

MAPIC puts F&B on the global menu

MAPIC served up another new event in 2018 in the shape of MAPIC Food & Beverage in Milan. More than 2,000 participants from 50 countries were drawn to the inaugural event, which co-located with MAPIC Italy, as MAPIC continues to innovate, says **Mark Faithfull**

AFTER establishing events in Milan, Moscow, Shanghai and Mumbai in recent years, MAPIC brought international exhibitors and visitors its latest event, MAPIC Food & Beverage (F&B), in Milan this May. This launch event brought together international investors, developers, retailers and food operators over two packed days and reflected the growing evolution and influence of F&B within MAPIC's portfolio of events. As at MAPIC Cannes, MAPIC Food & Beverage is an international platform allowing F&B retailers to showcase their concepts as exhibitors to real estate professionals who are attending as visitors. In its first year, MAPIC Food & Beverage sold out its exhibition space. Among the international companies in town to showcase their F&B concepts were Delifrance, Foodation, Rinaldini Pastry, Caffè Napoli, Dante's, Wok to Walk and Nordsee. Visiting F&B brands included Jamie Oliver Group, Café Rouge, Five Guys, Starbucks and KFC, as well as some of the world's leading landlords and investors, among



Networking and tasting were high on the agenda!

THE RISE OF THE FOOD EMPORIUM

IN A DEBATE about the rise of food halls at MAPIC Food & Beverage, Jonathan Downey, co-founder of London Union, said the key is to find unusual venues, take short leases – and then “do something interesting in a short period of time”. He added: “The most important part of our business is to find, mentor and help new talent. I predict that, in London, a number of the new food halls will not be that good, because there aren’t

that many good businesses out there. There are bandwagon operators and I don’t think the poorer ones will succeed. But the best will rise to the top.” Meanwhile, Time Out, the city travel and entertainment publisher, intends to follow-up on its first venture into F&B. In 2014, it turned an historical market hall in Lisbon into a food and cultural market. The Time Out Market has since become the Portuguese capital’s most popular tourist

destination. Plans are now in place for similar ventures in Miami, New York, Boston, Chicago and Porto. Didier Souillat, CEO of Time Out Market, said curation is key: “A market needs to be where people live, work and tourists go. Finding sites is very difficult. We need to find improving locations that we can afford now but that, in two or three years’ time, we won’t be able to afford.” He added: “We need food

die cities and, ideally, cities where our publication is strong too. Time Out has to be in the DNA of the city, which means we will not be opening everywhere.” Souillat believes the operational relationship is changing, as landlords “take time to see what we do”. He added: “You need to have the flexibility to change. We have one-year leases, which enables us to bring in the new kids on the block. But you have to spend the capex.”

them Union Investment, Uni-bail-Rodamco-Westfield, intu, United Developers/Place Vendome, Iran Mall, Allied

Investments and Housing, CP Group, Capitaland, Capital Holdings and Inmuebles Pan-americana.



Attendees were able to meet new operators and sample food.



Rethinking F&B at a Milan panel session

KEY FIGURES

MAPIC Food & Beverage:

400 foodservice retailers and **200 buyer companies** (travel operators, master franchisers, property players) from **50 countries**

MAPIC: TALKING F&B

Jonathan Doughty, head of food services, ECE:

"We need to be asking questions that we never had to ask before. We have to be better. In the next three to five years, there needs to be a massive change between property and F&B. At the moment, operators are a partner until the lease is signed, then tenant. The real estate we have built was for yesterday — is it the F&B experience people are looking for?"

Sam Sethi, principal & director, Inside Food:

"Landlords in Asia, the Middle East and South Africa will build around food. US clients are much more defensive. They won't take risks and replicate what has happened over the last 10 years. Most developers don't understand how to leverage experience. The reality is that F&B operates under nine or 10 different categories, each with a different benchmark, revenue and experience. So do we get provocative and build a food concept and then build retail around it? We need to re-appraise the value of assets and put more money into attracting the right tenants."

Simon Stenning, executive director, MCA Insight:

"My advice: use data and insight. We would encourage anyone to use a fact base, not just gut feeling. Foodservice is increasing as a percentage of retail. Now, eating out in retail centres is a fifth of all sales, even though shopping is in decline. Constriction of demand will pick back up and F&B will only increase as a percentage. Delivery is a significant driver of revenue and declining margins. Operators are looking very carefully, as delivery has also taken away from grocery."

Francesco De Mojana, partner, Permira:

"In terms of financing an F&B operator, we ask what's going to put wind in the sails, then the ability to execute. Fast-casual is showing strong growth and, if you have a payback of less than two and a half years, then that's a strong position. But you need strong management structures, so we need to ensure the company is at the right level. It's not easy but, if you can find an offer that can expand internationally, you have found a jewel."



The International Retail Food & Beverage market

The **2019 edition of MAPIC Food & Beverage** will take place on **8-9 May 2019** during **Milano Food City**. Milano Food City will see food exhibitions, street food happenings and events, cooking demonstrations and tasting sessions with some of the most recognised international chefs in some of the most iconic places in the city