the question should be a specific, “where do you see the industry being in New England in the next six months.”

In the next six months, primarily because of tourism, Mass., Vermont, New Hampshire, and Maine will do well.

Because we’re ‘national’ we get calls to sell or locate new sites for restaurants in those states. We’re so busy in Mass. that even with 20 restaurant specialists, it’s hard to keep up with all the activity. I feel strongly that those restaurants that are weak, will fail and those with strong management, a competitive advantage and good financials will prosper in 2025. People NEED to eat and socialize...at any cost.

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

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