

RENARD SPECIAL STUDY

REPORT



Where



have

all the

FINE
restaurants

gone?



Traditional in my book is spelled "DEAD". Why do I believe this? Well, it's very easy when one considers computers, fiber optics, cyberspace, rapid data transfer, etc. Nothing can be considered traditional anymore.

When it comes to food and beverage, we are in a generation that is very conscious of calorie intake, fats that are saturated or unsaturated, salt, chemicals in the growing and preserving process, fresh or frozen, cholesterol, etc. Whereas before, we went out to a restaurant because we liked the taste of food, we now go to a restaurant because we like the way food is prepared and presented, especially if it is in an innovative manner.

The latter was traditional; the former is survival!

In our group of hotels, which are managed by a joint venture between Inter-Continental Hotels and our company Hoteles Presidente, we have really overhauled our food and beverage operation. We found out that the old standby "no name" restaurant operated by the hotel was just fading into the "red column" so we decided on two issues.

1. At two of our beach hotels, we converted to the "All inclusive" format. We, in effect, treated the F&B areas as **cost** centres for the rooms department. We do not nor do we intend to run F&B at those hotels as **profit** centres. It is a break even area that is treated as an amenity to fill the rooms.

Costs are controlled because we know what portions and quantities will be consumed and, best of all, we don't need the expensive accounting systems including food check, cashier, income auditors or even waiters. Maitre d'hôtel, etc. Yes, we have buffet service but we also have a Gourmet Restaurant

À la carte menu and room service.

The guest is not troubled with tipping and waiting for the check to be presented. When the meal is over, one gets up and leaves the table when one feels like it.

Beach resorts are not designed for "All inclusive" but if the out of hotel food is mediocre or relatively far away and your hotel can offer 3-4 eateries you'll have a captive audience that will appreciate "All inclusive".

In the world of resort food and beverage, we caught on to the success of the cruise ship's food and beverage operation — treat it as a cost centre, not a profit centre.

2. In our Mexico City hotel we had six restaurants and three bars including a disco and a jazz bar.

*Gordon F Viberg
Director General
Hoteles Presidente
Mexico City*

Today we have no disco, no jazz bar and while we now have seven restaurants — three are leased to third parties. One is operated by us under a trademark arrangement (franchise) and three are what remains of the original six (but were and are quite successful).

We now have leased space to a successful Palm Restaurant and also to Maxim's of Paris (which we operate for the tenant) plus we've leased space to a very successful tea room owner "The Balmoral Tea Room". These three pay us a fixed monthly rent per meter plus a sliding scale percentage of sales — in short, all we do is collect rent. We have no personnel, no accounting, no investment and, best of all, the square meters are producing more revenues and operating profits than before.

In this scenario, the guest and local patron have a choice of world-renowned restaurants that draw a clientele based on their own reputation — not the hotel's reputation. We provide location, security and convenience.

In the case of our franchised restaurant, our company has the rights for all of Mexico for Alfredo di Roma — the original fettuccini. Here we are converting a coffee shop to an Italian restaurant — under the careful eye of Alfredo who actually will be in Mexico twice a year for two, two-week periods. The investment is minimal, and, as we all know, Italian food operations are highly profitable. **Here, we have a simple format combined with a world famous name — to take**

away the "hotel restaurant" image.

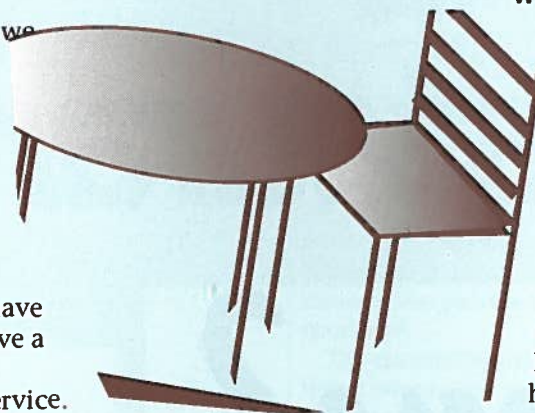
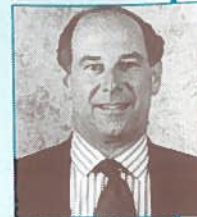
This draws in outside clients and residents alike. The 24-hour coffee shop, a speciality Mexico food restaurant and a ground level bistro cafe remain and are all operated and owned by us. Simple operations — mostly breakfast and lunch operations. Nothing fancy, just practical and profitable.

Recently, I was in London — at the hotel in which I stayed, the French restaurant was closed — even though the hotel had good occupancy.

Michael Caine's Langan's Restaurant around the corner was open, full and it took two days to get a reservation. Why? Because it's Langan's, and believe it or not, I can't remember the name of the hotel's fine restaurant — besides it was closed.

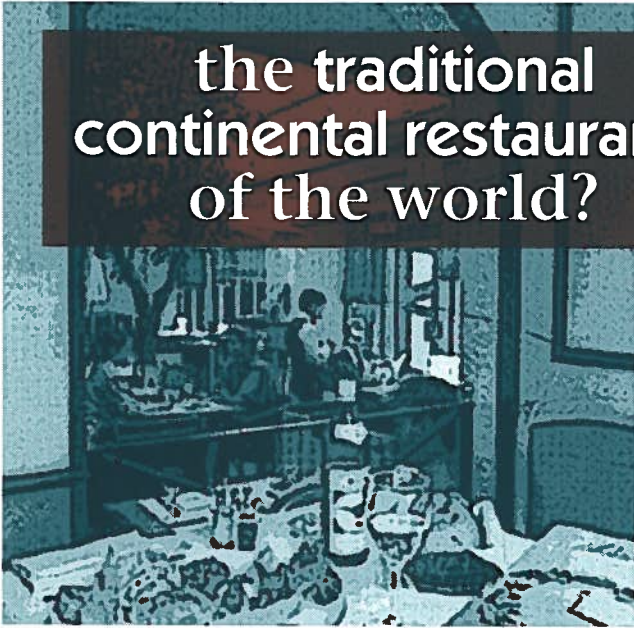
In the future, I believe we'll see the hotelier reverting to his strength — lodging of guests.

The food and beverage operation will be leased or operated by recognized name restaurateurs. These restaurateurs know their business and their systems. So do we hoteliers, but often our guest wants a choice which we can only offer by providing big name restaurant variety.



WHERE ARE

the traditional
continental restaurants
of the world?



WE ASKED WORLD-TRAVELLED RESTAURATEURS, AND RENOWNED HOTELIERS THESE QUESTIONS:

- a) Many well-known restaurateurs have gone conspicuously “casual or regional”. They have even turned their fine exclusive restaurants into fashionable meeting and banquet rooms.

Do you believe white-glove restaurants are out of fashion?

- b) Do you believe that, as many say, that “buying power dictates trends”, and this is now vested in the salaried middle class who do not want to be dictated to and do not need French white-glove trappings to assure themselves that they have arrived?



*Hansruedi Frutiger
Group General Manager
Dynasty Hotel
Kuala Lumpur, Malaysia*

It is true that today's fine dining gourmet restaurants have become a thing of the past.

For the 21st century, we are looking at good-quality table setting, bistro-style “casual and chic” atmosphere, with some good music, live entertainment, cooking behind glass windows and/or an open space with a good ventilation system. A variety of daily market-fresh food or preparation of food representing different dishes of the Mediterranean or South American countries, Asian dishes or a combination of East and West applicable to the local environment where the restaurant or hotel is located.

Good value for money is also an issue in today's eating world.

*Rolf Scharfenberg
General Manager
Arabella Grand Hotel
Frankfurt am Main,
Germany*



I agree times have changed, so have people. Instead of going to a posh French cuisine restaurant once a month and paying \$150 per person, they go once a week to an Italian, Chinese or Indian restaurant and pay \$40 per person.

People want new things, want to try something else, they do not have the patience to sit down to a classic five- to eight-course dinner and spend three to four hours an evening on that.

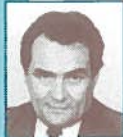
Healthy food, changing the ambience and style according to the demand with a good value for money concept.

There are too few people prepared to pay the prices for a traditional restaurant with white glove service. No restaurant can be operated merely for PR or marketing reasons without making any profit for more than one year.

*INTERNATIONAL CHEF SALARY SURVEY

Position	S.E. Asia	Middle East	E. Europe/Russia	Caribbean
Executive Chef	38-65	35-50	38-48	45-65
Executive Sous Chef	34-45	28-36	28-38	34-40
Restaurant Gourmet Chef	30-45	28-35	28-36	28-45
Italian Gourmet Chef	30-45	28-36	28-35	28-40
Japanese Gourmet Chef	30-40	30-40	-	-
French Gourmet Chef	30-45	28-40	26-35	30-45
American Regional Cuisine Chef	31-45	29-36	32-39	34-48
Chef Patisserie	28-50	25-40	26-38	24-50
Chef Garde Manger	24-33	24-30	24-28	24-32
Chief Baker	24-32	19-30	19-25	22-28
Chief Butcher	24-34	24-32	-	24-32

* Full Service Deluxe hotels average room rate minimum daily rate \$125.00 US with at least 3 F&B outlets and Banquet sales no less than \$1 million US.



- ✓REMUNERATION: Salaries are paid in US dollars or equivalent – tax free, with free housing and medical benefits for employee and dependents.
- ✓Most spouses or dependents are offered a reduction or free meals.
- ✓Some hotels in the Middle East give one month bonus for each year of service, example, an Executive Chef with a base salary of \$50,000 per year could be earning \$70,833 after 5 years.

For more information contact Bernard Lenouval, Managing Director, Chef Search Renard International.

Cuisines that are "hot" in international hotels and chic Restaurants around the World

- Northern Italian
- Japanese
- East-West
- Chinese
- Californian
- Mediterranean
- Tex-Mex
- Lebanese
- Cajan
- Indian
- Thai
- Arabic



Is the "white-glove" restaurant out of fashion? Perhaps it is. However, if we are talking about a fine dining restaurant offering gourmet food beyond compare, impeccable service, and an unique ambience, then no, it is not. If that is out of fashion; **then I am, too.**

Excellence never goes out of fashion. In every field — food, interior design, clothing — trends come and go, but have no lasting effect on pure quality. There is simply no substitute for the best.

No one can argue with the pleasure of dining in sheer luxury in a first class restaurant with a few close friends. It is difficult enough to find an establishment where the menu presents dishes to suit every taste; harder still to guarantee the entire meal will be prepared and cooked to perfection, and served by waiters who anticipate your needs. I would lay money on the fact that this will be a fine dining, gourmet restaurant.

As an hotelier, I recognize the necessity to offer guests a choice of dining experiences or, at the very least, a dining experience to meet popular demand. I cannot criticize my contemporaries, running five-star luxury hotels around the world, if they choose to remove a gourmet restaurant and replace it with something more casual. Each exclusive hotel must choose its own individual direction and find a formula to make it unique as well as profitable. If guests choose not to dine in a gourmet restaurant, that restaurant becomes



unprofitable and, for any hotelier it would be financial and commercial suicide to maintain it for the sake of tradition. We all listen to our customers and respond in the only way we can — by providing the best to meet customer buying power.

As far as a restaurant presenting itself as conspicuously casual to attract the customer, this is not, on its own, a recipe for success. Not only is it an insult to the diners' intelligence but the lack of integrity cannot be concealed and it would be a mistake for any restaurateur to offer his customer anything other than the genuine article. I am a great believer in value for money. This is attainable in every market segment and a second-rate substitute disguised as the genuine article will never fool the customer.

Today's middle dining market presents a large number of vast, open-plan, canteen-style restaurants that have recently sprouted all over London. Clearly a trend but, in my opinion, only the best will survive.

One trend with this type of fashionable, chic-casual, is to more vegetarian options. I am whole-heartedly in favour of this. Nowadays, educated individuals are concerned with health and diet to a greater degree, knowing that a good meal is nutritious and well balanced adds to the pleasure.

As for predicting the change in dining trends, watch the developments at the Grosvenor House, Park Lane.

Footnote: January '96 — How true his comments were — Steve Renard.

Peter French
Managing Director
Grosvenor House
London, UK
Forte Hotels



*Peter F. Alex
Corporate Director
Hotels Camino Real
Mexico City, Mexico*

I strongly disagree that top segment deluxe restaurants are out of fashion. There will always

be a market for deluxe dining, certainly a small one, but easy to identify if one knows how to look for it. Deluxe dining is a matter of education and perceived value which will always exist.

There will always be certain guests who are willing to pay somewhat more for outstanding service and an exceptional culinary experience. Good dining with all its paraphernalia is not a need but an experience.

There are plenty of deluxe brands in other industries like cars, clothing, perfumes, etc. which are doing extremely well in their businesses. However, we have to realize, as they do, that, for this segment, the people who arrived are still not that important yet. What matters are the people who are established.

I do not believe that there exists a typical design for what you may call the perfect high-end restaurant. It will always be a perfect combination of tangible and intangible values which gives us an outstanding experience.

I agree that buying power dictates trends. However, the non-rational emotional levels in the decision-making process will always play an important role.

*Jan Poul Nijenbandreng de Boer
General Manager
Radisson SAS,
Amsterdam, The Netherlands*

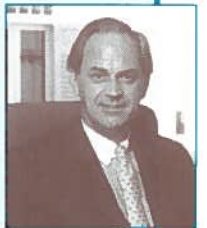


The choice between casual or chic depends, according to my view, on the situation and location in which you operate in, i.e. in the Far East one is more likely to operate a chic restaurant in an upmarket hotel than in Europe, since it is more customary for local residents to use a hotel restaurant. This has everything to do with the lifestyle of the people.

I agree that buying power dictates trends. However, the non-rational emotional levels in the decision-making process will always play an important role. I feel that there will always be a place for chic restaurants within hotels, but these restaurants should be careful that they don't become a "me too." Either you go all the way or you look for a totally different concept.

If I could design the perfect high-end restaurant the items on the menu would be a mixture of specialties from various parts of the world, prepared according to the original recipes and served in the traditional way. You have to be clear about the market in your concept. Restaurants which do not make that clear choice will not survive.

*Daniel Desbaillets
General Manager*



Hotel Inter-Continental Singapore

We took the road of what would make more sense to the local community and not what we feel is required for our customers. We have gone away from the Coffee Shop or Brasserie concept and replaced it with a specialty restaurant called Olive tree (Mediterranean Restaurant).

The reason is simple — the local community makes up 80% of our average daily covers. The casual and relaxed atmosphere of this trendy restaurant has a popular appeal. Moreover, Mediterranean cuisine is not only tasty, it is very light and healthy.

Our Thai restaurant serving royal Thai cuisine and our Chinese restaurant serving Cantonese food are of the finest standards. What makes these two restaurants so successful is not only their high-quality Asian flavours, but also the formal yet casual ambience created by the decor and, of course, our menu was planned with price consciousness in mind.

I must say, depending on where you are in the world, the local community will dictate what trend you should follow. Singapore, for example, has gone away from chic restaurants altogether.

For the year 2000 I see a concept that will allow you to sample the various foods from all areas of the world. A concept that is no longer a restaurant but maybe a kitchen within a kitchen with tables around.



*Derek Picot
Managing Director
The King Edward Hotel
Toronto, Canada*

The mystique of the fine dining room is an elusive butterfly. I have seen highly successful rooms in quite dreadful environments and, conversely, delightful concepts in perfect surroundings which are economic dogs.

At the King Edward, Toronto we operate Chiaro's, a fine dining room that is blessed with being a highly successful room in perfect surroundings, but whether or not a particular eating style and environment is 'in' or 'out' is a question that is so general, it fails to grasp the real proposition. Fine dining can be as successful as any other business provided that the concept, its approach to the market and the delivery of its service personality is finely tuned to the buyer's desire.

In my view the most successful dining concepts whether they be serving fish in paper, or on bone china, are those which concentrate on delivering the valuable experience the diner wants to achieve by indulging in the product. It is myopic to assume that indulgence should be valued in food and service terms alone; often the purpose of a purchase in a fine dining room has nothing to do with either.



*Des Pugson
General Manager
The Ritz-Carlton
Hong Kong*

I think restaurants going casual or chic are responding to market needs. In certain markets, there is either a saturation of classic restaurants or a lack of demand. At the end of the day, restaurants, be they stand alone or within hotels, need to deliver bottom line and to do that they need to deliver what the customers want.

Certainly, buying power dictates the trends and in Hong Kong we are seeing a city-wide decline in dining out. In addition, grand restaurants in the old style tend to be a little inhibiting in ambience and today's diners are paying to have a good time and not feel restrained by the stifling ambience. After all, the essence of dining out is enjoyment and that enjoyment is impacted by three major criteria: food, service and ambience. There are many instances of restaurants which people continue to patronize, despite average food or service, because the overall ambience provides for an entertaining evening. There are also restaurants with the highest level of cuisine and service but their cold and detached atmosphere positively drives diners away!

For me, the perfect high-end restaurant will still focus on the highest-quality of cuisine and impeccable service levels but through the service team, will generate an atmosphere of fun. The service team are human beings and they should be allowed to use their natural personalities to enhance the atmosphere. Obviously, the selection process of that team has to be quite careful! And on the menu there is no reason not to have some of the classic dishes — they are still popular. But at the same time, the kitchen team should be allowed to be creative and break out of the bonds of the classic recipes and classic training.

I believe that in the near future, more and more restaurants are going to evolve into a constantly moving concept which is able to respond to changes in the wants and needs of their customers. As part of that change, I think hotel restaurants will become increasingly aggressive in marketing themselves, will take a more proactive stance in keeping those customers once they have them and, above all, break with those long held traditions of service with silence.



*Patrick V. Elsmie
General Manager
The Old Course Hotel St. Andrew's
Fife, Scotland*



Restaurateurs and hoteliers may sometimes show the way forward with trends and ideas but it is more usual that the industry recognizes, at an early stage, the beginnings of a shift in taste and requirements, adapting to suit the conditions. The recent swing away from fine dining merely reflects the evident shift in contemporary and work-related habits.

The effects of the recent recession in various parts of the world will have produced a variety of responses from customers with regard to their dining preferences. The buying power of many has decreased or has at least, changed to a more careful review of the options available. Caution, and the need to believe that value for money is offered, has enabled the market to experiment with new and exciting trends. In many cases these have had a high acceptance level and once the fashion is set, the rush is on to provide an infinite number of derivatives.

Ethnic foods, for instance, have become more available. Simple foods have re-established a following. Themed dining has hit new acceptance levels. And the rich and famous have taken to the restaurant game with a passion, showcasing their own glamour with fast food.

Individuals themselves no longer have the time for conspicuous, long meal periods as this is seen to undermine the recent changes in work practice. There has also been the need to adapt to trends which utilize restaurant space in the most profitable manner.

Following similar cyclical patterns obvious in other areas of industry, fashion and music for instance, this current downturn is by no means the end of the line. The case for a French gourmet restaurant is still strong and there will always be those who crave the traditional food and service experience typified in such an establishment. Customers may be changing their alliances at the moment but a new market will emerge, possibly on a smaller scale than previously known, but one which will recognize fine dining as a niche market for the traditionally minded.

As the industry moves towards the millennium, the current trend of "casual chic" restaurants will continue with more cross cultural restaurants and more influence from the glamour brigade. Value for money as a criterion, in itself a correct one, will not go away but this does not mean restaurants, hotels and resorts will not need to develop more realistic pricing policies. The customer will also benefit from a greater choice of experience and price levels offered by a restaurant and hotel market on the increase.



Olivier Petit
Executive Vice President
Buckeye Corporation Pte Ltd.

A hundred years ago, my great grandfather, Henry Ruhl, decided that the only way to entice customers into the casinos that he was operating was to provide accommodations that would be

similar to their standard of living and what they had been accustomed to.

Thus, the "Palace" was born.

Attaining this standard was not a difficult task as he simply duplicated the lifestyles of the rich and famous for those who lived in castles. The expectations of these customers were very high — they were not looking for discounts but were willing to pay double the price for "Perfection" and a large part of the perfection was in gastronomy.

White gloves, silver, porcelain, crystal, a professional Maitre d'hôtel or Sommelier and a very warm and hospitable atmosphere — these were the basic items which must be provided to bring the feeling of home to the guests.

So instead of asking if a white glove restaurant is out of fashion today, a restaurateur should ask instead:

- Do I provide perfection in gastronomy?
- Do I have a market for this perfection?
- Do I have a financial interest in providing gastronomy?

Buying power does dictate the quest for value for money. A connoisseur would go to a gastronomy restaurant for the food, not to be seen.

Those who would like to be associated with society's Who's Who would usually go to a fashionable "casual-chic restaurant" where you might even find good food. You would know in advance that these fashionable "casual-chic restaurants" might cost between \$50 to \$100 per head, that the wine and food would be good and you and your guests would be pleased — the experience could be excellent if one were not a connoisseur. So where have all the fine restaurants gone — they have gone to the Kingdom of Pretension.

Yes, there is a place for a French gourmet restaurant, with a tradition of perfection. The upper market, the one with the buying power and taste will frequent these French gourmet restaurants. The warm and above all, discreet atmosphere of these restaurants must be maintained. I have heard suggestions that we should tell the Chef what to put on the menu, but I am not of this view, especially when your Chef is an artist. There is no art without creativity. Creativity is the difference between an excellent chef and an artist or a genius.

What is becoming more apparent is that providing fine gourmet dining is confined to the French, who started the culinary tradition, but to all those who understand the elements required to achieve perfection, and those who meet the needs and ever-changing lifestyle of this particular group of people.

Frank Janmaat
General Manager
Summit Hotel
Kathmundu, Nepal



I don't think that the "white gloves" restaurants were ever really in fashion. These restaurants were there for the happy few, the people who could afford to spend money in a restaurant and who were willing to pay the added value, above just nourishment, for a higher standard of service and food.

Guests nowadays expect value for money. Value you can see on your plate.

The living standard for the average man or woman in the street is high enough to allow them to eat in a restaurant. The younger generation haven't grown up so much with social classes and do what they like. They prefer to eat in a restaurant where they feel at home and find people with similar interests, rather than a restaurant with a waiter standing behind each chair. I don't think it's "the rebellious thought" that the new generation doesn't want to go to one of the high-standard restaurants — they just don't feel comfortable.

The older generation still appreciate a classic restaurant with a high-level of service. The younger generation, perhaps once in a while, on a very special occasion.

If I could design a "top" restaurant it would be designed in the Fin de Siecle Art Nouveau/Deco style. High ceiling, basic colours (black, white, gray), enough light, subtle decoration. The restaurant would have a capacity of about 300, which would make it possible to use the room for banquets. Parts of the restaurant would be separated in case of a "slow" evening. The menu would show classical French items as well as some new, or less known recipes. All ingredients used should be of the highest quality. People could indicate their style of service (table preparations yes or no etc.).





*Andreas Schuster
Food & Beverage Manager
Hotel-Intercontinental
Wien, Austria*

White glove is out — no question about it. But there is still a market for top upper-class restaurants! No table side cooking — but nicely arranged preplated food! No tie & dinner jacket ‘must’ for guests, but casual sports wear.

Grand class 200 seat restaurants with two old chaps (guests) sitting in chairs and picking their teeth with fingernails are not attracting more guests. And this is what happened to many ‘Grand class’ restaurants — the clients who frequented these places in former times simply just die away.

Younger managers and business clients enjoy more casual environments — where their peers go.

If the restaurant does not follow the trend it is out in a very short time!

Yes, there is still a market for French gourmet white glove restaurants — mainly in larger cities, but the market is deteriorating quickly.

Older, pre-retirement ex-managers are the main clients — and slowing dying out.

Vienna for example:

Hilton: closed two toques restaurant end 1980s

Marriott: closed fine dining beginning of 1990s

Bristol: (Sheraton) still going strong with its fine dining — totally separated operation from hotel (4 toques)

Inter-Continental: operating fine dining at break even (80 seat restaurant) with 28,500 covers in 1994.

There is no perfect restaurant that will work everywhere. Each country, sometimes each city, will have its specific needs. In Vienna I could design a simple, straight line restaurant with not many thrills on the walls (no wooden panels, no ‘Monet’ or ‘Van Gogh’). Concentration on traditional recipes cooked in a new and light style. Service should be efficient and friendly. A light decor theme helps.

As we live at a faster pace where everything is scheduled and time becomes more precious, it is now the era of ‘fast food’ restaurants — which do not only apply to those famous burger or pizza chains: fast, efficient service and good value for money with emphasis on standard quality products. I see these dining habits only as a trend — in a few decades there will be a trend back to ‘white gloves’ dining — and those managers who will change first — will make big bucks.

As we have all learned, the only constant in our world is change. A good restaurant owner/manager will change the concept to meet customer expectations! Those who don’t will surely die!



*Mary Gostelow
Editor
Hospitality Industry International and
Gostelow Reports
England*



A growing number of hotel restaurants — you must distinguish here between hotel and freestanding outlets — have gone casual-chic. Sometimes former restaurants have been turned into private dining, as in the cases of London Lanesborough and Vienna Hilton former FDRS (fine dining rooms).

White-gloved restaurants are certainly out of fashion world-wide.

I am not sure that only buying power influences trends. This is part of the reason, but we also see the power of the media-futurists, such people as Joan Campbell in Sydney and Alexandre de Lazareff in Paris. We also have hip names coming into freestanding ownership, as exemplified by the owners of Divel and Planet Hollywood, and this freestanding themed casualness spreads into what those dining in hotels want.

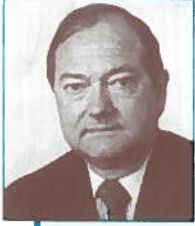
It is also worth noting that many hotels have not kept up with the times. Guests are more casual, checking-in in blue jeans and trainers, never wearing gloves or hats and so on.

If there is a market for white-glove hotel restaurants, it must be in the Arctic (where I was two weeks ago) or the Antarctic, as guests try to keep warm by covering their hands. It certainly is not in France. What happens there is that big names in casual restaurants fill tables. I have just come back from CIP’s Paris Parc Victor Hugo where, until January, Joel Robuchon has his signature restaurant. He also, until the same time, ran the three-meal restaurant, banquetting and room service. The three-meal restaurant is packed and you cannot get a table at lunch or dinner. People are initially attracted by his name — then by the food and the brilliant service. I had a cappuccino that was in fact jellied crab, a mackerel pizza, the most superb cauliflower couscous...stunning!

Some properties will follow the lead of SAS (now officially called Radisson SAS). In putting in pantry rooms, which have washing machines, irons, vending machines and microwaves. Interestingly, these facilities are little used by business travellers — who said they wanted them. They are used by leisure travellers.

And more and more will lease out the entire F&B, though room service becomes a security issue and hotels don’t want to part with their lucrative banquetting.

The main thing is that all guests, now and in the year 2000, have to eat.



*Reto Schmid
General Manager
Steigenberger Belvedere Hotel
Davos, Switzerland*

I remember, several years ago I attended a meeting of Food & Beverage professionals, discussing the restaurant business and the

changes of attitude toward the classic upscale white-glove restaurants. I felt then, as I do now, that the white-glove restaurants as we know them are, indeed, going out of fashion. I do believe, however, that there are still classical restaurants in the world, which are successful because of their name, their product and location. There will always be room for the Michelin star restaurants in this world.

In my view, the trend towards high standard ethnic specialty restaurants will be more and more a reality. Casual chic is only part of the picture.

I don't believe that the salaried middle-class shy away from grand restaurants. I believe they have become much more attuned to value and quality and have become more adventurous in trying new foods from other countries.

The traditional French gourmet restaurant with white glove service is out. It is too expensive, too pretentious and doesn't fit today's trends.

Would I want to design the perfect high-end restaurant? I don't think I can answer this question without going into too many details. The market, location and the investment volume dictate what kind of restaurant and what kind of food and beverage would be practical and what kind of return on the investment one could expect. At the end of the day only thing really counts. Can you make a profit?

The restaurant business is surely a most fascinating business. Each year, thousands of restaurants are closing and yet the same number open again. I wonder, often, if those who go in to the business really understand the difficulties they face.

There is a trend, now, towards specialty restaurants offering smaller menus of perfectly cooked dishes using the freshest products.

Ethnic restaurants of high calibre are becoming the future "in" places. To be less formal in eating establishments is already a fact, although formal restaurants offering high quality food, friendly service and a good balance of price and value will still be well received.



*Joseph Freni, Jr.
Regional Vice President*

The Ritz-Carlton Hotel Company U.S.A.

As a hotelier whose discipline is marketing and sales, here is how I would answer the question "Where have all the fine restaurants gone?": They have gone in search of their customers' new requirements.

Hotel restaurant product throughout the world is rapidly adapting to customers new dining habits which often include lighter, health conscious fare served in a casual venue. Fine restaurants can still exist in luxury hotels. However, hoteliers must be prepared to accept the fact that those outlets will often be deemed special occasion restaurants. If hoteliers want to meet successfully the needs of customers as well as of their own business, they must often operate those restaurants during busy meal periods only, and sell the rooms for private functions at other times. They are perfectly suited to weddings and private parties.

Other restaurant product in the luxury hotel, which might be labelled casual, is also a response to customer requirements. These outlets must be flexible in both ambience and offerings, allowing guests to use and return to the facility during any meal period, seven days a week. As a guideline, these restaurants should possess a welcome ambience for customers in business attire as well as for those who dress casually. The menu items should be broad-ranging for all meal periods, with a touch of whatever unique local treatment is popular. These conditions and strategies especially apply in the United States.

Today's leading format for gourmet restaurants is a cross between Italian and Mediterranean cuisine, which allows food and beverage impresarios to be creative and still target their customers' demands for lighter fare in an elegant setting, but not necessarily white glove.

Hotel food & beverage directors face a tremendous challenge today, and must undertake extensive research and analysis in order to achieve appropriate ambience and broad selection. Profitability is easy to attain once the ambience and product have been accurately identified.

Clearly, the business climate in the foreseeable future dictates that hoteliers be extremely conscious of customers' rapidly changing requirements. We can no longer "shoot from the hip" or use "gut feelings" to determine the kind of product we offer to guests.

Behaviour to be Avoided at a French Gourmet Restaurant.

- ◆ Never allow butter, soup, or other food to remain on your whiskers.
- ◆ Never wear gloves at the table unless your hands, for some reason, are unfit to be seen.
- ◆ Never make a display when removing hair, insects, or other disagreeable things from your food. Place them quietly under the edge of your plate.



Rudi Scherb
General Manager
Ana Hotel
Singapore

Ten years ago there were barely a hundred fine restaurants here. In this Lion City, over the last five years, I personally experienced an abundant growth of restaurants of all kinds...with more casual and chic... opening almost daily. The trend has been especially towards free-standing restaurants, offering the flavour of the year in tasteful surroundings. (Never mind culinary commitments)

Consequently fine hotel dining establishments, such as the New Orleans, Restaurant de France, Stables, Goya, Le Duc, Louis Ristorante, Fourchettes, Chateaubriand, Casablanca and the Palm Grill... to mention a few 4- or 5-star kitchens or international hotels, have succumbed to the vast and fast changes of this Republic's dining...pardon...eating scene.

"Casual chic" Italian restaurants or Japanese Sushi Bars are now en Vogue. The truth is that fine food, beverage and service with uncomplicated consistency were not making money. Why have a restaurant that is barely making money, when you can have something more profitable in the space instead? That's the question a lot of new owners, investors and, of late, hoteliers have been asking themselves. They want to make a buck in these hotels, so they evaluate space by maximizing the profit available to them per square foot rather than in terms of guest satisfaction.

A committed hotel owner is much more knowledgeable about guest satisfaction. He will offer his guests 24-hour room service, even though this service hardly ever makes money, just to keep his guests happy.

Per capita, I don't believe the percentage eating in fine dining rooms has gone down. I don't believe this is the death of the Executive Chef or the death of fine dining either. It's a temporary hibernation — a sign of the times — and in two to five years things will change, and fine dining will re-emerge.



Bernhard Brender
Managing Director & Resident Manager
Sheraton Walker Hill Hotel & Towers
Seoul, Korea

Hard critics predict that French restaurants and white gloves are gone forever. The reason is that the concept is intimidating to most people. They are scared to pay too much, wait too long, eat too heavily and be ridiculed if they lack the traditional table manners. The guest reserves a seat for lunch or dinner and pays a reasonable price for a four-course meal, including wine.

We monitor small groups and give them professional guidelines on food and wine with the necessary table manners. Through this, we have gained happy and confident new clients for our fine dining room. In tandem, we offer the etiquette for eating Japanese, Chinese and Korean food. We have created a global gourmet bridge for now and the future whilst keeping the past alive.

It is true that casual or chic dining is very popular for old and young people. This has been in the past and will be in the future, without any doubt. The reason for a meal dictates the location, and the poor stomach has to follow.

Yes, many old-fashioned French restaurants are being replaced by casual and chic dress code ones. No quick meal under time pressure can be served in a fine dining room. Therefore a Coffee Shop, Pizza Hut, spaghetti house or fun pub is often the winner.

History repeats itself. This goes for fashion and food trends. True fast food restaurants will feed the majority of people on this globe in the future.

So, more owners and managers of hotel properties will lease out space for outside operators to run their F&B service. Less headaches with staffing; simply collect the cash for rental at the end of each month.

In a fine dining room, the food & beverage cost is always high and so is the revenue. Use a sound menu engineering control and focus on the contribution margin.

The bottom line is that some selected fine dining rooms will still be around in the year 2,000.

STOP THE PRESSES!!! UPDATE FEBRUARY '96 — *Gastronomic woes*

Pierre Gagnaire, the chef-owner of one of France's top-rated restaurants, announced this week that his luxury eating place had gone bankrupt for lack of customers. The disclosure sent shock waves through the French gastronomic establishment.

The gloom deepened when some other leading restaurateurs in France disclosed that they, too, are finding it harder to ladle a profit in increasingly tough times.

In other countries, expensive restaurants are invariably hit hard by the kind of severe economic downturn being experienced in France as analysts warn of a recession.

However, eating well has always taken precedence in

France over other human activities, including sex. The news that people are now forgoing the pleasure of haute cuisine is virtually unheard of.

Although some three-star restaurants have shut down when their owners retired or died, Gagnaire's is the first in living memory to close for financial reasons. But it may not be the last.

Guy Savoy, another renowned chef whose Paris restaurant bears his names, says many, if not most, luxury eateries in Paris are losing money as overhead soars and the number of customers dwindles.

Social critic Claudine Bessy contends the "inflated" world of haute gastronomy may be receiving a long overdue comeuppance.



*Liam F. Madden
General Manager
Avari Tower,
Karachi, Pakistan*

What is out of fashion is losing money, not the white glove restaurants. The real questions are:

- Should there have been white glove restaurants to begin with?
- Does the hotel have a strategic positioning statement and is the white glove restaurant an integral part of the hotel's strategic positioning?
- What research had been conducted before deciding on a white glove restaurant?
- Did the hotel have the resources, human and financial to sustain its positioning through a downturn in business?

The answers to these questions will most likely reveal why the restaurants were ineffective. This does not mean that white glove restaurants are out of fashion.

Buying power does dictate trends. There is a definite trend toward "casual-chic" restaurants, but this should not be confused with a disdain for the old formality. The white glove restaurant has a totally different purpose/objective as it relates to the hotel's strategic positioning and the clientele it wishes to attract.

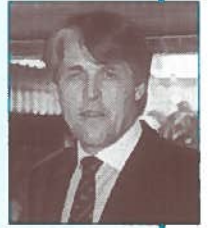
On the other hand, the "casual-chic" restaurant has a purpose as it relates to the hotel's strategic positioning. Thus it cannot be confused with a disdain for old formality. The clientele who frequent a white glove restaurant today will frequent the "casual-chic" restaurant tomorrow, depending on who they are entertaining and what the purpose of the entertainment is.

The only perfect high-end restaurant, is the one that appeals to a local discerning clientele. The ambience and food must be tailored primarily to attract the local decision makers and it must be a restaurant where they can entertain overseas guests, without having to apologize for local limitations in food, food hygiene and service.

Therefore typically, it needs to be a restaurant reflecting the local food and culture. However, this is only a generalization, for example, the most famous and frequented restaurant in Karachi is Japanese with Teppanyaki counters. However, the day when a high-end Pakistani restaurant opens, it will surely become the most popular and, more importantly, the most profitable.

As for change either now or by the year 2000, the only one really necessary for hotels is to focus on food profit and no longer solely on food cost. Food cost or, for that matter, any cost can only and must only be measured by the added value it yields to the customer or the bottom line.

*Tom Evers-Swindell
Vice President
Eastern & Oriental Express
Singapore*



Fine restaurants are going the same way as the telegram, telex, trans Atlantic passenger ships, and morning suits and evening dress — out of fashion.

Our technical and electronic world has created an environment that has left only a very small place for fine dining. Few people, especially those born since World War II, have the time or the inclination for fine dining and the formalities and traditions that go with it. Brought up in a world that was changing rapidly with the advance of television, space flights and, most importantly fast food chains, dining habits of entire generations changed completely. Basically, it's the speed at which people now live that dictates dining and dress habits. Business has moved at an incredible pace and time for many is a luxury.

Who under the age of 50 now wants to dress for dinner?

Chefs themselves have become much more flamboyant and publicity conscious. They have created restaurants to suit their style and, very often, they are themselves the principal, not just an employee. Today's generation is also influenced by the trends and lifestyles of the "stars of the screen". Hard Rock Cafe, Planet Hollywood and others hardly promote gourmet dining. However, I believe that, for a few more years, there is a place for fine restaurants. The legendary "business luncher" still prefers a restaurant with style and dignified service. The older generation, the rapidly growing retired market, also have the money and memory to enjoy leisurely meals in a sophisticated environment. These restaurants will, however, tend to be concentrated in the big commercial and financial centres of the world and will find it hard to service the small towns.

Finally, it will be a question of staff and service. Who is training the formal maitre d's and head waiters for tomorrow's fine dining? This in itself will become a dying art and, as the WWII generations move towards retirement, gourmet restaurants could well be as hard to find as an L.P. record — remember them!



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