



BAUM+WHITEMAN'S 13 HOTTEST FOOD & BEVERAGE TRENDS IN RESTAURANT & HOTEL DINING FOR 2019

Big challenges in 2019. More people eating home as restaurant prices outstrip supermarkets', while paychecks lag behind. Sitdown restaurants converting to fast-casual, serving upscale food. Did Amazon just benchmark the country's new minimum wages, and how will restaurants cope? Breakthroughs in automation aimed at replacing labor. Smile ... cannabis is showing up almost everywhere. Get ready for more Chinese specialties; food from the Stans; more sour flavors. New perspective on winning the meal kit wars. What is "motherless meat"? Plus two dozen buzzwords.

Baum+Whiteman International Restaurant Consultants creates high-profile restaurants around the world for hotels, restaurant companies, museums and other consumer destinations. Their annual hospitality predictions follow ...

-- 1. THE PERILS OF RAISING MENU PRICES

Biggest change for the year ahead: As this is written Amazon is raising its minimum wage to \$15/hour ... and bumping up wages of those already at the minimum. This will damage low-paying restaurants across the country. And it will accelerate menu price inflation that already is taking its toll on restaurant customers ... especially Americans whose hourly paychecks don't reflect a ten-year stock market bonanza. Widening gaps between menu prices and costs of meals eaten at home is moving more of us to the family dinner table.

Another threat to restaurants: If Trump's tariffs raise prices for washing machines, cars, refrigerators, clothing, and electronics, consumers may retrench further.

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For the 12 months ended August 2018, food prices away from home rose 2.6% while food purchased at grocery stores rose only 0.5% ... and actually may have declined at cutthroat competitors like Walmart, Costco, Kroger and the like. A longer look (see Bureau of Labor Statistics chart) tells us that in December '08, the inflation rate for restaurant meals and in-home meals were pretty much the same. As of last December, the spread was growing.

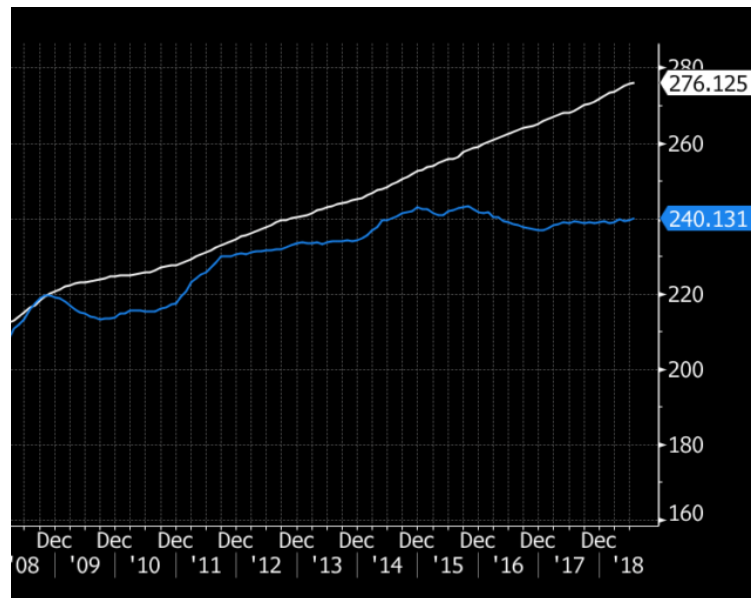
As restaurants raise prices to offset staff-heavy wages per dollar of sales and increasing rents ... which is where food retailers have an enormous advantage ... revenue grows but customer counts stay fairly flat or down, especially among chains.

Binge-watchers, the meal kit explosion, better supermarket prepared food, tight finances ... all contribute to restaurants' squeeze. Restaurant traffic would likely show drastic declines if not for growth in delivery options.

We may spend nearly half of our food dollars eating out, but 82% of our meals are prepared at home ... says NPD Group ... and restaurant-going per capita peaked way back in 2000; we've returned to 1990 numbers,

they say. Better Homes & Gardens claims that 93% of millennials ... a 75 million market segment ... eat dinner at home four nights a week. They're not scared of actually cooking ... like sautéing or poaching ... or of supplementing their handiwork with arrays of prepared supermarket goods.

The situation's especially acute in states and cities mandating higher minimum wages ... and abolishing tip credits ... while workers clamor for benefits like health insurance. At the same time, labor pools have dried up, adding to wage pressures and increasingly bad service. Amazon, all by itself, has made \$15/hr. the minimum entry level wage these days. ... no matter what the law says ... so restaurants will have to compete for labor. So restaurants are reducing service staffs, introducing new technologies, converting to fast-casual formats, expanding reliance on delivery, getting serious about automation (*see below*).



-- 2. NEXT-GENERATION FAST CASUAL: Crossing the price barrier with breakthrough food

Wall Street frets that fast-casual restaurant *chains* are oversaturating the market ... but they're missing the real excitement: Independent operators who are filling in the price and quality gaps between standard fast-casual and more upscale dining.

Chains like Chipotle, fast-casual pizza outfits and ... yea, even Shake Shack ... strain to keep average spends to \$10-\$14, positioning themselves as better choices than fast food. But fast-casual newcomers are ignoring fast food pricing. Instead they're taking aim at mid-scale sitdown restaurants in high-rent locations that are crippled by high labor costs and lots of overhead. These new entrepreneurs offer similar meals at a bit more than half the price.

Take [Barzotto](#) in San Francisco. Walk up to a counter and order your food as in most fast-casual joints. Maybe pasta aglio e olio with chili, bottarga and broccoli rabe for \$14; or porchetta with salsa verde and cherry mostarda for \$18. Add a side and a glass of credible wine and bang! you're up to \$33. Dinner for two with a bottle of wine: \$85.

Take [Kish-Kash](#), a fast-cas couscouseria in New York's West Village. You approach a counter topped with colorful casseroles holding first-rate toppings ... to be ladled over a mound of hand-made couscous. Short rib couscous with chard and white beans: \$18. Chicken tagine with olives and three-lemon sauce: \$15. Split an order of cauliflower with pickled raisins, pine nuts and tahini: \$12. Add a glass of vinho verde and an Israeli red ... and dinner for two is \$65.



What's missing from these places: No tablecloths, no flowers, no waiters, no bussers, no drawn-out dinners, no reservations, no tipping, and not much elbow room.

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What you get: A chef actually cooking top-notch products; often a bar with signature cocktails; knowledgeable servers at the counter; probably actual china; a strong personality that doesn't reek of design-a-restaurant kit ... *and adventurous ingredients that have trickled down from fine-dining establishments.* These all are consumer-friendly touchpoints.

[AlaMar Kitchen & Bar](#) in Oakland, a service restaurant known for family-size Cajun seafood boils ... switched to fascas ... and now tells customers via a buzzer to pick up their orders.

At Chiko, a hot-hot Chinese-Korean fascas in Washington, main courses range from \$8 for a pork-kimchi potsticker to \$14 for fried rice with Sichuan hot-smoked catfish; \$17 for cumin-lamb stir-fry, to \$18 for chopped brisket with soft brined egg and furikake butter. (Note the ingredient trickle-down from fine dining menus.) Fifty bucks gets you a tasting dinner at four counter seats ... which are perpetually booked.



(Re tipping: With high average checks, many fascas converts now facilitate tipping by having customers pre-pay at the counter using a tablet that suggests tips... which makes hiring easier; allows tip distribution to everyone since there's no distinction between front- and back-of-house staff; and gives operators advantages of tip credits where they are legal.)

Expect generally to be jostled by delivery boys and carryout customers hurrying for the door ... because 50% (or more) of these places' food is consumed off the premises. Just look at the real estate economics: If 50% of its meals could be converted to takeaway and delivery, then an 80-seat restaurant would need only 40 seats. At 13 square feet per seat, you're looking at about 1,000 more square feet not to pay rent on. At, say, \$75 per square foot, the restaurant's offloading \$75,000 in rent onto customers who eat somewhere else ... plus saving on air conditioning, cleaning and related operating expenses. Adding beer and wine or a full bar means more than raising average checks ... it negates the "no" vote among upscale customers who otherwise might shun places where they can't get a drink.

-- 3. POOF! YOU'RE OBSOLETE. MAKE ROOM FOR THE BOTS (AND WHAT IS STARBUCKS THINKING?)

A month ago, a NYTimes article detailed why hotel employees around the world, panicked by a new generation of electronic gizmos, now prefer job security to better wages. Face-recognizing front desk automatons; robots delivering meals and laundry to hotel rooms; AI-powered ordering systems replacing waiters and food store cashiers; fully automated restaurants, hotel front desk staffs reduced to a single troubleshooter ... *the bots are here*. Even sitdown restaurants have “self-driving” bots delivering and removing dishes from tables, taking orders, and escorting customers to specific tables.

A three-armed robotic [pizzaiolo](#) in France claims to bake 120 made-to-order pizzas an hour with various selections made from a touch screen. Also, see [Zume](#) automated pizza in California (*right*). In China, they're working on fully automated restaurants as this [video](#) shows ... raising real concern about mass unemployment among low wage earners.



[Café X](#) is a robotic sidewalk coffee monger in San Francisco's financial district. You order a variety of beverages using smartphones or tablets and a robot does the rest.. Its mechanical arm clears the counter ... even waves goodbye. A human refills the beans. Imagine the impact of Café X in the lobby of a hotel ... or on a corner or mall near you? Starbucks must be wondering ... what's next?

Here's a humdinger: A 14-foot-long transparent hamburger bot called [Creator](#) ... also in San Fran. It grinds the meat; slices the brioche buns and the tomatoes; shreds the cheese; applies snazzy condiments; and delivers a 4,5 oz. brisket burger ... for \$6.50. The contraption uses 350 sensors and 20 computers; its two machines cook and assemble up to 350 burger an hour. And these are not your basic burgers. Available sauces ... in quantities you specify ... read like this: *“Thousand Island with umeboshi and mole; Oyster Aioli, Charred Onion Jam,*

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Sunflower Tahini, Pancetta Aioli, Garlic Sauce, Smoky Ketchup, Garlic Aioli, Hickory Smoked Jalapeño Sauce, Truffle Parm Fonduta, Blue Cheese Fonduta.” Have it your way, indeed.



Spyce, a Boston startup with star chefs Daniel Boulud, Gavin Kaysen and Thomas Keller ... along with some deep pockets. The mostly automated restaurant turns out meal-size \$7.50 bowls with strong ethnic inflections ... filled in front of customers by seven induction wok-like drums (*right*). Garnitures ... which can run up the bill ... are added by hand, cleverly decorating the otherwise jumbled ingredients beneath [\(see video here\)](#). Prep is done (by humans) at an offsite commissary. In September they raised \$12 million ... which is a lot of brown rice and kale.



As one-offs, none of these contraptions appears economically logical until scaled up, and maybe not even then. But you can see where things are heading ... and rather rapidly. Even faster in China.

-- 4. FOOD FROM THE STANS

Hidden in plain sight, immigrants from places like Kazakhstan, Tajikistan, Azerbaijan, Uzbekistan ...

breakaway republics from the former Soviet

Union ... are now spreading their ethnically

specific flavors among us. Formerly lumped

together as “Turkish” food ... which itself was

lumped into kabab cuisine ... they’re showing us

new ways with noodles, beans and eggplant; new-

old tricks with liver; how to marry meat and fruit;

and what miracles happen when you chop

tarragon, spinach, cilantro, dill, garlic chive and

parsley together and toss them into a stew or a

frittata or stuff them into a dumpling. Great

kebabs, too. (*See also Iranian food in “Getting Sweet on Sour”, below.*) Some enterprising

restaurateur will figure out how to turn out individual orders of *plov* in a pastry crust and reinvent Big

Night (*above*) in the style of Stan.



-- 5. COKE IN YOUR COKE? THE INEVITABLE MAINSTREAMING OF MARIJUANA

Big Beer and Big Soda are giving thumbs-up to pleurably ingesting marijuana and hemp ... and restaurants are joining in the fun.

Constellation Brands ... owner of Model and Corona ... placed a \$4+ billion dollar bet that weed is its future, investing in a Canadian marijuana company. Heineken-owned Lagunitas is selling Hi-Fi Hops, a beer-flavored, boozeless sparkling water with a modest dose of THC ... the psychoactive ingredient in marijuana ... or CBD (which mellows you without the high). You get them in California dispensaries for about eight bucks. Molson Coors has ventured with another Canadian weed company for a similar product. Cannabiniers, in San Diego, aims to sell its own

THC-infused beer in grass-friendly states, along with its goosed-up coffees and teas. And Coca-Cola ... whose name originally referenced cocaine as an ingredient ... is flirting with the notion. As more jurisdictions in North America legalize pot in one form or another, Big Beverage's "legacy" products, from generic beer to sugar-filled soda, face a shaky future ... anticipating a massive consumer shift to hemp and marijuana drinkables.

Restaurants are tinkering with this stuff, too. Some explanation first: THC, a compound in marijuana leaves, gets you high. Cannabidiol or CBD, comes from hemp, gets you mellow and maybe relieves pain ... but won't get you high. Right now, CBD is where it's at.

Early adapters: Millennials, of course. Vegans and vegetarians. Wall Streeters. And the wellness crowd that revels in mindfulness and meditation. The rest of us will follow.

Hotshot mixologists are busy concocting CBD cocktails with or without booze ... and chefs are assembling CBD tasting dinners and even THC-laced dishes.

Spring, a restaurant in LA, has a power lunch with three CBD-sprinkled courses. Organic eatery [Green Goddess Cafe](#) in Stowe, Vt has a chill-latte infused with CBD oil ... and CBD-enhanced tonic juices. Plant-based [Panacea](#) in Henderson NV serves CBD-infused syrup for pancakes. In Portland, vegan café Harlow augments its smoothies with 33 mg of CBD for \$3. Juice Crafters in



LA sells CBD teas, a CBD elixir with turmeric and herb ashwagandha. In New York, vegan chain By Chloe's ice cream cake called Mary Jane has a CBD frosting (*see photo, right*) and green sprinkles.

LAX is becoming an "airport" ... allowing passengers to carry weed through the building and onto airplanes. It's all mainstreaming ... which is better than mainlining ... although we haven't heard from Olive Garden and Applebee's just yet.

-- 6. WHO WILL WIN THE MEAL KIT WARS?

There's no dispute that home cooking is growing. Meanwhile, meal kit companies can't hang onto their customers ... only 15% of Blue Apron's subscribers stick around for a year.

About 150 meal kit companies are scratching to make a living while customers fret about long commitments, getting a week's worth of food in a box, mountains of packaging, and the expense. Now, we believe that customers go to supermarkets more often than they order meal kits ... and go to restaurants even more often ... so maybe the future belongs to food stores and restaurants.

That's why Home Chef was sold to Kroger, Plated sold to Albertsons, Gobble is partnering with Walmart ... and why you'll find troubled Blue Apron's meals in some Costco stores. And why supermarkets are developing their own kits. The idea: Put kits where customers are ... where they can buy something today for today. Here's where impulse triumphs over commitment.



That logic applies to restaurants ... but the industry has barely dipped its toes into the meal kit pool. Chic-Fil-A may be the leader ... testing whole ready-to-cook meals in several markets ... crispy Dijon chicken, chicken parmesan, chicken enchiladas, chicken flatbread and pan roasted chicken with greens. Each kit feeds two people and costs under \$16 ... while typical website meal kits cost closer to \$20.

Of course, it's only a test, but everyone's watching ... especially casual dining chains that are plagued by falling customer counts. If a fast food chain can assemble its own meal kits, certainly casual restaurants could hawk their own at lunch for people to have for that day's dinner ... or at dinner for customers to take home for lunch tomorrow. With a la carte pricing and packaging, restaurants could produce highly flexible meal kits of the "always on-demand" generation.

Meanwhile Blue Apron's muddying the waters by acting like a restaurant ... testing on-demand delivery of meals by GrubHub in an hour ... without a subscription.

-- 7. GETTING SWEET ON SOUR

Last decade we developed a craving for bitter ... coffee, dark chocolate, broccolini, brussels sprouts ... and now we're exploring mouth-puckering, saliva-inducing *sour*. You can thank the popularity of Korean food, the rising influence of Filipino cooking and ... just now emerging ... Persian's love of sour.

Think of how kimchee has migrated from Korean restaurants to “new” American menus ... into tacos and quesadillas, pots roasts, flavored mayonnaise, mac-and-cheese ... and of course the kimchee ice cream created for the Trump(ski)-Kim(chee) peace summit in Singapore this year.

Exploring trendy Filipino dishes, we note various vinegars in braised dishes, in marinades and dipping sauce ... even in their version of ceviche; vinegar-based chicken adobo (not to be confused with Mexican adobo) is a national signature. Also tart calamansi gets trendy.

Iranians who fled the 1979 religious revolution injected their Persian cooking into London, where it now is easy to find ... and we're seeing more Persian restaurants opening in the US, with the greatest concentration in LA. Iranians are particularly partial to sour: rhubarb, sour oranges,



fresh and dried limes, tamarind and pomegranate fit the flavor profile (example: At [Sofreh](#), a hot new restaurant in Brooklyn, you get griddled chicken with tart bayberries and dried sour plums).

Let us not forget kombucha ... on tap in supermarkets. And restaurants fermenting corn, cabbage, tomatoes, garlic, strawberries, peaches and blueberries ... along with slow-rise sourdough pizza crusts.

-- 8: “CELL-BASED SLAUGHTER-FREE CULTURED CLEAN LAB-GROWN MOTHERLESS” MEAT

Last year we proclaimed that ‘plant-based’ foods were among the top trends of 2018. That’s still true. But this year we’re shifting our view: *Lab-grown* meats and related proteins look like profound long-range game changers. Regardless of what you call them ... some names are in our headline above ... if it can please your favorite carnivore, meat grown from animal cells will transform the way we think about “food.”

The idea, oversimplified, is that instead of killing an animal for a steak, you pluck a cell or two, then manipulate and breed it on an enormous scale. Success means we’d eliminate ranches and slaughterhouses, slash greenhouses gasses since cows are prolific poopers, turn back land to other uses or to Mother Nature, clean up lakes and rivers and reduce energy consumption. (We’ll need lab-grown leather, too, for shoes and for the seats in your Bentley.)

This could be a technological blind alley ... but Just, the outfit behind plant-based eggs and mayo, says it will have a ground chicken product is an overseas KFC by year’s end. It’ll come from chicken cells grown in a plant-based medium ... and is only a test; but economically viable production could be only a few years away. Mind you, making whole chicken breasts, sirloin steaks and pork chops could take five years, ten years, or beyond your lifetime.

Quandaries: If early users blend this stuff into fast food hamburgers, what, if anything, will they call it? Will it be kosher? Will vegetarians eat it if it doesn’t come for dead animals? Will consumers accept it ... or will it become another “frankenfood”? What will the government say?

None of these quandaries deters venture capitalists who are showering money on motherless meat startups. Tyson Food and Cargill, among the largest meat people, are heavily invested. There’s also Memphis Meats (with Tyson, Bill Gates, Richard Branson as investors), Future Meat Technologies (from Israel, saying it’ll bring a product to market this year), Mosa Meat in Holland (with Merck as investor), Clara Food (growing egg whites), Finless Food (working on fish), Perfect Day (milk).

Ranchers are running scared. After watching dairy sales attacked by the runaway success of faux milk, they’re on a campaign to prevent this lab-grown stuff from being called “meat” at all.

-- 9. CHINESE AGAIN? THIS TIME ITS DIFFERENT

- **SZECHUAN HOT POTS:** This home-cooking and restaurant craze in China is increasingly popping up in US small and large towns. A bubbling cauldron of broth, ferociously red with chilis and spices, sits on your table and you swish into it a cornucopia of raw vegetables and proteins that you and your friends have selected ... cooking them to a desired doneness. It's communal, and pepperheads make dinner a competitively incendiary sport.

Chinese chains are establishing beachheads in the US but most are individual operators. Little Sheep Mongolian Hot Pot has about two dozen in the US. HaiDiLao ... with a billion-dollar IPO in Hong Kong ... runs hot pot restaurants in Japan, South Korea and Singapore with outlets near LA and a 12,000 square footer coming in New York. At Niu Jiao Jian Hot Pot, in Houston, chili oil is molded into a cutesy animal sculpture that dissolves when hot broth is poured over it. Chubby Cattle, with locations in Denver, Las Vegas and Dallas wants to expand its "Hellishly Spicy Hot Pot" chain further east.



We hosted a hot pot soiree in Taiwan and each person had a raw egg in a bowl ... so if the pain got too severe you could dip your morsels into the egg for an emergency coating.

- **DRY POT COOKING:** Here's the next generation of hotpot cooking but this time around the items you select of cooked "dry" by the chef, instead of by you and your buddies, using lots of spices instead of broth. Flavors are more intense, especially with the pool of fragrant chili oil in the bottom of the dish. Depending on the restaurant, you can experiment with tripe, catfish, lamb, pig's foot, frog, duck tongues, various gizzards, even Spam ... along with more familiar cuts of beef, chicken, lamb and shellfish. Spicy is the way to go. Find dry pots at [Mala Project](#), New York, Sizzling Gourmet in Cupertino, Chef Pin in Richmond, Sichuan House in San Antonio, Happy Dining in Irvine, and New York's fascas Peppercorn Kitchen. Big Wang's Cuisine (*yes, that's its name*), in Dearwood, Md. specializes in dry hot pots that will napalm your taste buds.

- **BINGS MAY RING YOUR BELLS: Bings are getting loads of attention from fast-casual diners, most of them urban Millennials.**

What are bings and why should you care? They're popular Chinese street food and come in two forms (that we know of). Chun bings are northern Chinese flatbreads made of wheat. Jian bings are flakey, eggy crepe-like affairs usually with a cracker inserted for crunch. They're both sold in fast-cas formats with traditional and inventive fillings ... in many cases with flavors that signal Chinese "authenticity." Players in this quietly emerging market:

[Junzi Kitchen](#) (perpetual lines in New Haven; three in New York before year's end) is probably the most visible ... attracting offshore and local money. Junzi, it appears, is the only startup using house-made chun bing ... a burrito-style wrapper aimed at lunch, dinner and snacking crowds. (Others, see below, use a large eggy jian bing crepe that's folded into a puffy square and often merchandised for breakfast). Junzi was launched by a bunch of super-smart Yale graduate students ... who figured that highly fragmented Chinese mom-and-pop restaurant businesses in the US were ripe for chain domination via upgrading, contemporary styling, better service systems and superior customer relations management.

Junzi kitchen has, in essence, just two main courses: a variety of chun bings; and bowls built around two types of noodles, the latter outselling bings ... a surprise since the bings are cheaper and more portable. Their bings are rolled around highly fillings like fragrant beef shin with

cucumbers and bean sprouts, or chicken thigh, kale, sweet shallots and roasted sesame dressing. Then, Chipotle-style, you customize with authentic add-ons like pickled daikon, bean threads, chive ash and shrimp salt. The flavors have not been dumbed down.

Companies selling jian bing (which, by the way, tend to be caloric and a bit greasy) include:

[Mr. Bing](#) (see video) also in New York, with a couple of popups and a busy food hall stand. Its flavor-bomb jian bings are



large crepes of mung bean and flour coated with egg, sesame seeds, scallions, hoisin sauce, crispy chili paste, cilantro, and crunchy wontons ... made in front of customers. Their bings are folded around such fillings as duck, barbecued pork or drunken chicken.

Portland, Ore, has a two-cart outfit called [Bing Mi](#) with low-priced egg-filled crepes ... while [Brothers Wing & Bings](#) fills theirs with teriyaki chicken and Mongolian beef.

There's a Bing Bing shop in St. Louis. Pleasant Lady Jianbing Trading Stall, in London's Soho, offers cumin lamb, miso chicken and Iberico char siu pork as fillings ... and a second is in the works. A golden arches in China is selling bogus bings made of pancake batter ... called Mc-Jianbing ... with fillings like bacon, ham and hash browns. Of course, they would.

No sign (yet) of a Badda Bing company.

- **TAIWAN IN THE SPOTLIGHT:** Excitingly reinterpreted Taiwanese food is lighting up New York and LA ... even parts of Texas ... and therefore pretty soon everywhere else. You're probably familiar with bubble tea, steamed buns with barbecued pork, and molten soup dumplings. Now make way for high-texture oyster omelets slicked with tangy tomato sauce ... stinky tofu (think durian-scented gorgonzola) ... three-cup drunken chicken ... beef noodles with anise ... flies' head (pork shoulder, garlic chives, birdseye chili dotted with fermented black beans).

-- 10. GET YOUR KATSU ON

Global hysteria gripped Instagrammers earlier this year ... swooning over a \$180 Tokyo-inspired sandwich of breaded and fried wagyu beef ... served with gushing publicity in London, Houston, Sydney and New York.

They missed the real trend: The spreading fame of a *pork* cutlet, crunchy-panko breaded, deep fried and served between soft crustless bread, usually with cabbage slaw and a zingy sauce. It is called the **Katsu sando**.

Katsu is Japanese shorthand for cutlet, and sando is a cutesy-poo term for sandwich. A simple snack sold at zillions of convenience stores in Tokyo ... now touching upscale sensibilities in the US. The sando is a symphony in texture ... soft and gummy bread, crunchy-juicy meat, saucily lubricated.

Find a traditional one at Adana in Seattle; slightly more toney is the Duroc pork rendition at Stonehill Matcha in San Francisco. [Sando Bar](#) in Sydney tenderizes his pork in koji (another cheffy trendlet) then fries it twice. A really elaborate variation comes from Abri in Paris ... where the chef adds a cheese slice, kewpie mayo, mustard and a thin omelet to the standard ingredients ... but only on Saturdays from noon to three p.m. Hi Collar in New York sells only ten a day starting at noon.

Katsu sando may remind you of a schnitzel sandwich, or a Mexican Milanese, or even a fried chicken sandwich. That's correct. By today's loosey-goosy standards, the filling can be anything fried. At Momokoni in Atlanta, that means fried shrimp or chicken or steak ... or wagyu for \$58. Pagu's chicken katsu in Cambridge is flavored with alioli and a blitz of shallots, ginger and soy.

Katana Kitte, New York, makes theirs with a slab of mortadella. Someone soon will use Spam.



-- 11. GETTING GIDDY AND GAUDY WITH DESIGN

Tired of white box dining rooms, or woody restaurants with overpowering gloom or overdone bare brick and phony Edison bulbs? There was a happy look this summer in trendy clothing shops' windows ... with clashing patterns on patterns on patterns ... and it is (admittedly slowly) creeping into restaurant design around the world. The idea is to be frankly decorative and joyful since there's more than enough seriousness in the world.

One designer we know is fixing a deafening restaurant with sound absorbing panels ... covered in wild fabric, signaling to guests that the owner has been listening, throughout the clamor, to their complaints.



Of course, this being fashion, the entire notion could disappear with the next issue of Harper's Bazaar.

-- 12: INVASION! Non-food business siphoning off restaurant customers

How does a restaurant compete with a savings bank that serves coffee with lounge seating and high-speed wifi ... *for free!* Restaurants can't retaliate by starting banks, so the most basic answer is ... they can't compete. But that's happening in 33 (and growing) Capital One bank locations ... where they're installing cafes to reverse declining traffic in too-large bank spaces.

Here's another: Hoping ... like banks ... to offset declining ticket sales, next-wave theaters like

iPic, Alamo Drafthouse and Cinepolis are selling real food (as opposed to snacky stuff) delivered to luxury seats and tables by real waiters ... and sometimes adding upscale sitdown restaurants. Booze, too. At iPic's Tuck restaurant in Houston you dine on brioche-crusted crab cakes and frisee-citrus salad with yuzu vinaigrette, or a turkey burger with barrel-aged goat cheese, harissa and green goddess dressing. Note Alamo's last name: "drafthouse" ... *these are restaurants with theaters attached*. Would restaurants slither into the movie business? Improbable.

Your friendly phone company, AT&T, is piloting a 3,000 sq. ft. space in Seattle housing a café, a cellphone store and comfy lounge seating. Put this into perspective: 3,000 sq. ft. is more than a typical TGIFriday's ... so ATT's actually creating a no-fee walk-in co-working venture. Do restaurants ... and Starbucks "third place" ... compete by starting their own phone companies?



There's more: A 90,000 sq.ft. Restoration Hardware with a barista on the second floor and a full-service restaurant/wine bar on the roof ... replaced the much-adored restaurant Pastis in New York. Much to the displeasure of nearby restaurants, RH says that restaurants in four other stores average \$4-\$6 million annually. For good measure, they're opening an RH boutique hotel just down the street. Crate & Barrel is planning its own version of store-plus restaurant with a 100-seater outside Chicago.

There's a Nordic face in H&M's new upscale European chain called Arket. And a new H&M in-store café in Stockholm, called It's Pleat, serves an "All Good Caesar" with black kale, cauliflower, chickpeas, kamut, wheatberries and duqqa spices.

A new 28,000 sq.ft. internationally trendy Como Corso lifetime store has a café with tuna carpaccio and artichokes, and ribeye with fava bean purée and spigarello ... just around the corner in New York from Restoration Hardware.

On the other hand, it appears that Barnes & Noble is throwing in its dish towel on full-service restaurants ... there were five ... after chairman Len Riggio said "the bottom line is awful.

BUZZWORDS

Oat milk craze wiping out other alt-dairy milks, probably boosting other oat products ... **Shiso leaf** goes mainstream ... **After the last straw** local governments launch war on Styrofoam ... Food from **Azerbaijan, Kazakhstan** and other inaccessible places nearby ... **Edible flowers** are back ... **Floral** infusions in plain old water ... Forget hash brownies -- **hemp** and **cannabis** in cocktails, soft drinks, beer and everywhere else ... **Zhoug** ... Low-cal **vegan ice cream** ... Umami-boosting, meat-aging **Koji** ... More chefs taking on **activist roles** on environmental degradation, and disaster food relief (thank you Jose Andres) ... **Asian** pastry/sandwich shops ... **Pour-your-own-beer** systems ... **Duck** and **chicken** liver preparations in restaurants that people trust ... French **cooking** will make its annual comeback ... **No-alcohol cocktails** at fancy martini prices ... **Jew-ish** restaurant food continues its growth curve ... **Khatchapuri** catching on ... **Hard seltzer** ... Sour **Calamansi** aka **Calamondin** ... **Tahini** in unexpected places ... **Szechuan peppercorns** reappear in **Hot Pots** and **Dry Pots** ... **King oyster** mushrooms.

Stay in touch, and cheers,
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