

Phoenix's top catering companies hope tax cuts mean more corporate gigs

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There is plenty of talk about what companies are doing with the extra money they got thanks to the recent federal tax cut bill, but Phoenix's top catering companies are hoping it means corporations will spend more on events and meals.

The passage of the Tax Cuts and Jobs Act, signed into law by President Donald Trump in December 2017, led to companies big and small announcing they would increase pay for some employees, offer bonuses for others or buy back shares of their own stock.

While companies did not come out and say they would start catering more lunches for staff meetings, Phoenix-based caterers are betting on an increase in corporate gigs during 2018 based on the fact businesses will have a little more money to spend.

"The majority of our clients are corporate, and we feel their discretionary spending should increase in light of the recent tax cuts," said Frank Estadt, owner of Waldo's BBQ and Catering in Phoenix.

The increase in Waldo's business is presumed to be a combination of new clients and greater frequency



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of events from existing clients, Estadt said.

A study by the International Caterers Association found 71.5 percent of surveyed caterers said business increased in 2017, and nearly all, 94 percent, believe business will increase in 2018.

It's not just tax cuts encouraging companies to treat themselves. The economy is doing well, so most companies are bringing in more revenue, and more money from the tax bill is just icing on the cake. Either way, some catering companies say they have seen more business between the tax cuts and the improving economy.

"There is a great luxury and even less stress for our customers to be able to order catering for an event, and with a growing economy, people financially are able to do this," said Phoenix-based Amici Catering CEO Lori Harlig.

Chantal Hause, co-owner and vice president of Fabulous Food Fine Catering and Events, said her Phoenix-based catering company has seen an upswing in business.

"(Our company is) seeing more new clients, and corporate clients that haven't entertained for a while are entertaining," Hause said. "Existing clients are throwing better events."

The ICA survey found that in 2017 the largest area of growth was corporate catering, with 54 percent of caterers reporting it

was their growing clientele.

The tax cuts and improving economy are encouraging some businesses to get back into the convention and conference business. With companies traveling to Phoenix and the need to feed their employees and clients at big events, Phoenix caterers

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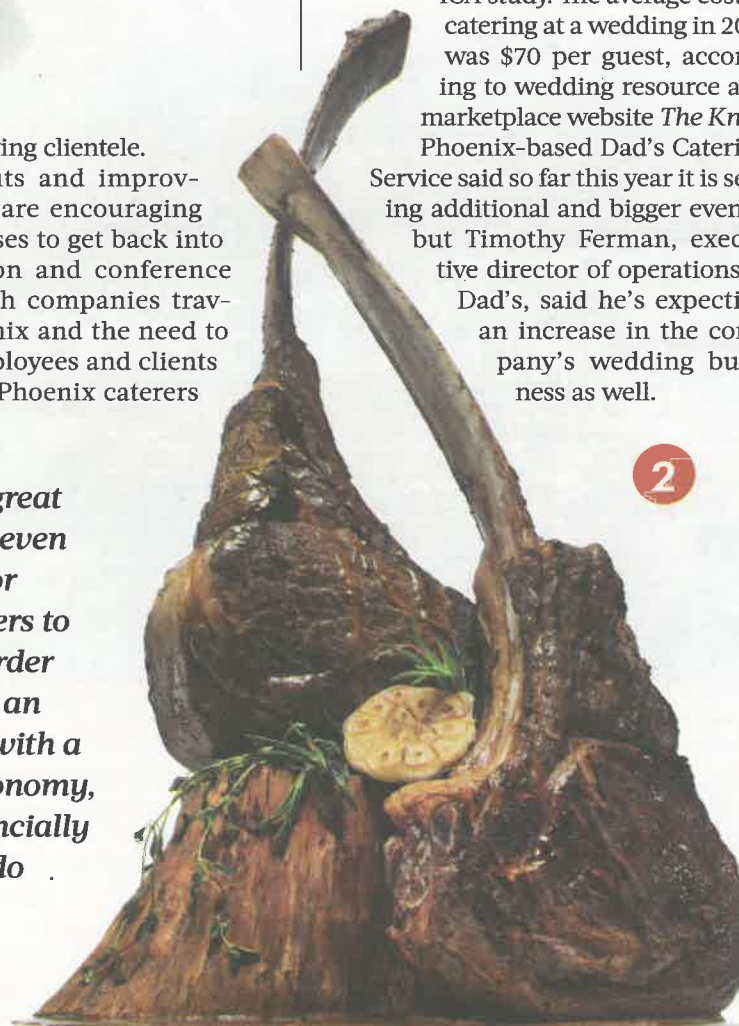
are seeing the benefits.

"Already this year we have seen a significant increase in corporate-catered events," said Pat Christofolo, president of Santa Barbara Catering in Tempe. "We are also seeing a lot of out-of-state companies that are holding conferences in town, with large-scale dinners and events during the time frame."

It's not just corporate business driving the uptick for caterers. In 2017, weddings were the largest area of growth for 29.6 percent of surveyed caterers in the

ICA study. The average cost of catering at a wedding in 2017 was \$70 per guest, according to wedding resource and marketplace website *The Knot*.

Phoenix-based Dad's Catering Service said so far this year it is seeing additional and bigger events, but Timothy Ferman, executive director of operations at Dad's, said he's expecting an increase in the company's wedding business as well.



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PAT CHRISTOFOLO,
Santa Barbara
Catering/
The Farm
at South
Mountain



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HOW MUCH FOOD TO DELIVER

Anyone who has gone to an event and eaten a catered meal may just see the food on their plate. Caterers, however, have to buy hundreds of pounds of food to feed lots of people. We asked Skip Hause at Fabulous Food Fine Catering and Events about what it would take food wise to feed 500 people at an event. Here's what they had to say:

1

31.25

Pounds of mixed salad greens for the first course.

2

187.5

Pounds of meat needed for the main course.

3

125

Pounds of berries for a dessert of berries and whipped cream.