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CONSULTANTS PREDICT 13 RESTAURANT AND HOTEL FOOD AND DINING TRENDS FOR 2010

Joseph Baum & Michael Whiteman Co. creates high-profile restaurants around the world for hotels, restaurant companies, major museums and other consumer destinations. Based in New York, their projects include the late Windows on the World and the magical Rainbow Room, Equinox in Singapore, the world's first food courts, and five three-star restaurants in New York, and numerous first-class hotels. *Their predictions follow ...*

#1 NEW PRIORITIES FOR BEATEN-UP CONSUMERS: Too many restaurant and hotel execs are grappling with *pre-recession* consumer issues, while people today are expressing entirely new – and more complex -- sets of concerns. These concerns might tamp down consumer spending *for another five years* – and are difficult for hotel and restaurant professionals to deal with. Why? Because what worries people today no longer reflects abstract and idealistic *pre-recession* issues. Now people are focusing inward. *Their concerns are personal, emotional and ethical.* For example:

NEXT YEAR'S HOT BUTTONS

Economic survival
Reassurance
Intimacy & friendship
Feeding my knowledge
Feeding my emotions
Artisan, hand-made
Neighborhood, local
Authentic, real
Comfort & safety

Hotel and restaurant people who make a big deal about powering their trucks with used frying fat, or switching to green detergent, or printing menus on recycled paper *may be addressing the wrong issues.* Millions of people are in danger of losing their homes and unemployment is still rising; people are plain scared ... and they're looking

for a “safe harbor.” So hotels and restaurants should be luring these hunkered down consumers from their psychological storm cellars by (and we’re being metaphoric here) replicating the “campfire experience” – building emotional ties and connecting to communities. They need to audit their businesses based on the hot-buttons listed above ... because, we believe, these issues will remain on the table for years to come.

#2 PUTTING FOCUS ON THE LEFT SIDE OF THE MENU ... because that’s where the *emotional resonance* is (see item #1, above). Look for more creative snacky things, more small plates, more portion options ... things sized for one, for two, for a crowd. This isn’t just a “small plates phenomenon” ... because it isn’t *about* the size of the plate: *Sharing* is the key ... sharing responds to consumers’ needs for comfort and safety, for intimacy and friendship. In 2010, smart operators will figure out how to translate this to the right side of the menu – where main courses are, and if you need an example of how it works, think of Thanksgiving dinner – a “communal” main course for sharing and lots of go-withs.

#3 UPSCALING THE DOWNSCALE: No question that consumers are trading down. Steakhouse sales slipped 25%-30% since last year, and \$100 bottles of wine gather dust. Predictably, hamburger and hot dog sales are on the rise but not because they’re cheap. *What’s important is that consumers are using these vehicles as trade-up treats!* That’s what’s behind the explosion of “gourmet” hamburgers smothered in the likes of manchego cheese and Iberian ham; or fanciful hot dogs served with goat cheese and guacamole; or french fries revved up with parmesan cheese and truffle oil. *Consumers are trading down in order to trade up!* That explains why operators are successfully playing one-upmanship with these items, why they’re labeling them like categories of steak: brisket burgers, short rib burgers, grass-fed burgers. It’s why lamb burgers, which you couldn’t give away three years ago, are selling. It’s why you find hand-made artisan hot dogs and Kobe dogs smothered in home-made relishes and condiments (Show Dogs, San Francisco; Bark, Brooklyn; Hot Doug’s, Chicago). Danger: At low price points, there’s little economic risk in experimenting; but when people finally have more money in their pockets, will they forsake these humble things and rush back to steaks and chops?

#4 FRESH = LOCAL = HAND-MADE = SAFER = BETTER

The words “organic” and “natural” are so diluted (polluted, actually) by big-brand food companies that they’re being replaced in consumers’ minds by “fresh” and “local” and “hand-made.” That’s why farmers markets are catching on everywhere even though food there costs more than at chain retailers: People are looking for edibles they can trust, and for food communities that stand personally behind their products.

Restaurants and hotels are spotlighting house-made or locally-made bread, artisan-cured salami, chef-pickled vegetables, locally- butchered beef, honey from nearby hives, food purchased from regional farms ... all these *theoretically* reflecting sustainability and helping local farmers and being better for the environment. They connote reassurance and community values (see #1, above) ... which is why chefs are planting their own vegetable gardens, even on roofs of high-rise hotels. Mrs. Obama digging a vegetable patch at the White House was more than a photo op ... it was a message that’s been recognized by smart restaurateurs.

#5 FRIED CHICKEN IS THE NEW PORK BELLY: Fed up with globs of pig fat from undercooked pork belly? Say hello new-fangled fried chicken -- crisped in all sorts of inventive ways by lowly diner cooks and exalted chefs alike. Ahead of the curve: Korean fried chicken, invisibly coated, amazingly flavorful and fried twice for ultra-crunch, moving out of traditional Korean-towns into mainstream neighborhoods. Global players from Southeast Asia are eyeing the US market, their birds fragrant with lemongrass, fish sauce and warm spices. Lots of chicken is emerging from Latino neighborhoods, too – Pollos Frisby from Colombia, Pollo Campero from Guatemala – zinged up with citrus juices, garlic and regional spices. Some exalted chefs are toying with highly complex formulas from Malaysia (where fried birds are called *ayam goreng*) and the Med Rim (think *ras el hanout*). And then there are Monday night chicken dinners at Thomas Keller’s Ad Hoc in Yountville, in Napa Valley, and at Andrew Carmellini’s Locada Verde in New York. People fight for a table at Momofuku Noodle Bar in New York, where you’ll get two chickens (one southern fried, the other a thrice-fried Korean rendition) but even at a hundred buck a pop for your group, tables are perpetually sold out. Poor KFC: Just when they introduce their lower-fat additive-laden “grilled” chicken breast, then the fried version becomes gastronomically trendy.

#6 PUTTING IN “GOOD” ADDITIVES INSTEAD OF TAKING OUT NASTY ONES:

After years of purging their food of such “nasties” as trans fats and other greases, preservatives, sodium (still work to do there), and artificial flavors and colors ... food companies now are scrambling for additives that make you healthier and more beautiful. Savvy restaurateurs ought to take note of shenanigans like adding omega-3 and plant sterols to breads to alleviate stress and lower cholesterol; antioxidants and probiotics to goose your immune system; vitamins to already adulterated bottled water; collagen to dried fruit (you can't make this up) for women sidestepping the ravages of aging; and various unpronounceables that blunt your appetite so you'll (maybe) lose weight. One soda supplier adds kava extract for alcoholic high without the alcohol. Soon, governments here and in Europe will clamp down on outrageous health claims. Meanwhile watch bartenders (err, mixologists) get into the act by concocting good-for-you cocktails with “enhanced” beverages -- on the theory that you can drink yourself into good health and become beautiful while getting sloshed. Guanara, acai, goji, green tea, hibiscus, acerola are some beverage buzzwords. Similar ingredients are creeping into fast food beverages, too. *Move over, dieticians; looking good rises to the top of the menu. Followed, soon, by an emphasis on “brain health.”* No restaurant can overtly put this sort of stuff on a menu (“try our anti-oxidant cabernet” won't fly), so new menu language will have to emerge.

#7 THEY LAUGHED WHEN WE SAID “TONGUE”: Last year, some bloggers said we'd gone bonkers by predicting that tongue – beef and veal – would be hot in 2009. Well ... here's the Offal Truth: For 2010, it'll be tongue (including lamb) and oxtail along with beef and pork cheeks, chicken gizzards, tripe, and other innards and odd parts. “In a pig's ear,” you say? That, too, along with trotters. Savvy chefs are using these odd parts to offset downsized portions of expensive steaks and chops. You interleave a few slices of strip steak with slices of smoked tongue; you top a petit filet mignon with a nugget of wine-braised beef cheek; you layer some oxtail ravioli over a half-size portion of New York strip and ... bingo! ... chefs create added interest and eye candy while lowering their food costs.

#8 LOSING CONTROL OVER LANGUAGE: Hotels and restaurants no longer control what's said about them ... or who says it. The old experts ... travel and food journalists ... are disappearing, along with their newspapers and magazines, so the old Voices of Authority who reliably carried restaurants' and hotels' marketing messages and images (word-heavy *Gourmet* magazine, for example) are an endangered species. Instead, authority is dispersed among the Instant Opinion Makers: bloggers, texters, twitterers, facebookers, yelpers (many pure shillsters) – who broadcast “buzz” and bad news to a million gullible people in the blink of an eye. So we're swapping good gastro-journalism for dubious opinionating. Amidst this electronic takeover, a local restaurant's reputation can trump a national brand's ... *so we're seeing a leveling of the playing field* between big chains and clever independent operators. Some mobile applications can locate restaurants all around where you're standing at this very moment, along with reviews, menus and other essential data. A New York startup plans to help operators fight back against negative reviews with text-like messages to PDA subscribers (free beer tomorrow!; two tables open at 8 p.m.!). Next year's marketing and PR mavens will be experts at getting operators closer to their customers everywhere and any time, using all sorts of social networks ... and bypassing the former journalistic gatekeepers.

#9 SWEET TO BITTER TO TART: A decade or so back, American palates made a profound shift from sweet to bitter – which explains the rise of strong coffee, dark chocolate, broccoli rabe, brussels sprouts and other bitter food. There's been another, quieter shift, from sweet-sweet to tart-sweet. That's why chefs are now pickling their own vegetables to serve with newly trendy rich and fatty meats (see Item #6 above). You'll find pickled veggies inserted into Vietnamese *banh mi* sandwiches (another trend moving inward from the coasts). You'll see more pickled shallots, leeks or ramps atop steak, instead of fatty onion rings. You'll get it in the sour-salty flavor profiles of increasingly trendy Southeast Asian cookery. You'll find kids getting pucker-mouth as they opt for stunningly sour candies. It explains why classic French cookery, based on excesses of butter and cream, is in decline because it puts taste buds into snooze mode. What makes this important is that we're all getting older and need more zing in our food; a rebalancing of sour-salty-sweet therefore assumes growing relevance on restaurant menus in 2010.

#10 MENU CHURN: A crummy economy and declining consumer traffic forces restaurants to poach each other customers by stealing competitors' top menu items. This happens all the time in a copycat industry, but it has accelerated. Fast food chains are adding up-priced imitations of gourmet burgers. Pizza chains are suddenly becoming pasta, sandwich and chicken wings specialists. Specialty juice chains fight back by adding pizzas and flatbreads. Look for juice bars and smoothie bars in fast food and fast-cas outlets in 2010. Fast-casual chains are figuring out how to incorporate menu winners from sit-down restaurants – including testing alcoholic beverages. Everyone's adding snacks and signature beverages and energy drinks, hoping to capture between-meal business. Cupcakes are popping up in so many places that this trend is sure to self-destruct. And don't get us started about the coffee wars! The danger: As menus become increasingly generic, people will forget what a restaurant stands for. Ironic ... because big *hotel* chains are doing everything they can to reinforce their specific "brand experience" rather than being all things to all people.

#11 MEET YOU AT THE SUPERMARKET: The frequency of meals eaten away from home was sliding even before the global economic collapse – in large part because fewer women are working -- but accelerating numbers of consumers are re-discovering their dining room tables. (That's why steak sales have rocketed in supermarkets.) Restaurant chains hope to replace lost in-store business by getting their brands onto those tables. They're doing this by pasting their logos onto supermarket products. Chains as varied as Burger King, P.F. Chang, Cheesecake Factory and TGIFriday's have moved into the world of retail food as they seek new channels of distribution. Some analysts worry that each meal's migration from restaurant to a food store eliminates sales of profitable side orders and beverages, and erodes the ability to pay the rent on expensive restaurant real estate. And what happens to the "brand experience" (see Item #10)?

#12 CATERING TO KIDS: It's no accident that kids' menus are popping up on chain restaurants: *The recession did it.* Such chains as P.F. Chang and Cheesecake Factory added children's menus this past summer, with Chipotle Grill following suit.

Denny's has swapped some of its fat and calorie bombs for vegetables and yogurt. They all frightened that cash-strapped families are staying home in droves (see #11), so they're inviting folks to bring the kids. Look for more restaurants and hotels offering cooking classes for youngsters following the success of *Eat Fresh Food: Awesome Recipes for Teenage Chefs* ... a new healthful cookbook by Rozanne Gold. "When kids cook, entire families eat better," says Gold. The health issue won't go away now that the Feds turned the spotlight on such nonsense as Froot Loops, Hellman's mayonnaise and Breyer's ice cream being marketed under the (now disgraced) "Smart Choice" banner; and after researchers discovered that cereals marketed directly to children have 85 percent more sugar, 65 percent less fiber, and 60 percent more sodium than cereals marketed to adults. Look for more kids-eat-free restaurant promotions, more emphasis on healthful children's menus, and more "adult" things for kids to eat along with their food-savvy parents.

BUZZWORDS FOR 2010: Authentic Neapolitan pizza. Lamb riblets. Too many food trucks, not enough curb space. Latino street food. Farmed trout creeps up on farmed salmon. Curry- and Indian-spiced fried chicken. Vietnamese sandwiches (bahn mi). Gelati. Global comfort food. Artisan hot dogs. Made-to-order ice cream. Chefs turned butchers. Casual comfort. Touch-screen kiosks and home delivery in fast food outlets. Latino street food. Wood oven cooking. More energy drinks and adulterated waters. Mood food. Backyard and rooftop bee hives. Stevia. Kimchee. Urban farms. Griddled burgers. Free food. House-made everything, especially in sandwiches.

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They have run trends seminars for Taj Hotels, Mumbai; Starwood Asia-Pacific, Bangkok; Certified Angus Beef Convention, Scottsdale; Culinary Institute of America, Napa Valley; Les Dames d'Escoffier Convention, Philadelphia; Club Corporation of America Convention, Austin.

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