



Fierce competition on a tray



Nagi Morkos, managing partner of hodema consulting services, takes a close look at Lebanese catering companies

The Lebanese are known for their love of food, but their cooking skills are not bad either. Gatherings, whether private or professional, always end up revolving around a meal. This tradition explains the dynamic food and beverage business, composed of cafés, bars, restaurants and caterers.

Although further behind the scenes than restaurants, catering businesses have been holding their ground for a while. It is difficult to get an exact number, but there are about 50 of them, a figure that shows their importance in the hospitality industry of a relatively small country. There is great demand for catering in Lebanese society, which is always keen to invite family and friends to mind-blowing receptions that range from intimate dinner parties to

large gatherings on the beach or in remote mountain areas.

Stand out through word of mouth

If the term "catering" always involves "à la carte" food, the services coming under that label can vary drastically. The main type of event requiring catering is of course weddings, which are very serious business: the standards, and thus the stakes, are high for caterers who face fierce competition in a small and captive market.

With hundreds of couples tying the knot every summer, and a range of prices per person between USD 60 and USD 150, most caterers have their work cut out for them during the wedding season. Guest satisfaction can lead to more contracts, as word

of mouth is a highly convincing marketing tool in Lebanese society. Thus, caterers always try to remain ahead of each other in terms of creativity, expertise and staging.

Other typical events that require catering are banquets, both private and corporate and about 80% of catering companies therefore offer this service. Banquet menus could range from a cozy, home-style banquet up to an event for hundreds.

Adding to these two main categories, all other events such as store openings, company receptions and private events and

the industry's revenues, carried by the busy Lebanese social life, easily bear comparison with restaurant earnings.

Diversify for survival in the off-season

But this seasonal business, which peaks in the summer, is hard to maintain the rest of the year. Some caterers choose to position themselves on more stable grounds, such as corporate or institutional catering. Food & Design, which specializes in institutional catering for companies, banks or associations, provides onsite cooking in canteens and café/restaurants



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There are also niche providers, such as airline and airport caterers like Abela Catering. Larissa caters for institutions like banks and schools such as Notre-Dame de Jamhour and business school ESA, etc. Cat & Mouth has turned to club and beach management, with the Yarzeh Country Club restaurant and the Igloo club in Faraya, in addition to schools like College Protestant and Louis Wegmann, companies like Fattal and Azadea. Nazira, located in Beit Mery, offers cooking classes.

High-end niche services can also distinguish a caterer from the rest of the crowd. Cooks and Trays, for instance, has developed molecular cuisine. In a country where clients compete to host the most unforgettable and lavish events, high end catering is a good call as long as the political situation remains stable.

Set up a good network

To secure their businesses, some caterers have built strong links and partnerships with popular event venues around the country. Sofil Catering has an exclusive deal with Pavillon Royal at Biel. Cooks and Trays has done the same with Bonita Bay and Iris Club Beach. Fleur de Lys has an agreement with Domaine du Comte, Faqra Catering with Château Roueiss, Larissa with Deir El Kalaa country club, Carma with Jardin de Vie, Saveur du Monde with Batroun Village Club, and so on. Other caterers even rent the spaces themselves and run them as permanent venues

for their businesses. Saveur Plus has rented the venue Domaine de Zekrit for a 20-year period. Some venues however, such as Ociel, still want to keep their options open and deal with various caterers all year round. Small sized caterers, such as Fleuron, refuse a ‘tailor-made’ approach to their services.

If the venue is key, then joining forces with an event organizer can be of great help as well. The caterer can take advantage of their client base and reputation. Both can also merge their costs and efforts in terms of marketing.



“Food is a big part of any event,” said **Alain Hadifeh**, co-owner of the event management company, **Caractere**.

“Themes need to be aligned with all components of a wedding including food. We do not interfere with food presentations but coordinate with location of stations. Quality and presentation of food are very crucial at any event.”

Another key player in the catering chain is the Furniture Fixtures & Equipment (FF&E) provider, in charge of all the furniture and technical devices. Most caterers do not own or run FF&E activities, since their clients all want specific decors and details. Technotel Dfouni, an FF&E provider, since the 90’s, works with all the main catering companies. Normally, the FF&E provider is paid by the caterer “but for the last two years we also deal with clients directly, for better and swifter payment,” explained **Issam Abi Aad**, founder of **Technotel Dfouni**.



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Shoring up with an outlet

Some catering companies have different business models, such as a retail outlet (a restaurant, cafe or patisserie) under the same or a different name. Noura, for example, one of the first caterers in the market, also has a pastry shop. Some started as outlets, other as caterers, but the goal is for both businesses to support each other, financially and in terms of reputation. The catering department of Le Bristol hotel, for instance, rents out its ballrooms. Socrate restaurant in Ras Beirut

has also had a side catering business since the 1990’s, “today



our catering activity accounts for 90% of Socrate’s business,” explained **Saad Zeidan**, co-owner and general

manager, **Socrate**.

Aziz is a high-end gourmet store with a wine cellar and a large variety of pastries, in addition to its catering service. Cafés such as La Gondole, Fleuron and La Mie Dorée also double as caterers. “Outlets are the best word of mouth promotion for selling and displaying the products in addition [to] the catering business, as



clients come to the shops to order for catering events,” explained **Issam Chrabieh**, owner of **Fleuron**. The

central production unit system that the company has set up benefits all of its outlets, including catering.

There could be one downside to this outlet-catering merger: the Lebanese are now used to ordering catered food in shops or restaurants, which may open the door of the catering world to restaurants that are not specialized in that specific business. “Catering has been disfigured by the influx of newcomers calling themselves traiteurs by just cooking at homes or having shops producing pastries only,” said Chrabieh.

Another type of catering company is the chef-owned and run. Nicolas Audi, originally an architect, started with Faqra then Sofil Catering, before launching his own eponymous company and now runs a restaurant in Rabieh. Similarly, Hussein Hadid has also made a name for himself through his eponymous catering company and later co-created BRGR Co., one of Beirut’s main burger chains.

Take regulations seriously

Like in the restaurant industry, the main challenge to stay afloat is to keep up with international regulations. It enables some to stand out, in a market with small amateur structures and large players competing side by side. The main issue is food safety, the logistics of catering make the cold



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chain hard to maintain, especially with outdoor events. The main players have all developed the same business model: a central production unit (CPU), which produces and processes the food that is later sent to the location where it is prepared, displayed and served. Socrate developed, in 2012, a 4,000 sq. m ISO 22000-certified central kitchen, which can cater up to 5,000 meals a day.

For that second stage, the caterer needs to have refrigerated vehicles and trained staff. This infrastructure cannot be overlooked, especially in Lebanon, where high summer temperatures can damage food in minutes. The lack of discipline, training or equipment could lead to food poisoning, which would kill the business. Unlike restaurants, which are under the supervision of the Ministry of Tourism, catering companies are accountable for their actions to the office of the governor of Beirut and the Classified Institutions department. There are

fewer inspections than required and professionals complain about the disrespect of safety and hygiene standards. The most cautious caterers try to abide by the Hazard Analysis and Critical Control Points (HACCP) and International Standards Organization (ISO) 22000 standards.

Beware of amateurs

Another issue faced by the mainstream catering industry is that of the occasional staff member who leaves to set up his/her own catering business. Such a venture requires a significant financial investment to get started, which can force newcomers to cut corners on food and disregard regulations. "Some chefs and maîtres d'hôtel who used to be employed at established catering companies are now offering their services directly to clients in their houses without any company structure with cheaper prices," complained Chrabieh. The same story is heard in many kitchens. "The emergence of small catering

companies is due to outsourcing possibilities for many food items," added Zeidan. Chrabieh also pointed out the need to emphasize on central production unit hygiene and safety procedures, as many of the new competition overlook hygiene to maintain profits.

The brighter side of the industry is that it has evolved, over the years, from execution to creation, so that caterers are now able not only to execute client requests but also to introduce them to their own creations.

The economic benefit of catering is that it generates a large number of jobs, especially in the summertime.

Looking abroad for opportunities

The current political instability linked to the small size of the Lebanese market pushes some caterers to secure activity outside the country. To name only a few, Larissa, established in 1976 is now present in Iraq with a CPU.

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Cat & Mouth has expanded to Jordan, the UAE and Qatar. But the caterer that opens abroad faces various challenges too: the first is to secure a CPU and invest in refrigerated vehicles; then he/she needs to look for locations, keeping in mind that local clients' tastes might be different from those he/she is familiar with; the caterer must then find an FF&E provider and set a marketing and PR strategy to attract new clients. For all of these stages he/she may have to rely on local partners, and for some specific occasions, Lebanese caterers travel with their own providers and teams.

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DOMINANT LEBANESE CATERING COMPANIES

CATERER NAME	TYPE OF CATERING (Corporate/Social/Other)	OUTLET	OWNER	WEBSITE
Abdel Rahman el Hallab	social / corporate	Yes	Samer Hallab	hallab.com.lb
Abela	airlines, airport terminal, corporate & social	No	Albert Abela	abela.com
Amaretti	social /corporate	Yes	Nada Madi	amaretticaffe.com.lb
Aziz	social / corporate	Yes	Tony Abi Aad	azizsarl.com
Baytoute	corporate/ social	No	Elie Sfeir	baytoute.com
Bernard	corporate/ social	No	Bernard Atallah	bernardcatering.com
Bread and Roses	corporate/social /private	No	Rony Hachem	breadandroses.co
Candy Cater	corporate/social	Yes	Walid Abou Samra	candycater.com
Carma	corporate/social	No	Charles Mansour	carmacatering.com
Carre Sucre	corporate/social /private	Yes	Charbel Krayem	carresucre.com
Casper & Gambini's	corporate	Yes	Anthony Maalouf	casperandgambinis.com
Cat & Mouth	corporate/ social /institutional	No	Nicolas Cattan	catandmouth.com
Cooks and Trays	all types, including molecular cuisine		Emile Razzouk	cooksandtrays.com
Fadel	social / corporate/private	No	Fadel Chrabieh	fleurongastronome.com
Faqra	corporate/ social		Nabil Chartouni	faqracatering.com
Fleur de Lys	social /corporate/private	Yes	Michel Ferneini	fleurdelys-fcs.com
Fleuron de Fadel	social / corporate/private	Yes	Issam Chrabieh	fleurongastronome.com
Food & Design	institutional		Maurice Surssock	N/A
Gala	corporate/ social	No	Fadi Younes	gala-catering.com
Hussein Hadid	social / corporate (up to 200)/private	Yes	Hussein Hadid	husseinhadid.com
La Cigale	social / corporate	Yes	Gabriel Abou Samra	lacigale.com.lb
La Gondole	social / corporate	Yes	Mazen Maroun	N/A
Larissa	corporate/ insitutional/ oil	No	Joseph Karam	larissa.ws
Le Banquet	corporate/ social		Abdo Nouwwar	N/A
Le Blanc	corporate/social	No	Hicham Saad	leblanccatering.com
Le Bristol, traiteur	corporate/ social /private	Yes	Pierre Doumet (Doumet Group)	lebristol-traiteur.com
Le Petit Pain	corporate/social	No	Rony Maroun	lepetitpaincatering.com
Mie Doree	corporate/ social	Yes	Lina Letayf	lamiedoree.com.lb
Nazira	social / corporate	Yes	Nazira	naziracatering.com
Nicolas Audi	corporate/ social /private	Yes	Nicolas Audi	nicolasaudi.com
Noura	corporate/private	Yes	Pia Chaaraoui	noura.com
Oceanus Traiteur	corporate/ social	Yes	Rebeiz Freres Et Nabil Achi	oceanus-lb.com
Refaat el Hallab	social / corporate/institutional	Yes	Omar El Hallab	hallab.com
Saveur Plus	corporate/ social	No	Keedi Keedi/ Nada Hakim	saveurplus.com
Socrate	social / corporate/government	Yes	Saadeddine Zeidan	socrate.com
Sodexo	corporate	No	Sodexo	sodexo.com
Sofil	corporate/ social	No	Dream Holding(Elias Attieh/Joseph Ghoussoub)	sofil-catering.com
Spoons	corporate/ social	No	Bassam Sinno	spoonscatering.com
Toque du Chef	corporate/ social	No	Gaby Feghali	toque du chef.com
USM	corporate	No	Henry Gemayel	usmholding.com