

NPD Reports Total U.S. Restaurant Unit Count Flat in 2008

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Major chains had strongest unit growth; smaller chains and independents declined in units

ROSEMONT, Ill.--(BUSINESS WIRE)--The number of restaurants opening was balanced out by the number of restaurants closing, resulting in no growth in total restaurant units in 2008, according to The NPD Group, [a leading market research company](#). NPD's latest [ReCount®](#), a census of commercial restaurant locations in the United States conducted in the spring and fall each year, shows restaurant industry unit count flat in 2008, compared to two percent growth in 2007.

According to NPD's fall 2008 ReCount, major and midsize chain restaurants, led by the largest chains (500+ units), were up one percent. Smaller chains (3-49 units) and independent units declined. The family dining segment is contracting across all system types while the QSR segment continued to add units though at a much slower rate. The fine dining segment saw the sharpest decline in units, led by independents. Fine dining chains, which represent a small portion of the segment, continued to expand.

Percent Change in Restaurant Units by segment* 2008 versus 2007

Percent Change in Units: 07 vs. 08

<u>System Type</u>	<u>TOTAL RESTAURANTS</u>	<u>QSR</u>	<u>FULL SERVICE RESTAURANTS</u>		
			<u>FAMILY DINING</u>	<u>CASUAL DINING</u>	<u>FINE DINING</u>
TOTAL RESTAURANTS	0%	1%	-3%	0%	-8%
INDEPENDENTS (1-2 UNITS)	-1%	-1%	-3%	0%	-11%
MAJOR CHAINS (500+ UNITS)	1%	1%	0%	3%	na
MIDSIZE CHAINS (100-499 UNITS)	0%	1%	-5%	3%	11%
MINOR CHAINS (50-99 UNITS)	-2%	-0%	-9%	-6%	7%
SMALLEST CHAINS (3-49 UNITS)	-1%	0%	-3%	-1%	1%

Source: The NPD Group/ReCount®

"In any given year, chains are opening and closing units based on performance and other factors," said Greg Starzynski, director, product development-foodservice at NPD. "However, the recession this past year has had the most negative impact on the small chains and independents, and full service restaurants that were performing poorly prior to the economic downturn."

In terms of restaurant unit counts by geography*, NPD finds that the West United States Census Bureau Region increased its total restaurant units by one percent, whereas the Northeast census region decreased restaurant units by one percent. The South census region stayed flat compared to a year ago and the North census region decreased units by one percent.

For more information about the NPD Recount database, contact Ann Roberts at 847-692-1805 or ann_roberts@npd.com

*Editor's note: ReCount® restaurant counts are available by a variety of breakdowns, including geographical breakdowns, e.g., city, state, designated market area, census areas, etc.

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