



Courtesy J. Kings Foodservice Professionals Inc.

J. Kings Foodservice Professionals Inc., Holtsville, N.Y., is working with its customers to streamline portion sizes and what kind of vegetables restaurants use so the companies can save money, says Joel Panagakos, executive vice president.

Restaurant sales decline, wholesalers report

By Doug Ohlemeier
Eastern Editor

NEW YORK — The sour economy hasn't spared the city known for its spectacular dining.

Produce distributors say business with the purveyors that deliver to the restaurants has fallen considerably.

Distributors estimate sales have fallen up to 20% during the last year.

Jeff Young, a buyer for A&J Produce Corp., said restaurant sales are noticeably lower than in the past.

"There are still people in them, but they're not at full capacity like they were even in previous recessions," he said.

"You used to get a lot of pre-orders or unanticipated orders, but I have seen a drop in that. Our revenues are down. Everyone is really playing it closer to the vest in ordering supplies across the board."

Ira Nathel, president and vegetable buyer of Nathel & Nathel Inc., agrees that sales to the sector have slowed.

"In an economy like this, the restaurants do a little bit less business," he said. "Your purveyor business goes down a little and people tend to eat at home, so your retail business goes up. It kind of balances out."

Coosemans New York Inc.'s foodservice customers have notice-

ably reduced their orders, said Maria Tejada, saleswoman.

"Our customers are buying less," she said. "People are buying only what they need. Before, customers would hustle different items here and there for their customers. You hardly see that anymore."

Institutional foodservice sales

Although chefs and restaurants have reduced their orders because of the volume of people using their services, institutional foodservice customers such as hospitals and the health care industry haven't been affected by the downturn as much as the restaurants have, said Joel Panagakos, executive vice president of J. Kings Foodservice Professionals Inc., Holtsville.

Once the economy starts to soften, people won't spend the money to frequent white-tablecloth restaurants or a regular local restaurant or deli as much, Panagakos said.

However, even institutions that maintain their customer levels also have to deal with increased costs.

One way of coping with rising costs, Panagakos said, involves portion control and changing produce selection.

J. Kings is working with its restaurants, for example, to shift them from purchasing one size of tomato to another size or away

Restaurants

From C1

from a higher-end-quality green pepper to a medium-quality pepper.

Portion sizes can be made a little smaller and a restaurant can eliminate one of three vegetables and use a less expensive garnish, Panagakos said.

When a fruit is at the height of its season, it's usually the cheapest. Restaurants, Panagakos said, can use half of a grapefruit rather than a piece of melon if grapefruit is more affordable during a particular time period.

Panagakos advises his foodservice customers not to start too early with an item or keep it too long, but keep it for that month or two when the item is at peak quality and availability before switching to the next item to feature.

Taking those proactive steps, Panagakos said, will help a customer get a better understanding of and the ability to feature a variety of produce available throughout the year.

Tough customers

New York chefs remain picky customers, said Mike Muzyk, president of Baldor Specialty Foods Inc.

"In New York, they want what they want when they want it," he said.

M u z y k said Baldor tries to be proactive instead of reactive toward its foodservice customers' needs. He said the distributor likes to show customers what type of produce is becoming popular, which types are available and from which parts of the world.



Muzyk

Muzyk said Baldor likes to design menus for its customers based around in-season produce that is readily available.

Baldor distributes fresh produce to white-tablecloth restaurants, hotels and country clubs in the Tri-State area as well as in Boston. The company serves many of New York's top 50 Zagat-rated restaurants. Baldor also sells to airline caterers that serve international flights from the LaGuardia, Kennedy and Newark, N.J., airports.