



FOR IMMEDIATE RELEASE

Michigan Restaurant Association Trends Report Suggests Sales Growth in Second Half of the Year

Operator Optimism Abounds Despite Creeping Food Costs

LANSING, Mich., Aug. 24, 2017 – The Michigan Restaurant Association (MRA) today released its second quarter research report tracking economic and demographic trends within the restaurant industry on a statewide basis. The survey, conducted by independent research firm Cleveland Research and distributed to MRA’s nearly 4,500 members, suggests improved sales in the second quarter and confidence that sales growth will continue the second half of the year.

Highlights from the Q2-2017 Trends Report include the following:

- Sales across Michigan restaurants increased by 3.2 percent in the second quarter of 2017, an improvement from the first quarter, but still behind 2016 growth rates.
- Optimism abounds as a robust 71 percent of respondents expect same-store sales growth to be better in the second half of the year.
- After 18 months of stable to deflationary food prices in the industry, costs appear to be increasing as survey respondents reported a .5 percent increase in food costs as a percentage of total sales.

Additional findings suggest a healthy Michigan economy, with unemployment rates plummeting below five percent, has made staffing a primary concern for restaurant owners. The lack of supply combined with significant industry demand is driving wage increases as labor costs continue to outpace 2016 figures for the second straight quarter.

“The restaurant industry in Michigan bounced back in the second quarter with year-over-year sales growth nearly doubling lackluster sales growth figures in the first quarter,” said President & CEO Justin Winslow. “While this is great news, the industry is still under significant pressure from rising labor costs and what appears to be the end of flat commodities prices.”

Participation was strong in the Q2-2017 Trends Report, with approximately 500 MRA member locations and \$689 million in annual revenue represented in the survey.

The **Michigan Restaurant Association Industry Trends Report** represents the first and only independent statewide research report tracking the state’s second-largest private-sector employer.

About the Michigan Restaurant Association

The Michigan Restaurant Association (MRA) is the recognized leader of Michigan's hospitality industry, providing essential services to the foodservice community. Founded in 1921, the MRA represents nearly 4,500 Michigan foodservice establishments. The industry plays an integral role in Michigan's economy, employing more than 435,000 people and creating \$15.9 billion in annual sales.

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