



Macro & Market News

Week 51 2022 – Week ending 23/12/2022



Macro/Economic News

Week 51 2022 – Week ending 23/12/2022

Macro / Economic News (1 of 2)

Week 51 2022 – Week ending 23/12/2022

- **A decision on extending help for businesses facing soaring energy bills** will not be made until the new year, the Treasury has said. Currently wholesale gas and electricity prices have been fixed for firms from October until March 2023, but the help is under review due to the cost. Ministers had promised to make an announcement before the end of 2022, and the delay angered business groups and hospitality trade bodies. They said it was creating uncertainty for firms worried about their bills.
- **The Treasury has confirmed a six-month extension to the alcohol duty freeze.** Treasury minister James Cartlidge told the Commons it would give “certainty” to the industry. Cartlidge told the Commons: “I can confirm that the freeze to UK alcohol duty rates has been extended six months to 1 August 2023. While new duty rates typically come in each year on the first of February, I can confirm the chancellor will instead make his decision on future duty rates at spring budget 2023 to give businesses certainty and time to prepare. To further support the industry, we are going further by confirming if changes to duty are announced then they will not take effect until 1 August 2023. This is to align with the date the historic forms of alcohol duties come into force and amounts to an effective six-month extension to the current duty freeze.”
- **New legislation will be introduced to tighten security** at venues in the wake of the Manchester Arena bombing. The new rules, dubbed Martyn's Law, will cover all of the UK and require venues and local authorities to have preventative action plans against terror attacks, the government said. Draft legislation is due in early spring, prime minister Rishi Sunak said.
- **Train drivers are to stage a fresh strike early in the new year**, threatening travel chaos as people return to work after Christmas. Members of the drivers' union Aslef at 15 train companies will walk out on Thursday, 5 January, after 93% of members who voted backed more industrial action in the long-running dispute over pay. Members of the Rail, Maritime and Transport (RMT) union at Network Rail and 14 train operators are also planning to strike on 3, 4, 6 and 7 January, meaning services will be crippled for a week. The companies affected by the Aslef strike are Avanti West Coast, Chiltern Railways, CrossCountry, East Midlands Railway, Great Western Railway, Greater Anglia, GTR Great Northern Thameslink, London North Eastern Railway, Northern Trains, Southeastern, Southern/Gatwick Express, South Western Railway (depot drivers only), SWR Island Line, TransPennine Express, and West Midlands Trains.
- **The UK economy shrank by more than first thought in the three months to September, revised figures show.** The economy contracted by 0.3%, compared with a previous estimate of 0.2%, as business investment performed worse than first thought, the Office for National Statistics (ONS) said. Growth figures for the first half of 2022 have also been revised down. The UK is forecast to fall into recession in the final three months of the year as soaring prices hit growth.
- **Regulated rail fares** in England will rise by up to 5.9% from March, the Department for Transport has announced. The rise is being capped at a level well below inflation, "to help reduce the impact on passengers", the transport secretary said.



Market News

Week 51 2022 – Week ending 23/12/2022

Market News (1 of 3)

Week 51 2022 – Week ending 23/12/2022

- **Wasabi**, the sushi and bento chain backed by Capdesia, has said its restaurants are now delivering sales in excess of 2019 levels on a like-for-like basis. Wasabi is showing a strong recovery across the store portfolio, including record sales in some of its central London sites. The 44-strong business said Capdesia, which invested in Wasabi in May 2019, is looking to inject further capital into the business to strengthen the balance sheet and to fund further growth.
- **Pizza Union**, the London operator that has five restaurants in the capital, returned to profit in the year ending 2 January 2022, but turnover is not yet back to pre-pandemic levels. The company, which was founded by Babak Hashemi, one of the founders of Coffee Republic, made a pre-tax profit of £105,338 compared with a loss of £637,531 in 2021. In the last full year before the pandemic, Pizza Union made a profit of £1,244,360. Turnover was up 121% from £2,539,380 in 2021 to £5,609,563 but is still below the last pre-pandemic figure of £7,744,268.
- **Indo-Chinese concept Oodles** Chinese has opened in Preston for its 36th UK site. The store, at 51-52 Friargate, is a first opening for new franchisees Raj Asre and Rizwan Malik. It follows the recent appointment of former German Doner Kebab people capability leader Rachel Morris as head of learning and development at Oodles. In her new role, Morris will be supporting its franchise partners and developing the company's learning and developing platform.
- **Papa John's** is launching a pop-up store at rugby union side Leicester Tigers. Opening in time for the next home game against Gloucester on Christmas Eve, the Papa John's kiosk will be situated on the upper concourse in the Yodel stand at the Welford Road stadium. Papa John's has been a commercial partner with 2021-22 Premiership champions Leicester Tigers for the past year, with the pizza firm's logo appearing on the team's kit.
- **Itsu**, the healthy Asian food chain, has opened a new site in Milton Keynes. The brand has launched the 2,600 square-foot site in Midsummer Arcade in centre:mk, where it serves Itsu's signature fresh, Asian-inspired menu. The restaurant has 69 covers internally and 24 external. The majority of the meals on the menu are less than 500 calories and a third of the dishes are plant-based. Any unsold meals are sold half-price every evening in an efforts to avoid food waste.
- **Pret A Manger** has struck an agreement with retailer Fox Group and the Yarzin Sella Group to launch in Israel. The move is part of Pret's plan to double the size of its business within the next five years. It plans to expand into five new markets by the end of 2023. A raft of new franchise agreements in 2022 will see Pret launch in India, Spain and Portugal, while expanding its presence in the UAE and USA, alongside the UK. As part of the agreement of principles, it was agreed a joint Israeli company would be established, to which the franchise would be granted, with Fox holding 75% and Yarzin Sella Restaurants holding 25% of its share capital.

Market News (2 of 3)

Week 51 2022 – Week ending 23/12/2022

- **German doughnut brand Royal Donuts** has made its UK debut with an opening in Cardiff and is planning further locations in the city. The company, founded by Turkish-German entrepreneur Enes Şeker in 2018, has opened more than 200 stores in Germany over the past four years. It has now launched in the UK with an opening in Clare Road, in the Grangetown area of the Welsh capital, with Stephen Ibrahim having taken on the franchise.
- **Papa John's** has served up six new store openings to top-off 2022. The pizza franchise is now open for business in Hailsham, East Sussex; Biggleswade, Bedfordshire; Stowmarket, Suffolk; Consett, County Durham; Burntwood, Staffordshire; and Frome, Somerset.
- **KFC** is making a return to Wolverhampton city centre. Franchisee FT Foods has agreed a deal for a site at 65 Queen Street with landlord Hortons' Estate. The restaurant will seat 28 people and create up to 30 jobs. The letting marks KFC's return to the city centre after it closed its Mander Centre outlet in 2019. FT Foods is part of a wider grouping of companies created by London property development and investor, Tahir Group. Its KFC business includes more than 25 restaurants.
- **Nando's** has lodged plans for a new restaurant in Edinburgh. The company has applied to the city council to convert the former Clarks shoe store premises at Craighleith retail park. The 114-cover restaurant would have an outdoor seating area to the front.
- **London-based healthy food and juice brand Crussh** has been placed on the market after appointing advisors to assess its options. The company is understood to have made a recent significant investment in its central kitchen and also has a fleet of vans enabling in-house fresh delivery on day of production across England.
- **One of all-day dining concept The Breakfast Club's sites** is set to go fully vegan and vegetarian next month to support the Veganuary movement. The 'No Meat On Berwick Street' campaign will run at its Berwick Street site from 2-31 January following two new partnerships with plant-based brands, La Vie and Redefine Meat, which will be rolled out across all its 13 UK cafes in January. Dishes will include a veggie and vegan fry-up called The Works, and a Posh Sausage Sandwich with Redefine Meat sausages, vegan smoked applewood cheese and a tomato chutney.
- **UK bubble tea brand Cupp** has opened two new sites, in Worcester and Winchester, to take its portfolio to 23. The Winchester site, at 98 High Street, is a second Cupp venue for franchisees Roberta Herridge and Keith Mabuto, the former NHS workers having opened their first in Salisbury in October 2021.
- **Wingstop UK** expects weekly sales revenue to reach £1m by end of 2022, delivering 'strong' like-for-likes sales, full-year turnover up 182% to £21.3m. In the second half of 2022, the business said it has delivered "strong" like-for-like sales and healthy site level profitability including record performance across several London and regional locations.

Market News (3 of 3)

Week 51 2022 – Week ending 23/12/2022

- **Mexican restaurant brand Taco Bell** has opened a new site in Clacton-on-Sea, Essex. The opening, at 21 Station Road, comes hot on the heels of another Essex launch for the brand, which last week opened at 84 High Street in Southend. Lucy Dee, head of marketing at Taco Bell, said: “We’re delighted to be able to bring Taco Bell to Clacton. Essex has been crying out for more Taco Bells and we’re very pleased to be able to deliver, creating jobs despite challenging circumstances.”
- **Fast-growing quick service restaurant brand Chopstix** has hit the 100-store milestone with an opening in Kilburn, northwest London. The site, at 118 Kilburn High Road, is also a seventh store for franchisees RMT.
- **JD Wetherspoon** has announced the closure of three further pubs. It comes on top of the 39 locations that could close after being put up for sale earlier this year. The Edmund Halley in Lewisham will shut its doors for the last time on 31 December while The Postal Order in Worcester will close on 9 January. In addition, The Willow Grove in Southport will close in early 2023, at some time before April.
- **Deep dish pizza concept Japes** has secured its second site in London, in Greenwich. The business has taken over the former Buenos Aires Café in Nelson Road. Jovana Kostadinovic and Aleksandar Aleksic opened the debut Japes in December 2018 in Soho and claim it was the first Chicago-style pizza restaurant to open in the UK.
- **African better burger brand Dooh Ponto** has opened its second UK site, a delivery-only location in Edmonton, north London. Founded in Angola in 2016 by former communications engineer Helivelton Francisco, Dooh Ponto has since grown to more than 20 locations in five countries – including South Africa, Mozambique and DR Congo. Its first UK site opened at 6 High Street in Harrow, northwest London, in August, through a franchise agreement with The Linden Group.
- **Pret A Manger** is axing almost all of its vegetarian-only stores as the novelty of meat-free branches wears off. The company is to shut or rebrand 75% of its Veggie Pret stores six years after they first launched. Four Veggie Pret stores have closed for good in recent months, while one in Canary Wharf has been converted into a regular Pret. The company is understood to be considering doing the same to two other branches in Manchester and London. The pullback will leave just two Veggie Pret shops in London’s Soho and Shoreditch. Pret said the decision was driven by the fact vegetarian options were now widely available at all its stores, giving customers less reason to seek out the specialist shops.
- **Domino’s Pizza** has opened its 1,200th store in the UK. The landmark was reached with the launch in Newtown in Wales, which has created 30 jobs and is part of the company’s wider growth plans in mid-Wales and surrounding areas. Newtown is the fourth store opened by long-standing franchise partner, Shayban Alibrahim, in the last two years.



About The NPD Group, Inc.

NPD offers data, industry expertise, and prescriptive analytics to help our clients grow their businesses in a changing world. Over 2,000 companies worldwide rely on us to help them measure, predict, and improve performance across all channels, including brick-and-mortar and e-commerce. We have offices in 27 cities worldwide, with operations spanning the Americas, Europe, and APAC. Practice areas include apparel, appliances, automotive, beauty, books, B2B technology, consumer technology, e-commerce, fashion accessories, food consumption, foodservice, footwear, home, juvenile products, media entertainment, mobile, office supplies, retail, sports, toys, video games, and watches.

For more information, visit [npd.com](https://www.npd.com).

For more details on NPD's Foodservice service in the UK contact:

Seton Leung
seton.leung@npd.com
Head of UK Foodservice