

earlier period. During Q3 2009, it was down ZZ%; however, “more profitable” catering sales were a larger percentage of total food and beverage than they were in Q3 2008.

### Corporate holiday spending not a bad word

As detailed above, Corporate America is returning to the skies and to hotels and events. While businesses have yet to begin to hire enough workers to dent the unemployment rate, many of them may be seeing enough light at the end of the tunnel.

Whether it’s because they are seeing light at the end of the tunnel or perhaps because they cannot ignore the fatigue and frustration in the faces of their recession-weary employees—companies are also stepping up their holiday party planning. This is very good news indeed for the catering industry, which saw sales tied to corporate events plummet during 2008 and 2009.

As suggested below, most signs point to a thawing in corporate holiday spending, with the major caveat that while more parties may be underway—and more guests per party—spending per plate remains pressured.

### A look back to 2009

According to a December 2009 online poll by *Special Events Magazine*, two-thirds of respondent caterers say they expected to book less holiday party business that year than they did in 2008. Some ZZ% said they would book more, and another ZZ% said they would book a similar amount. According to *Special Events*, caterers seeing a drop in business reported revenue declines anywhere from ZZ% to ZZ%.

Most trends were cost-related, with most corporate parties that did occur tending toward the smaller and less lavish, with many corporate events generally transitioning from elaborate cocktail buffets to streamlined lunch or dinner buffets, and by adapting to cheaper, more convenient grab-and-go formats.

### 2010 holiday catering season better than 2009? Yes!

Thankfully, most industry observers agree that 2010 will not be worse than—or even a repeat of—2009. Cost and budgetary concerns remain the overwhelming issues. Caterers report a mixture of outcomes, such as fewer events but events with more guests; party sizes going up but price per guest going down; and the need to present catering clients with flexible plans to allow for less expensive menu substitutions.

Ultimately, success is dependent on those companies either performing well during the recession or coming out of the recession. But even these companies need to beware of how throwing a lavish party can be interpreted by their employees, some of whom may still feel insecure about their own job status and/or have recently seen a fellow worker cut from the workforce.

