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THE JAMES BEARD FOUNDATION® RELEASES 2023 ANNUAL INDUSTRY REPORT

Independent restaurant owners and operators report lower profits amid an increase in business

NEW YORK (December 7, 2023)—The [James Beard Foundation](#)® announces today the findings of its [2023 Annual Industry Report](#), providing a data-driven look at the current state of the independent restaurant industry. The survey ran between October 23 and November 13, receiving more than 250 responses from chefs, representing independent restaurants and operators and 44 states throughout the country. Respondents collectively serve more than 14 million covers annually and have more than 3.2 million Instagram followers.

Despite the industry being at its most stable since 2019, customers being more educated and engaged around the issues impacting the food system, and massive strides made in creating sustainable and equitable conditions for staff, rising costs are greatly impacting both operations and the public's dining out frequency. While diners are paying more, chefs are making less.

The State of the Industry in 2023

Fluctuating Fortunes in 2023

At a glance, the independent restaurant industry appears to have bounced back following tremendous challenges as a result of the COVID-19 pandemic. Over one-third (36%) of respondents reported more customers in 2023 than 2022, almost half (47%) reported higher check averages in 2023, a slight majority (51%) reported tracking better or the same as 2019, and almost three-quarters (72%) reporting increasing menu prices by 10-25% in the last year.

However, economic-driven external and internal challenges are proving margins are tighter than ever before, with 53% of respondents reporting lower profits in 2023. This is largely driven by:

- Rising food and labor costs: Over half (52%) reported needing to raise wages 10-25%. Only 16% of respondents did not raise wages.
- Inconsistent consumer behavior: While 36% of respondents saw an increase of customers, even more (37%) saw fewer customers in 2023 than in 2022.

"While we are encouraged to see the beginning of a return to pre-pandemic dining trends, we recognize the many headwinds restaurant owners and operators continue to face," says **Clare Reichenbach, CEO, James Beard Foundation**. "As the country's leading culinary nonprofit in support of the independent restaurant industry, the James Beard Foundation will continue to leverage its unique position within the chef-operator community to advance our recently announced policy priorities and mobilize for meaningful change on behalf of a more equitable and sustainable food culture."

The Case of Optimism

Restaurant owners and operators expect to see much of the same in 2024, largely due to increasing food and labor costs and decreased consumer spending or dining out due to economic inflation. However, many respondents, writing in open-ended responses, remain optimistic as a result of:

- Continued distance from the COVID-19 pandemic shutdown.
- An increase in consumer education around issues that impact both the independent restaurant industry and the food system at large.

- A drive to create better working conditions and benefits for industry employees.
- Advocacy efforts promoting change across the hospitality sector.

“At the James Beard Foundation, we continue to be inspired by the independent restaurant industry’s fierce resilience and commitment to good food, both on and off the plate,” says **Dr. Anne E. McBride, Vice President of Programs, James Beard Foundation**. “In turn, it is our responsibility to provide the programs and resources that drive sustainable, systemic change on both the local and national level so that we can transform independent restaurant jobs into long and healthy food and beverage industry careers.”

Following a recent [announcement of policy priorities](#) through 2028, the James Beard Foundation will work to advocate for policies that encourage a more equitable and sustainable food system for the independent restaurant industry and beyond. Further, through a range of impact programs, the Foundation provides industry professionals with critical tools, resources, and training—including support for business owners and operators to create equitable, safe, and supportive working environments that are also financially successful.

To read the full James Beard Foundation 2023 Annual Industry Report, visit

jamesbeard.org/industry-support. For more information on the Foundation’s policy priorities, visit jamesbeard.org/policy-agenda, and for more information on the Foundation’s advocacy efforts, visit jamesbeard.org/advocacy.

About the James Beard Foundation

The James Beard Foundation (JBF) is a 501(c)3 nonprofit organization that celebrates and supports the people behind America’s food culture, while pushing for new standards in the restaurant industry to create a future where all have the opportunity to thrive. Established over 30 years ago, the Foundation has highlighted the centrality of food culture in our daily lives and is committed to supporting a resilient and flourishing industry that honors its diverse communities. By amplifying new voices, celebrating those leading the way, and supporting those on the path to do so, the Foundation is working to create a more equitable and sustainable future—what we call Good Food for Good®. JBF brings its mission to life through the annual Awards, industry and community-focused programs, advocacy, partnerships, and events across the country. For the first time in the Foundation’s history, exceptional culinary talent, industry leaders, and visitors from NYC and beyond can experience unforgettable dining and educational programming at [Platform by the James Beard Foundation](#)—and be the first to try new food concepts at the Good To Go by JBF kiosk—inspiring food and beverage devotees for decades to come. Learn more at jamesbeard.org, sign up for our newsletter, and follow @beardfoundation on social media.

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