

Atlanta Restaurants Eke Out Growth in Q2

By Robert Wagner, CPA

Atlanta Q2 2015 restaurant sales volume increased a modest **1.6%** over Q2 2014. For the quarter ended June 2015 positive sales gains were reported at **63%** of the 79 independent Atlanta restaurants surveyed. Year-to-date 2015 Atlanta restaurant sales are up **3.0%** over the six-months ended June 2014.



National Trends

In its survey of national restaurant sales Black Box Intelligence, a restaurant sales and traffic-tracking company, reported national restaurant Q2 revenues increased **1.8%**. Black Box reported that nationally Q2 same-store traffic declined **-1.7%** compared to Q2 2014.

Conclusion

Robert Wagner, NetFinancials president states that, "Q2 2015 was a very challenging quarter for existing Atlanta restaurants. Increased unemployment in Atlanta and increased competition from new restaurant openings combined to dampen sales growth at existing Atlanta restaurants. In fact the **1.6%** increase is the smallest comp sales increase we have seen at Atlanta restaurants since 2010. While a clear majority (**63%**) of existing Atlanta restaurants in our Q2 survey experienced positive comp sales, the percentage of stores experiencing a negative sales trend (**37%**) was at an all-time high. By definition, new restaurants are not included in our survey. We expect comp sales at existing Atlanta restaurants to recover as the local unemployment rate improves and newly opened restaurants are absorbed into the Atlanta hospitality ecosystem."

	Q2 Atlanta	Q2 National	YTD Atlanta
2015 Comp Sales	1.6%	1.8%	3.0%

The modest increase in Q2 sales at Atlanta's existing restaurants was due to local trends: Metro Atlanta's unemployment rate increased to **6.0%** in June (from **5.9%** in May) and a number of new Atlanta restaurants came on-stream. On the other hand, strong Atlanta visitor traffic increased demand for restaurant services.

The Sample: The 79 independently-operated, non-franchise restaurants were drawn from the metro Atlanta market. Total survey sales volume was \$60 million for the quarter. The survey includes restaurants in Atlanta's fast-casual, casual and fine-dining segments opened at least 18 months.

Robert Wagner, CPA is president of NetFinancials, Inc. which provides a full range of tax and accounting services for restaurant companies. Email: bob.wagner@netfinancials.com. www.netfinancials.com Direct: 404-874-7002

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