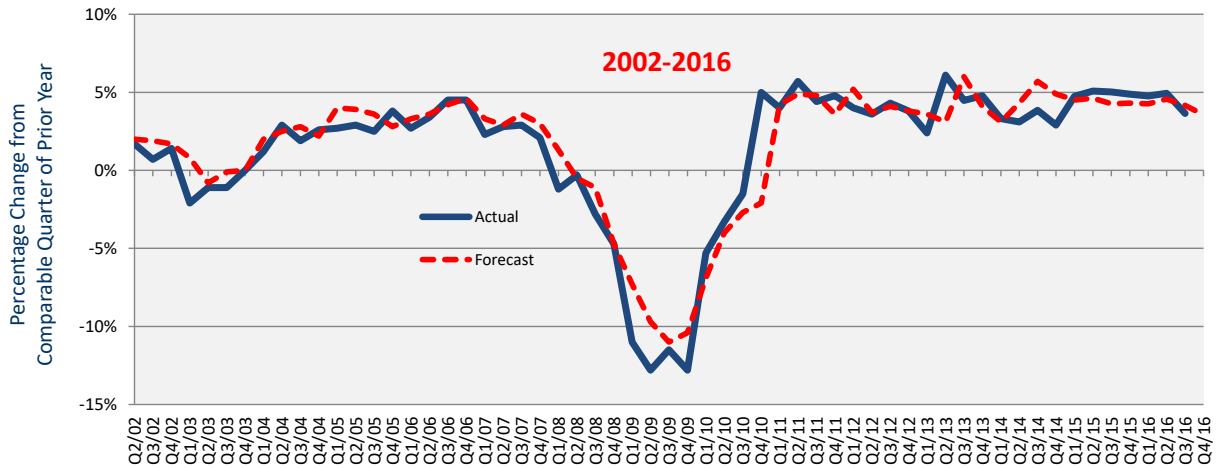




The commercial foodservice industry's most definitive non-food sales/trend indicator

**Q3/2016 Foodservice Business Barometer Report**

**Overall Commercial Foodservice Sales Per Quarter for North America**  
Slower Growth Recorded For Q3/16; Activity Starting To Tail Off



**Slower Growth Recorded For Q3/16; Activity Starting To Tail Off**

Third quarter 2016 sales growth moderated to +3.6% overall and missed the forecast of +4.2%. This contrasted with the previously recorded growth of +4.9% in Q2/16 and +4.8% in Q1/16. By product type, the Q3/16 growth +3.6% broke down as follows: +3.9% Equipment, +3.2% for both Supply and Furniture, and 2.6% for Tabletop.

By region, sales increases were reported as +4.3% Northeast, +4.0% South, +3.9% West, +3.5% Midwest, and ongoing Canadian weakness of +1.2%.

For Q4/16 reps are forecasting continued slower growth of +3.6%. Quoting "More Activity" has slowed to 45% from 48% in Q2/16 and 57% in Q1/16.

This downturn is also reflected in Consultant Activity with a report of 37% "More" vs 45% "More" in Q2/16 and 49% "More" in Q1/16.

For all of 2017, MAFSI reps have forecasted a sales increase of 4.4%. Whereas the annual 2017 forecast was conducted prior to the election, the Q4/16 forecast was made just after the election and this disparity may be indicative of the uncertainty surrounding the upcoming change in administrations.

Executive summary written by Michael Posternak, PBAC, Eastchester, NY, mp@pbacre.com

**Qtrly Sales Forecast for North America**

**Q4/16 vs. Q4/15**

**3.6%**

**Yearly Sales Forecast for North America**

**2017 vs. 2016**

**4.4%**

**2016 vs. 2015**

**4.5%**

**Quoting Activity for Q3/16 vs. Q2/16**

**More**

**45%**

**Less**

**21%**

**No Change**

**34%**

**Consultant Activity for Q3/16 vs. Q2/16**

**More**

**37%**

**Less**

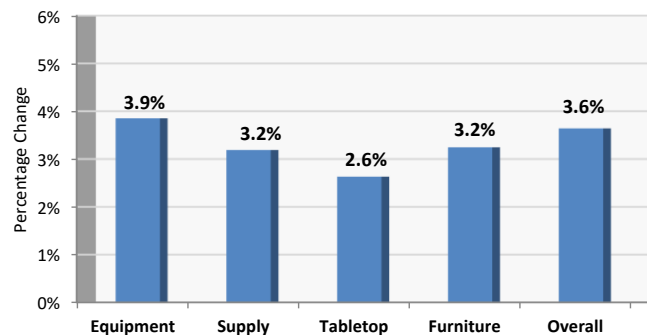
**14%**

**No Change**

**49%**

**3rd Quarter 2016 Overall Sales for North America**

**Q3/2016 vs. Q3/2015 (Jul 1 - Sep 30)**



\*The overall industry sales growth is calculated using a weighted average based on the percentage of the total sales volume for the overall industry represented by the various sales categories: Equipment (77%), Supplies (6%), Tabletop (11%), and Furnishings (6%). Market numbers are based on the North American Association of Food Equipment Manufacturers (NAFEM) biennial "Size & Shape of the Industry" study.



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**Q3/2016 Foodservice Business Barometer Report**

**Q4/16 vs. Q4/15 Sales Percentage Change Forecast by Region**

4th Quarter 2016 compared to 4th Quarter 2015 (Oct 1 - Dec 31)

<b>Northeast</b> 4.2%	<b>South</b> 3.7%	<b>Midwest</b> 3.2%	<b>West</b> 4.0%	<b>Canada</b> 2.5%
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**2017 vs. 2016 Overall Sales Forecast by Region**

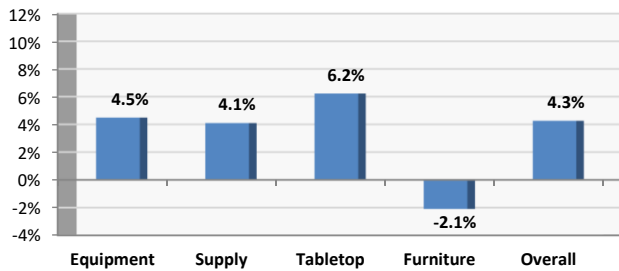
Compared to Overall Sales for 2016

<b>Northeast</b> 4.2%	<b>South</b> 4.4%	<b>Midwest</b> 4.6%	<b>West</b> 4.4%	<b>Canada</b> 4.1%
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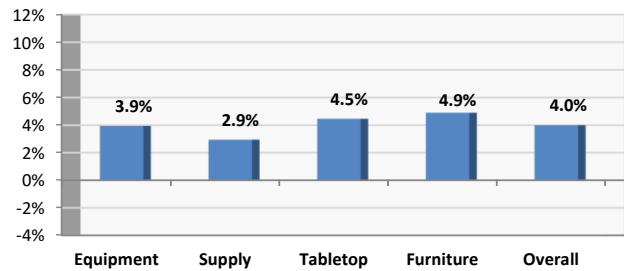
**3rd Quarter 2016 Sales Percentage Change by Region**

3rd Quarter 2016 compared to 3rd Quarter 2015 (Jul 1 - Sep 30)

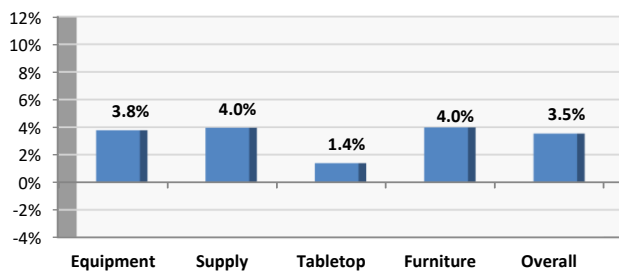
**Northeast**



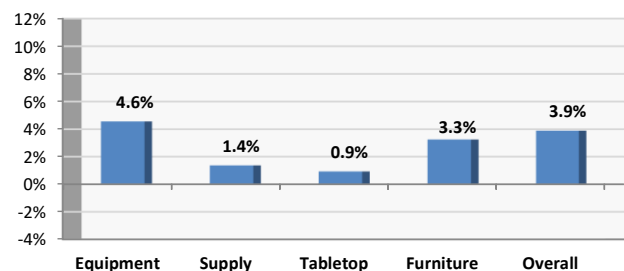
**South**



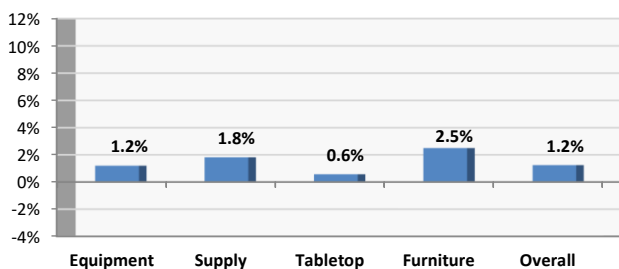
**Midwest**



**West**



**Canada**



**NORTHEAST includes the states:**

CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT

**SOUTH includes the states:**

AL, AR, FL, GA, LA, MS, NC, OK, SC, TN, TX

**MIDWEST includes the states:**

IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, W. PA, SD, WI, WV

**WEST includes the states:**

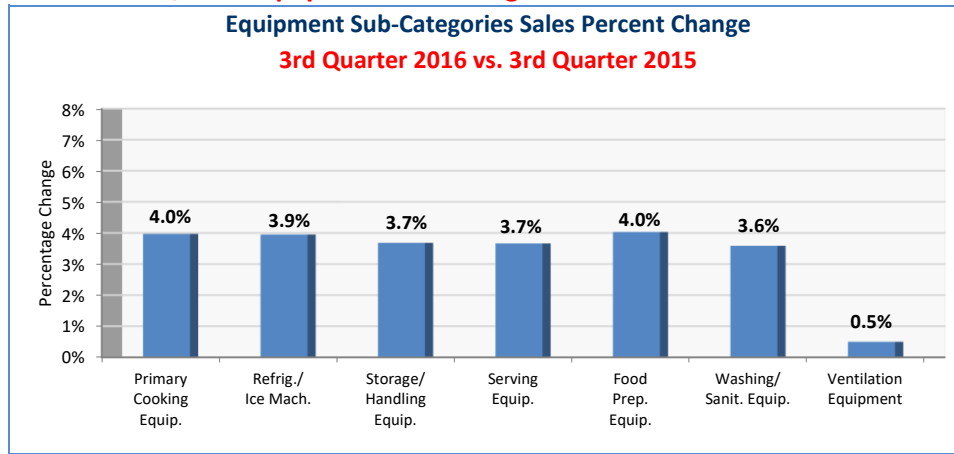
AK, AZ, CA, CO, HI, ID, MT, OR, NM, NV, UT, WA, WY

**CANADA includes all provinces and territories in Canada.**

\*The overall industry sales growth is calculated using a weighted average based on the percentage of the total sales volume for the overall industry represented by the various sales categories: Equipment (77%), Supplies (6%), Tabletop (11%), and Furnishings (6%). Market numbers are based on the North American Association of Food Equipment Manufacturers (NAFEM) biennial "Size & Shape of the Industry" study.

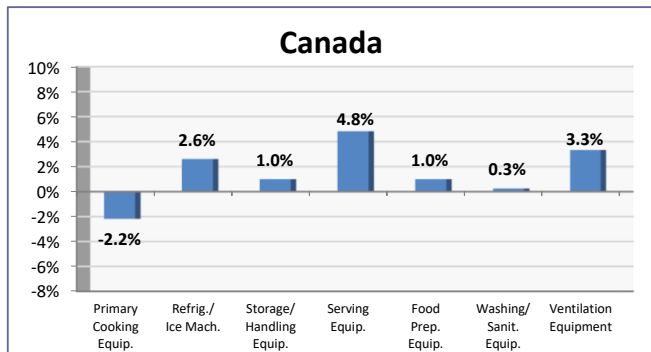
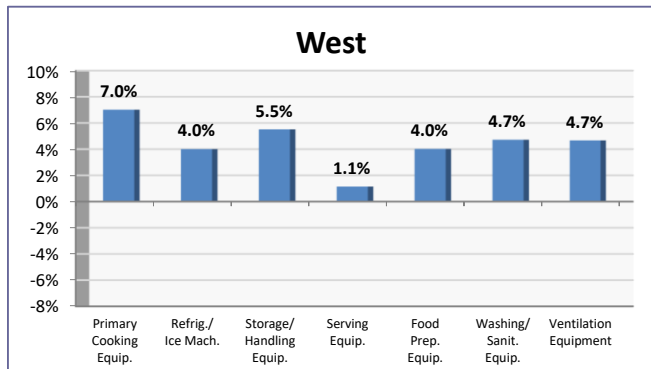
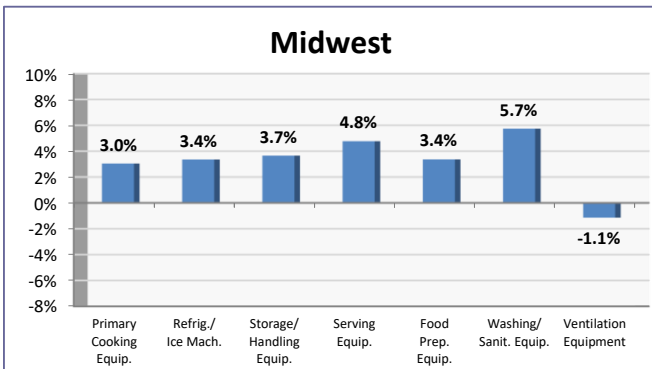
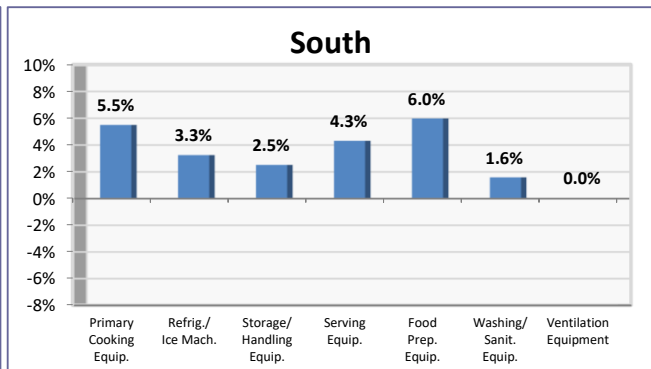
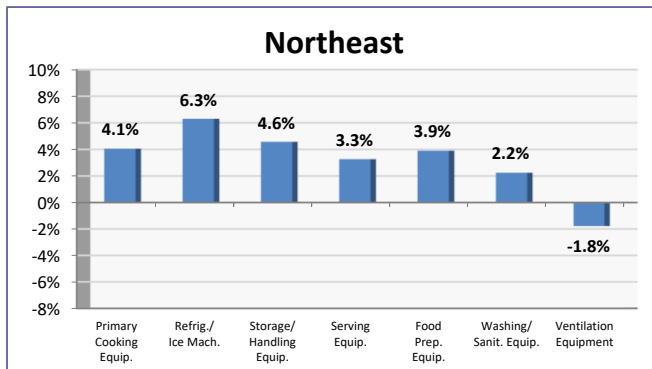
The commercial foodservice industry's most definitive non-food sales/trend indicator

**Q3/2016 Equipment Sub-Categories Business Barometer**



**Equipment Sub-Categories Sales Percent Change by Region**

3rd Quarter 2016 compared to 3rd Quarter 2015 (Jul 1 - Sep 30)



**NORTHEAST includes the states:**

CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT

**SOUTH includes the states:**

AL, AR, FL, GA, LA, MS, NC, OK, SC, TN, TX

**MIDWEST includes the states:**

IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, W. PA, SD, WI, WV

**WEST includes the states:**

AK, AZ, CA, CO, HI, ID, MT, OR, NM, NV, UT, WA, WY

**CANADA includes all provinces and territories in Canada.**

\*The equipment sub-category sales growth is calculated using a weighted average based on the percentage of the equipment sub-category sales volume represented by the various sales categories: Primary Cooking (26%), Refrigeration/Ice Machines (32%), Storage/Handling (9%), Serving (16%), Food Prep (7%), Warewashing (10%) from the (NAFEM) biennial "Size & Shape of the Industry" study. Ventilation not weighted.



**The commercial foodservice industry's most definitive non-food sales/trend indicator**  
**Q3/2016 Foodservice Business Barometer Report**

**Many thanks to the firms that participated in this quarter's MAFSI Business Barometer:**

4 Star Representatives Inc.	Griffin Marketing Group, Inc.	Pro-Quip Foodservice Equipment & Supplies
Acosta Cornerstone Carolinas	Hanna-Young & Assoc., Inc.	R. Henry & Associates
Adams Marketing & Sales	High Sabatino Associates	R.Z. Marketing Group (Advantage Waypoint)
Advanced Culinary Systems	HODAK Sales	Rabco Foodservice Limited
Advantage Marketing Group	Hollander Company	Redco Foodservice Equipment, LLC
Agences Hamilton Agencies	Hospitality Reps Inc.	Remagen Inc.
Apex Commercial Kitchen Co.	HRI, Inc.	Roy Siegel & Associates
Apex Marketing	Johnson Commercial Agents	Schmid-Dewland Associates
ARB Sales and Marketing	Johnson Pike & Associates, Inc.	Searles Associates, Inc.
Bob Waite & Associates	Kain-McArthur Inc.	Shamrock Foodservice Equipment Reps. Inc
Bowerman Marketing Group	Kaufmann & Associates	Sharkey & Associates
Brittan Associates	KBC Specialty Products, Inc.	South Eastern Manufacturers' Agents, Inc. (SEMA)
BSE Marketing	Kelly-Mincks	Southwest Foodservice Equipment Marketing
Carman-Girard Associates	Ken W. Thomson Associates Ltd.	Specialized Marketing of Wisconsin Specialty Equipment Sales Company (SESCO)
Carolina Marketing Inc.	KLH Marketing, Inc.	stage KOLSTAD associates, Inc.
Chernoff Sales, Inc.	Koehler-Borden & Associates, Inc.	Stiefel Associates, Inc.
Chesher Equipment, Ltd.	Lake Effect Sales & Marketing	TD Marketing Company, Inc.
Chrane Foodservice Solutions	Lane Marketing Group	The 2Market Group, Inc.
Clark, Malone & Associates, Inc.	Lehr McKeown Marketing, Inc.	The Burlis-Lawson Group
Clements-Stella-Gallagher Marketing	Link2 Hospitality Solutions	The Fischer Group
CLV Marketing	Lund-Iorio, Inc.	The Hansen Group
Commercial Kitchen Reps, Inc.	MAC Sales & Marketing LTD.	
Copperfield Agencies Limited	Main Street Marketing	The Pantano and Pinilla Agency, Inc.
Courtney Marketing, Inc.	Marjon & Associates, Inc.	The Redstone Group
Cowan Associates	Marketing Agents South, Inc.	The Yes Group
D.L.T. Sales, Inc.	Maxwell-McKenney Inc.	Thormann Associates
Dave Swain Associates, Inc.	Midwest Professional Reps, Inc.	TLC Marketing Inc.
Davis & Associates, Inc.	Miller & Associates	Total Table Top Plus
DRC Marketing Group	Mirkovich & Associates, Inc.	Tri-State Marketing Associates
Dynamic Equipment Solutions	Mirkovich & Associates, Inc.	Vader & Landgraf, Inc.
E. Ruff & Associates, Inc.	Nick Mavro & Associates, LLC	Veitch Group
Eaton Marketing Associates, Inc.	North Star Agency, LLC	Velkey & Associates
Elite Foodservice Solutions	ONE SOURCE	Viola Group
Equipment Preference, Inc. (E.P.I.)	Paglio & Associates, Inc.	Voeller & Associates, Inc.
Equipment Solutions, Inc.	Pecinka Ferri Associates	W. D. Colledge Co., Ltd.
Ettinger-Rosini & Associates, Inc.	Performance Food Equipment Group, Inc.	Walter Zebrowski Associates
Evolve Foodservice Group d.b.a. YES Reps	Performance Reps Northwest, Inc.	WB Marketing LLC
Finn Marketing Group	Permul Ltd.	West Coast Food Service Marketing
Florida Agents, Inc.	Posternak Bauer Aitkenhead Cantamessa	Woolsey & Associates, Inc.
Food Equipment Sales & Marketing Agents, Inc. (FESMA)	Preferred Marketing Agents, Inc.	Wyllie Marketing
Food Service Systems	Preferred Marketing Group	YBR Marketing, Inc.
Foodservice Equipment Agents, LLC	Premier Marketing Group, Inc.	York Hospitality & Gaming, Inc.
Gabriel Group, Inc.	Pro/Line Marketing, Inc.	Young Equipment Solutions, Inc.
Gibbs & Associates, Inc.	Professional Manufacturers Representatives, Inc. (PMR)	Zink Foodservice
GMV Sales	Professional Reps	



## Business Barometer Category Product List

*Please note: As of q3, 2015, "Menu and Message Boards" (previously calculated in Supplies) are now in Tabletop, and "Thermometers and Temperature Monitoring Devices" (previously in Food Preparation Equipment) are now in Supplies.*

<b>MAIN CATEGORIES</b>	
Equipment	Food Preparation Equipment, Primary Cooking Equipment, Refrigeration & Ice Machines, Serving Equipment, Storage & Handling Equipment, Ventilation, Warewashing & Sanitation Equipment
Supplies	Bar Supplies, Buffetware, Can Openers, Cleaning Tools, Colanders, Cookware, Cutting Boards, Knives/Cutlery Blocks/Sharpeners, Mixing Bowls, Pans, Storage, <b>Thermometers/Temperature Monitoring</b> , Textiles (Kitchen), Utensils (Kitchen)
Tabletop	Baskets, Beverage Pitchers/Servers, Buckets (Ice & Wine), Candle Holders/Lamps, Candle & Chafing Fuel, Carafes/Decanters, Chafers, Covers, Dinnerware, Flatware, Glassware/Stemware, Menu Covers, <b>Menu/Message Boards</b> , Salt & Pepper Shakers, Serving Bowls/Plates, Servingware, Trays, Tray Stands
Furniture	Baby-Changing Stations, Bars (Stationary & Mobile), Benches, Booths, Cabinets, Chairs, Coat Racks, Drive Through Windows, Lamps (Dining/Table), Signs, Patio/Outdoor Heaters, Railings & Railings Fittings, Stools, Tables, Table Bases, Table Cloths, Umbrellas
<b>SUB-CATEGORIES</b>	
Primary Cooking Equipment	Braising Pans, Broilers, Charbroilers, Cook-Chill Systems, Fryers, Griddles, Grills, Oil Filtration Systems, Ovens, Panini Grills, Pasta Cookers, Ranges, Rice Cookers, Smokers, Steamers, Tilting Skillets, Toasters
Refrigeration & Ice Machines	Air Curtains, Blast Chillers, Coolers, Doors, Drop-In Pan Chillers, Freezers, Ice Cream Cabinets, Ice Machines, Refrigeration, Refrigeration Compressors, Condensers & Evaporators, Slush/Smoothie Machines, Soft-Serve Ice Cream/Yogurt Machines, Water Filter Systems
Storage & Handling Equipment	Bins, Bus/Tote Boxes, Cabinets, Carts, Conveyor Systems, Covers, Dispensers (non-food), Dollies, Food & Ingredient Canisters & Containers, Hand Trucks/Utility Trucks, Racks, Receiving Scales, Shelving, Tables (Standard Work Tables not Custom Fabricated) (Bakers, Cooks, Makeup, Prep, Etc.)
Serving Equipment	Beverage Dispensers, Carving Stations, Coffee Equipment, Food Dispensers, Food Shields, Merchandisers, Salad Bars/Tabletop Food Bars, Serving/Buffer Lines, Serving Carts, Soup Kettles/Servers, Steam Tables/Hot-Food Tables/Bain Marie, Tea Brewers, Warmers
Food Preparation Equipment	Blenders, Breaders, Bread Slicers, Choppers (Dicers, Graters, Peelers, Non-Bread Slicers), Dough Preparation Equipment, Food Processors, Juice Extractors/Juicing Equipment, Meat Saws, Meat Tenderizers/Marinators, Mixers, Mixer Stands & Tables, Popcorn Carts/Machines, Salad/Vegetable Washers & Dryers, Scales, Slicers, Timers
Warewashing & Sanitation Equipment	Booster Heaters, Brooms, Dusts Mops, etc., Brushes (Equipment Cleaning Brushes, Scouring Pads, etc.), Can & Bottle Crushers, Can Washers, Carpet Sweepers, Vacuums, Floor & Carpet Care Products, Carts (Janitorial), Drainboards, Faucets/Spray Units/Washers/Hoses, Flatware-Handling/Recovery Systems, Floor Troughs & Drains, Mats (Anti-Fatigues, Bar, Rubber, etc.), Mops, Buckets & Pails, Pulpers & De-Water Equipment, Racks (Warewashing/Dishwashing Racks), Sinks, Tables (Dish), Warewashing/Dishwashing Machines, Waste Bins & Recycling Containers, Waste Compactors, Waste Disposal Systems

Ventilation	Appliance Connectors, Grease/Exhaust Filters, Grease Interceptors, Fire Suppression Systems/Fire Extinguishers, HVAC - Exhaust Systems, Fans, Utility Distribution Systems, Ventilation & Hoods
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