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1. Introduction

This publication presents estimates in respect of the 2012 food and beverages large sample survey (LSS). The 2012 food and beverages trade LSS collected data from a sample of approximately 2 000 enterprises. The reporting period was the financial year ended on any date between 1 July 2011 and 30 June 2012. The data for the number of employees were provided for the last pay period ended on or before 30 June 2012. The sample was stratified in such a way that all large enterprises (those with turnover greater than R26 million) were included.

The last food and beverages LSS was conducted for 2009 (Report No. 64-20-01 (2009)).

1.1 Scope and coverage

The 2012 food and beverages industry LSS covers enterprises registered for value added tax (VAT) that are mainly engaged in the following activities classified according to the January 1993 edition of the Standard Industrial Classification of All Economic Activities (SIC), Fifth edition, Report No. 09-09-02:

- Restaurants, coffee shops or tearooms, with liquor licence (SIC 64201).
- Restaurants, coffee shops or tearooms, without liquor licence (SIC 64202).
- Takeaway counters and fast food outlets (SIC 64203).
- Caterers (SIC 64204).
- Other catering services (SIC 64209).

The following activities are excluded:

- Wholesale trade in food, beverages and tobacco (SIC 6122).
- Non-specialised stores with food, beverages and tobacco predominating (SIC 6211).
- Food, beverages and tobacco in specialised stores (SIC 6220).

1.2 Data items

The following categories of data items were collected: industrial classification, information and communication technology (ICT), details of employment, trading income, expenditure, profit or loss, inventories, carrying value of assets, details of sales of goods and purchases.

1.3 Reference period

The questionnaires were completed for the financial year of the enterprise which **ended on any date between 1 July 2011 and 30 June 2012**, according to the usual reporting schedule of the enterprise.

Examples

- 1 October 2010 – 30 September 2011
- 1 January 2011 – 31 December 2011
- 1 February 2011 – 31 January 2012
- 1 March 2011 – 29 February 2012
- 1 April 2011 – 31 March 2012

1.4 Current prices

The rand values are at current prices.

1.5 Reliability of data

All estimates compiled for this industry are subject to both sampling and non-sampling errors.

The estimates presented in this publication are subject to sampling variability since they are based on information obtained from a sample. That is, they might differ from the figures that would have been produced if the data had been obtained from all enterprises in the food and beverages industry in South Africa.

One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because only a sample of enterprises was used. The relative standard error (RSE) provides an immediate indication of the percentage errors likely to have occurred due to sampling, and thus avoids the need to refer to the size of the estimate. The larger the RSE, the less reliable the estimate. The following are some of the likely sources of non-sampling errors: sampling frame not up to date, wrong definitions and classification, phrasing of questions, non-response, processing and estimation. Every effort is made to minimise non-sampling errors by the careful design of questionnaires, testing them in pilot studies, editing reported data and implementing efficient operating procedures. Non-sampling errors occur in both sample surveys and censuses.

1.6 Confidentiality

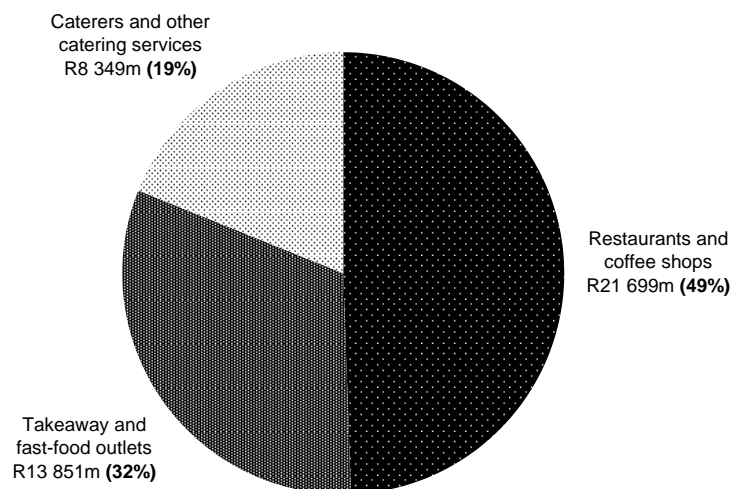
According to section 17 of the Statistics Act, 1999 (Act No. 6 of 1999), completed questionnaires remain confidential to Statistics South Africa (Stats SA). Individual business information is never disclosed. Results are presented in aggregated form only.

1.7 Reporting unit

The statistical unit for the collection of information is an enterprise. An enterprise is a legal unit (or a combination of legal units) that includes and directly controls all functions necessary to carry out its activities. Each industry is classified to an industry that reflects its predominant activity.

2. Summary of findings for the year 2012

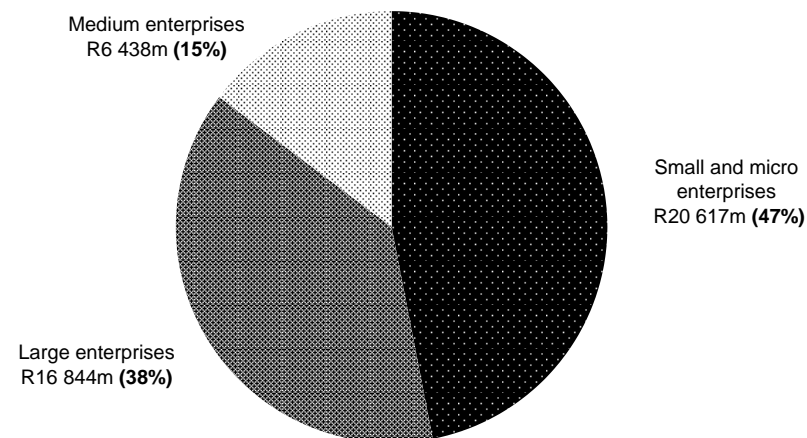
Figure 1 – Income in the food and beverages industry, 2012



The total income for the food and beverages industry in 2012 was R43 899 million. The largest contributor to the total income was 'restaurants and coffee shops' (R21 699 million or 49%), followed by 'takeaway and fast-food outlets' (R13 851 million or 32%) and 'caterers and other catering services' (R8 349 million or 19%) (Figure 1 and Table 3, page 9).

The total income represents an increase of 5,5% per annum compared with the income reported in the corresponding survey of 2009 (R37 360 million).

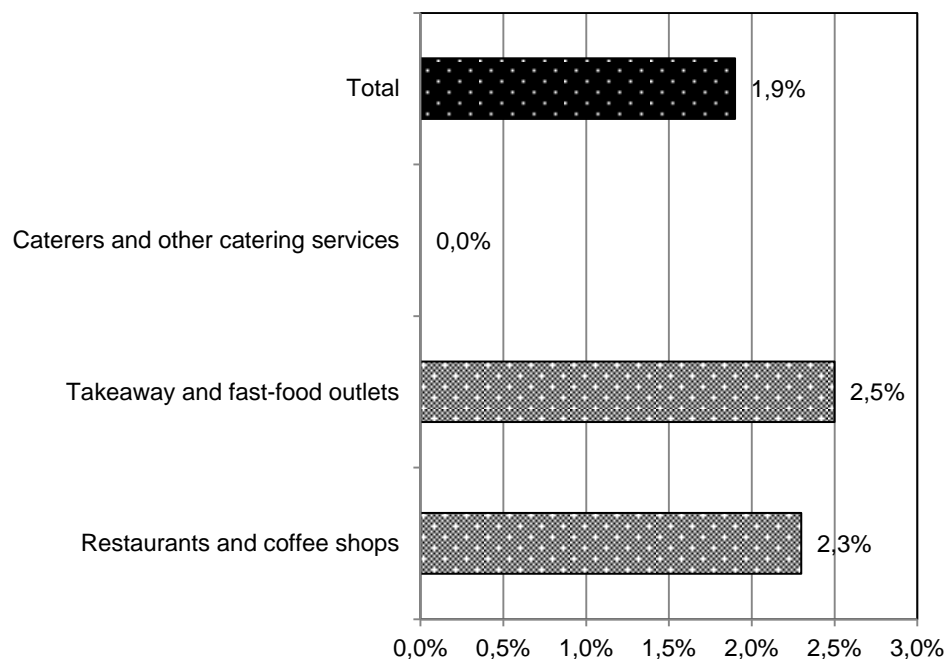
Figure 2 – Income by enterprise size in the food and beverages industry, 2012



The large enterprises (those with a turnover equal to or greater than R26 million) generated R16 844 million or 38% of the total income for the food and beverages industry in 2012 whilst small and micro enterprises generated R20 617 million or 47% of the total income over the same period (Figure 2 and Table 7, page 11).

The industry is dominated by small, medium and micro enterprises (contributing R27 055 million or 62%).

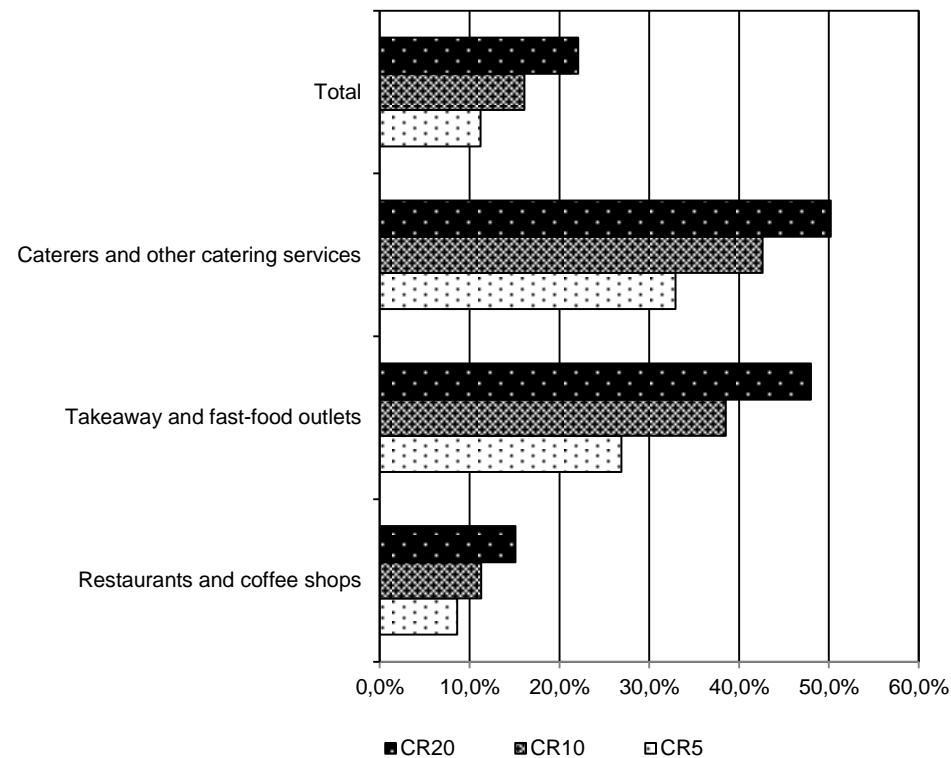
Figure 3 – Profit margin in the food and beverages industry, 2012



The profit margin for the food and beverages industry was 1,9% in 2012. 'Takeaway and fast-food outlets' had the highest profit margin at 2,5%, followed by 'restaurants and coffee shops' at 2,3%. 'Caterers and other catering services' reported a profit margin of 0,0% (Figure 3 and Table 4 page 9).

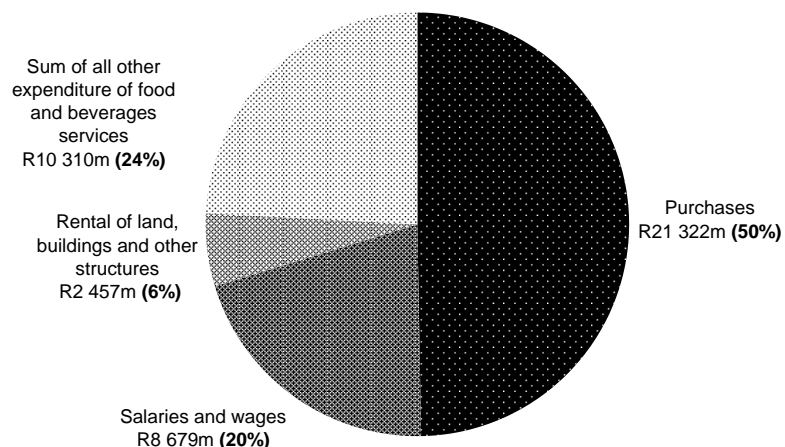
The overall profit margin for 2009 was 1,1%.

Figure 4 – Concentration ratios (CR) in the food and beverages industry, 2012



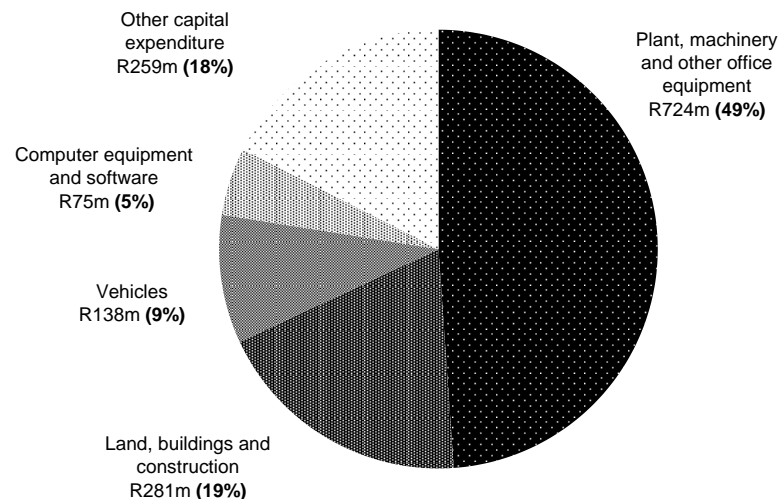
The 20 largest enterprises contributed 22,1% to the total income of the food and beverages industry in 2012. 'Caterers and other catering services' had the highest concentration ratio in all the categories: CR5 (32,9%), CR10 (42,6) and CR20 (50,2%). 'Restaurants and coffee shops' had the lowest concentration ratios in all three categories: CR5 (8,6%), CR10 (11,3%) and CR20 (15,1%) (Figure 4 and Table 8, page 11).

Figure 5 – Composition of expenditure in the food and beverages industry, 2012



The total expenditure in the food and beverages industry in 2012 was R42 768million. The largest contributor to the total expenditure was ‘purchases’ (R21 322 million or 50%), followed by ‘salaries and wages’ (R8 679 million or 20%) and ‘rental of land, buildings and other structures’ (R2 457 million or 6%) (Figure 5 and Table 9, page 12).

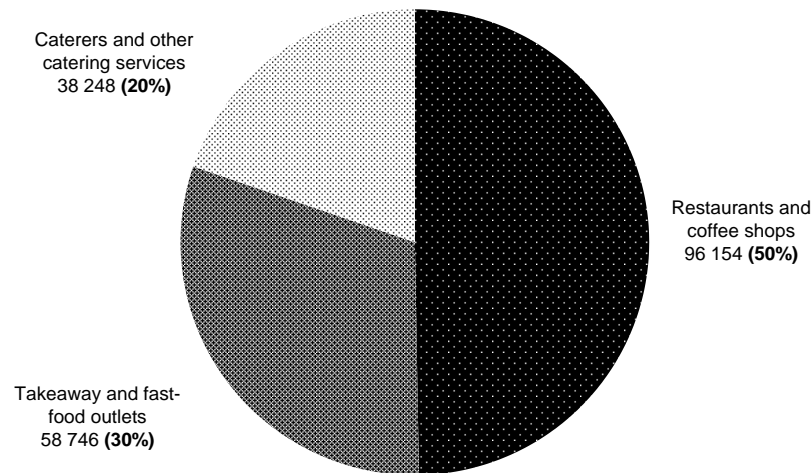
Figure 6 – Capital expenditure on new assets in the food and beverages industry, 2012



The total capital expenditure on new assets in the food and beverages industry in 2012 was R1 477 million. The largest category of capital expenditure was ‘plant, machinery and other office equipment’ (R724 million or 49%), followed by ‘land, buildings and construction’ (R281 million or 19%) (Figure 6 and Table 14, page 16).

Capital expenditure on new assets decreased by 0,3% per annum compared with the corresponding survey of 2009 (R1 489 million).

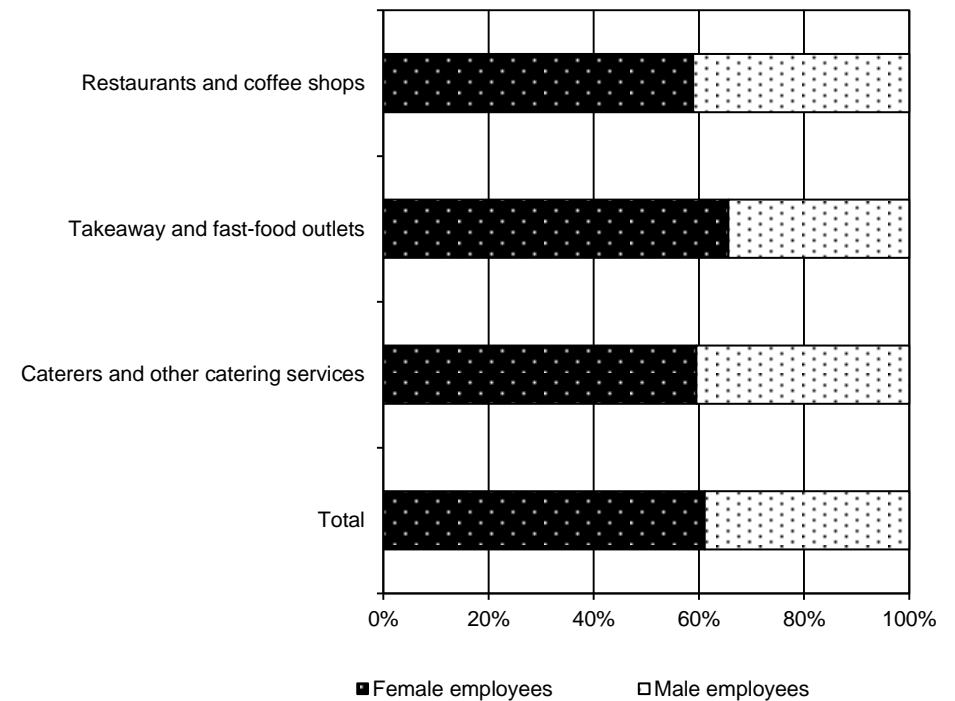
Figure 7 – Employment in the food and beverages industry, 2012



The total number of persons employed in the food and beverages industry for the last pay period ended on or before 30 June 2012 was 193 148. 'Restaurants and coffee shops' employed the highest number of persons (96 154 or 50%). 'Takeaways and fast-foods' employed 58 746 persons or 30% whilst 'caterers and other catering services' employed 38 248 persons or 20% (Figure 7 and Table 15, page 17).

Employment in the food and beverages industry increased by 1,2% per annum compared with the number of employees reported in the corresponding survey of 2009 (186 103).

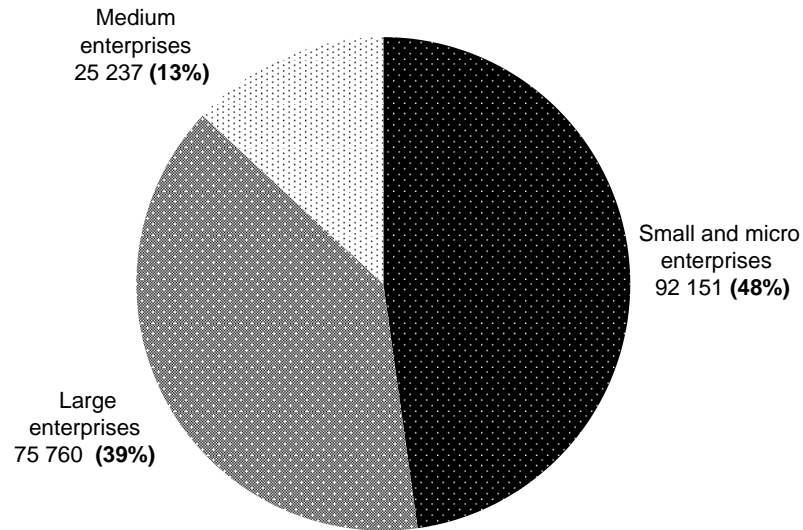
Figure 8 – Gender ratios in the food and beverages industry, 2012



The proportion of females out of the total persons employed was 61%. The industry with the highest proportion of females employed was 'takeaway and fast-food outlets' (66%) whilst 'restaurants and coffee shops' had the lowest proportion of females employed (59%) (Figure 8 and Table 15 page 17).

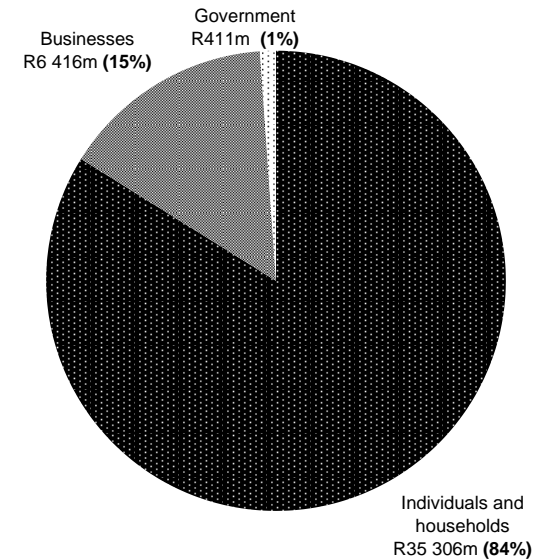
The proportion of females employed in the food and beverages industry in 2009 was 63%.

Figure 9 – Employment by enterprise size in the food and beverages industry, 2012



Large enterprises employed the highest number of persons (75 760 or 39%) in the food and beverages industry as at the end of June 2012. Medium enterprises employed 25 237 persons or 13% whilst small and micro enterprises employed 92 151 persons or 48% (Figure 9 and Table 17, page 18).

Figure 10 – Income from sales by type of client in the food and beverages industry, 2012



The largest contributor to the income from sales for the food and beverages industry in 2012 was 'individuals and households' (R35 306 million or 84%), followed by 'businesses' (R6 416 million or 15%) and 'government' (R411 million or 1%) (Figure 10 and Table 21, page 20).

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Statistician-General

3. Tables

Table 1 – Principal statistics in the trade industry¹, 2009 and 2012

Item	Turnover	Total Income	Total expenditure	Total value of opening inventory	Total value of closing inventory	Net profit before tax	Carrying value of assets at the beginning of the financial year	Carrying value of assets at the end of the financial year	Capital expenditure on new assets	Number of employees
	R million									Number
2009	1 838 049	1 880 410	1 813 810	166 635	182 004	81 969	159 373	176 090	37 283	1 592 083
2012	2 293 034	2 352 879	2 296 197	207 238	239 545	88 989	203 362	213 840	44 086	1 735 350
Annualised % change	7,7	7,8	8,2	7,5	9,6	2,8	8,5	6,7	5,7	2,9

¹Trade industry comprises wholesale trade; retail trade; motor trade; maintenance and repair; hotels and restaurants.

Table 2 – Principal statistics in the food and beverages industry, 2009 and 2012

Item	Turnover	Total income	Total expenditure	Total value of opening inventory	Total value of closing inventory	Net profit before tax	Carrying value of assets at the beginning of the financial year	Carrying value of assets at the end of the financial year	Capital expenditure on new assets	Number of employees
	R million									Number
2009	36 292	37 360	36 764	684	743	652	7 871	8 049	1 489	186 103
2012	43 082	43 899	42 768	859	965	1 238	7 266	7 354	1 477	193 148
Annualised % change	5,9	5,5	5,2	7,9	9,1	23,8	-2,6	-3,0	-0,3	1,2

Table 3 – Principal statistics in the food and beverages industry, 2012

Item	Restaurants and coffee shops	Takeaway and fast-food outlets	Caterers and other catering services	Total
	R million			
Total income	21 699	13 851	8 349	43 899
Total expenditure	21 033	13 365	8 370	42 768
Total value of opening inventories	552	148	159	859
Total value of closing inventories	578	171	216	965
Net profit or loss before tax	693	509	36	1 238
Carrying value of assets at the beginning of the financial year	3 503	2 986	777	7 266
Carrying value of assets at the end of the financial year	3 346	3 246	762	7 354
Capital expenditure on new assets	531	812	134	1 477

Table 4 – Profit margin in the food and beverages industry, 2012

Item	Restaurants and coffee shops		Takeaway and fast-food outlets		Caterers and other catering services		Total	
	2009	2012	2009	2012	2009	2012	2009	2012
Net profit after tax (R million)	264	477	175	347	-37	2	402	826
Turnover (R million)	16 985	21 176	10 872	13 645	8 435	8 261	36 292	43 082
Profit margin^{1/} (%)	1,6	2,3	1,6	2,5	-0,4	0,0	1,1	1,9

^{1/} Profit margin = Net profit after tax divided by turnover multiplied by 100.

Table 5 – Income in the food and beverages industry, 2009 and 2012

Item	2009	2012	Annualised % change
	R million		
Sales	35 420	42 133	6,0
Services	669	658	-0,6
Lease income	203	291	12,8
Interest received	117	107	-2,9
Other income	951	710	-9,3
Total income	37 360	43 899	5,5

Table 6 – Income by type of service in the food and beverages industry, 2012

Type of service	Sales	Services	Lease income	Interest received	Other income	Total income
	R million					
Restaurants and coffee shops	20 792	305	79	43	480	21 699
Takeaway and fast-food outlets	13 426	19	200	47	159	13 851
Caterers and other catering services	7 915	334	12	17	71	8 349
Total	42 133	658	291	107	710	43 899

Table 7 – Income by enterprise size in the food and beverages industry, 2012

Type of service	Large enterprises	Medium enterprises	Small and micro enterprises	Total of all enterprises
	R million			
Restaurants and coffee shops	3 770	4 274	13 655	21 699
Takeaway and fast-food outlets	8 749	1 361	3 741	13 851
Caterers and other catering services	4 325	803	3 221	8 349
Total	16 844	6 438	20 617	43 899

Table 8 – Concentration ratios (relative contribution of the largest enterprises) in the food and beverages industry, 2012

Item		Restaurants and coffee shops	Takeaway and fast-food outlets	Caterers and other catering services	Total
Total income	R million	21 699	13 851	8 349	43 899
Income of the 5 largest enterprises		1 858	3 721	2 749	4 938 ^{2/}
Relative contribution of the 5 largest enterprises	%	8,6	26,9	32,9	11,2 ^{3/}
Income of the 10 largest enterprises	R million	2 449	5 334	3 557	7 047 ^{2/}
Relative contribution of the 10 largest enterprises	%	11,3	38,5	42,6	16,1 ^{3/}
Income of the 20 largest enterprises	R million	3 283	6 649	4 195	9 692 ^{2/}
Relative contribution of the 20 largest enterprises	%	15,1	48,0	50,2	22,1 ^{3/}

^{2/} These figures reflect the income of the five (respectively 10 and 20) largest enterprises, and not the row totals.

^{3/} Relative contribution = income of largest enterprises divided by total income multiplied by 100

Table 9 – Expenditure in the food and beverages industry, 2012

Item	Restaurants and coffee shops	Takeaway and fast-food outlets	Caterers and other catering services	Total
	R million			
Purchases	10 010	6 492	4 820	21 322
Salaries and wages	4 390	2 136	2 153	8 679
Rental of land, buildings and other structures	1 489	742	226	2 457
Royalties	776	878	59	1 713
Depreciation	555	421	130	1 106
Advertising	478	462	44	984
Interest	166	209	24	399
Operational leasing and hiring of plant, machinery and equipment	197	74	97	368
Repair and maintenance	332	171	78	581
Water and electricity	490	357	86	933
Other expenditure	2 150	1 423	653	4 226
Total expenditure	21 033	13 365	8 370	42 768

^{4/} Other expenditure include labour/employment brokers.

Table 10 – Carrying value of assets at the end of the financial year in the food and beverages industry, 2012

Item	Restaurants and coffee shops	Takeaway and fast-food outlets	Caterers and other catering services	Total
	R million			
Land, buildings and construction	498	850	181	1 529
Computers and other IT equipment	119	84	14	217
Motor vehicles	235	148	156	539
Plant, machinery and other office equipment	1 463	1 230	274	2 967
Intangible assets	861	878	121	1 860
Other assets	170	56	16	242
Total carrying value	3 346	3 246	762	7 354

Table 11 – Details of assets in the food and beverages industry, 2012

Item	Restaurants and coffee shops	Takeaway and fast-food outlets	Caterers and other catering services	Total
	R million			
Bank	757	546	366	1 669
Debtors	414	397	704	1 515
Inventory	578	171	216	965
Other current assets	230	333	163	726
Total current assets	1 979	1 447	1 449	4 875
Fixed non-current assets	2 537	2 451	648	5 636
Goodwill	809	795	115	1 719
Long-term investment	627	417	148	1 192
Other non-current assets	505	988	147	1 640
Total non-current assets	4 478	4 651	1 058	10 187
Total assets	6 457	6 098	2 507	15 062

Table 12 – Details of liabilities and equity in the food and beverages industry, 2012

Item	Restaurants and coffee shops	Takeaway and fast-food outlets	Caterers and other catering services	Total
	R million			
Creditors	1 150	827	577	2 554
Overdraft	131	57	64	252
Other current liabilities	834	697	461	1 992
Total current liabilities	2 115	1 581	1 102	4 798
Long-term loans	2 450	842	509	3 801
Other non-current liabilities	1 086	1 598	235	2 919
Total non-current liabilities	3 536	2 440	744	6 720
Total liabilities	5 651	4 021	1 846	11 518
Owners' equity	806	2 077	661	3 544
Equity and liabilities	6 457	6 098	2 507	15 062

Table 13 – Capital expenditure on new assets in the food and beverages industry, 2009 and 2012

Asset	R million		Annualised % change
	2009	2012	
Land, buildings and construction	253	281	3,6
Computer equipment and software	72	75	1,4
Vehicles	112	138	7,2
Plant, machinery and equipment	784	724	-2,6
Other capital expenditure	264	259	-0,6
Total capital expenditure on new assets	1 489	1 477	-0,3

Table 14 – Capital expenditure on new assets in the food and beverages industry, 2012

Item	Restaurants and coffee shops	Takeaway and fast-food outlets	Caterers and other catering services	Total
	R million			
Land, buildings and construction	44	224	13	281
Computer equipment and software	38	34	3	75
Vehicles	55	37	46	138
Plant, machinery and other office equipment	295	372	57	724
Other capital expenditure	99	145	15	259
Total capital expenditure on new assets	531	812	134	1 477

Table 15 – Employment in the food and beverages industry as at the end of June 2012

Type of service	Female employees			Male employees			Total employees		
	2009	2012	Annualised % change	2009	2012	Annualised % change	2009	2012	Annualised % change
Restaurants and coffee shops	60 079	56 642	-1,9	37 088	39 512	2,1	97 167	96 154	-0,3
Takeaway and fast-food outlets	30 024	38 558	8,7	14 871	20 188	10,7	44 895	58 746	9,4
Caterers and other catering services	26 510	22 763	-5,0	17 531	15 485	-4,1	44 041	38 248	-4,6
Total	116 613	117 963	0,4	69 490	75 185	2,7	186 103	193 148	1,2

Table 16 – Employment by type of service in the food and beverages industry as at the end of June 2012

Type of service	Permanent employees			Temporary employees			Casual employees			Total employees
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
	Number of employees									
Restaurants and coffee shops	48 817	33 702	82 519	3 398	1 765	5 163	4 427	4 045	8 472	96 154
Takeaway and fast-food outlets	35 584	18 618	54 202	1 252	696	1 948	1 722	874	2 596	58 746
Caterers and other catering services	19 808	12 977	32 785	1 216	782	1 998	1 739	1 726	3 465	38 248
Total	104 209	65 297	169 506	5 866	3 243	9 109	7 888	6 645	14 533	193 148

Table 17 – Employment by enterprise size in the food and beverages industry as at the end of June 2012

Type of service	Large enterprises	Medium enterprises	Small and micro enterprises	Total of all enterprises
	Number of employees			
Restaurants and coffee shops	15 643	17 498	63 013	96 154
Takeaway and fast-food outlets	39 002	4 385	15 359	58 746
Caterers and other catering services	21 115	3 354	13 779	38 248
Total	75 760	25 237	92 151	193 148

Table 18 – Details of income from sales by type of commodity in the food and beverages industry, 2009 and 2012

Commodity type	R million		% contribution to total purchases		Annualised % change
	2009	2012	2009	2012	
Food and snacks	27 413	34 796	77,4	82,6	8,3
Non-alcoholic beverages	4 021	3 543	11,4	8,4	-4,1
Alcoholic beverages	3 602	3 462	10,2	8,2	-1,3
Other sales	384	332	1,1	0,8	-4,7
Total sales	35 420	42 133	100,0	100,0	6,0

Table 19 – Details of income from sales by group of commodities in the food and beverages industry, 2012

Commodity type	Restaurants and coffee shops	Takeaways	Caterers and other catering services	Total
	R million			
Food and snacks	16 392	12 564	5 189	34 796
Non-alcoholic beverages	2 050	779	714	3 543
Alcoholic beverages	2 116	58	1 288	3 462
Other sales	234	25	73	332
Total	20 792	13 426	7 915	42 133

Table 20 – Details of purchases by type of purchase in the food and beverages industry, 2009 and 2012

Type of purchase	R million		% contribution to total purchases		Annualised % change
	2009	2012	2009	2012	
Food	14 368	16 300	75,6	76,4	4,3
Alcoholic beverages	1 896	2 060	10,0	9,7	2,8
Non-alcoholic beverages	1 848	1 712	9,7	8,0	-2,5
Other purchases	898	1 250	4,7	5,9	11,7
Total purchases	19 010	21 322	100	100	3,9

Table 21 – Details of purchases by type of commodity in the food and beverages industry, 2012

Commodity	Restaurants and coffee shops	Takeaway and fast-food outlets	Caterers and other catering services	Total
	R million			
Meat and fish	3 485	3 520	1 537	8 542
Vegetables	1 383	595	564	2 542
Bakery products	644	578	220	1 442
Dairy products	421	209	222	852
Other food products	1 464	956	502	2 922
Alcoholic beverages	1 041	26	993	2 060
Non-alcoholic beverages	948	372	392	1 712
Other purchases	624	236	390	1 250
Total purchases	10 010	6 492	4 820	21 322

Table 22 – Income from sales of goods by client base in the food and beverages industry, 2009 and 2012

Client	R million		% contribution to total income from sales		Annualised % change
	2009	2012	2009	2012	
Individuals and households	28 179	35 306	78,1	83,8	7,8
Businesses (including parastatals)	6 743	6 416	18,7	15,2	-1,6
Government	1 167	411	3,2	1,0	-29,4
Total	36 089	42 133	100,0	100,0	5,3

Table 23 – Income from sales of goods by client base in the food and beverages industry, 2012

Type of service	Individuals and households	Businesses	Government	Total
	R million			
Restaurants and coffee shops	19 242	1 470	80	20 792
Take away and fast-food outlets	12 785	599	42	13 426
Caterers and other catering services	3 279	4 347	289	7 915
Total	35 306	6 416	411	42 133

Table 24 – Information and communication technology usage in the food and beverages industry as at the end of June 2012

Enterprise type	Use computer	Use internet	Use internet banking	Have web page	Receive orders over internet	Place orders over internet	IT outsourced
	% of enterprises						
Restaurants and coffee shops	94,7	94,7	71,1	21,1	17,0	18,9	43,1
Takeaway and fast-food outlets	87,5	87,5	61,6	19,5	13,3	16,5	29,2
Caterers and other catering services	91,2	91,2	71,1	25,0	17,2	16,9	37,3
Total	92,5	92,5	68,8	21,2	16,1	18,0	38,9

Table 25 – Information and communication technology usage by enterprise size in the food and beverages industry as at the end of June 2012

Enterprise size	Use computer	Use internet	Use internet banking	Have website	Receives orders over internet	Place orders over internet	IT outsourced
	% of enterprises						
Large enterprises	99,1	99,1	84,4	43,1	18,3	29,4	66,1
Medium enterprises	98,4	98,4	84,9	25,5	20,3	28,1	42,2
Small and micro enterprises	91,5	91,5	66,3	19,8	15,5	16,4	37,3
Total	92,4	92,4	68,7	21,4	16,0	18,0	39,0

Explanatory notes

Background	<p>The results presented in this publication have been derived from the 2012 food and beverages large sample survey. This is a periodic survey which measures economic activity in the food and beverage sector of the South African economy. This survey is based on a sample of private and public enterprises operating in food and beverage industries.</p> <p>The sample was drawn from Stats SA's business register, based on the units registered for value added tax (VAT).</p>
Value added tax (VAT)	<p>All figures exclude value added tax (VAT).</p>
Reference period	<p>The information was collected from enterprises for their financial year, which ended on any date between 1 July 2011 and 30 June 2012.</p>
Purpose of the survey	<p>Results of the survey are used within Stats SA for compiling the gross domestic product (GDP) and its components. These statistics are also used by government policy advisors in monitoring the performance and contribution of individual industries to the South African economy and the effectiveness of industry policies, and by private sector users in analyses of comparative business and industry performance.</p>
Classification by industry	<p>The 1993 edition of the <i>Standard Industrial Classification of All Economic Activities</i> (SIC), Fifth Edition, Report No. 09-09-02, was used to classify the statistical units in the survey. The SIC is based on the 1990 <i>International Standard Industrial Classification of All Economic Activities</i> (ISIC) with suitable adaptations for local conditions. Statistics in this publication are presented at SIC group (five-digit) level. Each enterprise is classified to an industry, which reflects its predominant activity.</p>
Statistical unit	<p>The statistical unit for the collection of the information is an enterprise. An enterprise is a legal unit (or a combination of legal units) that includes and directly controls all functions necessary to carry out its production activities.</p>

Size groups

The enterprises are divided into four size groups according to the value of turnover recorded for them on the Stats SA business register. Large enterprises are those with an annual recorded turnover of R26 million and above. Table 32 presents the size groups defined using the Department of Trade and Industry (DTI) cut-off points multiplied by two.

Table 26 – Size groups for the food and beverages industry

Size group	Turnover
Large	≥ R26 000 000
Medium	R12 000 000 ≤ VAT turnover < R26 000 000
Small	R10 200 000 ≤ VAT turnover < R12 000 000
Micro	< R10 200 00

Survey methodology and design

The survey was conducted by post, email, fax, telephone and personal visits.

A sample of approximately 2 000 enterprises was drawn from a frame of enterprises using stratified simple random sampling. The enterprises were first stratified at the five-digit level according to the SIC and then by size of enterprise. All large enterprises were completely enumerated. Turnover as recorded on the business register was used as the measure of size for stratification. The collection rate was 81,7%.

Collection rate

Collection rate = ((collected + finalised investigations)/ sample size) x 100

Weighting methodology

For those strata not completely enumerated, the weights to produce estimates are the inverse ratio of the sampling fraction, modified to take account of non-response in the survey. Stratum estimates were calculated and then aggregated with the completely enumerated stratum to form division estimates.

Revisions to 2009 results

Revisions were made to 2009 results due to new information obtained after the publication.

Relative standard error

Data presented in this publication are based on information obtained from a sample and are, therefore, subject to sampling variability; that is, they may differ from the figures that would have been produced if the data had been obtained from all enterprises in the wholesale industry in South Africa.

One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because only a sample of enterprises was used. The relative standard error (RSE) provides an immediate indication of the percentage errors likely to have occurred as a result of sampling, and thus avoids the need to refer to the size of the estimate.

Table 27 – Income in the food and beverages industry within 95% confidence limits, 2012

Type of service	Lower limit	Total income	Upper limit	Relative standard error
	R million			%
Restaurants and coffee shops	20 256	21 699	23 240	3,5
Takeaway and fast-food outlets	12 955	13 851	14 747	3,3
Caterers and other catering services	7 744	8 349	8 954	3,7
All food and beverages	42 092	43 899	45 706	2,1

Non-sampling errors Inaccuracies may occur because of imperfections in reporting by enterprises and errors made in the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to minimise non-sampling errors by careful design of questionnaires, testing them in pilot studies, editing reported data and implementing efficient operating procedures. Non-sampling errors occur in both sample surveys and censuses.

Rounding of figures The figures in the tables have, where necessary, been rounded to the nearest final digit shown. There may therefore be slight discrepancies between the sums of the constituent items of the totals shown.

Abbreviations

BR	Business Register
DTI	Department of Trade and Industry
GDP	Gross domestic product
ISIC	International Standard Industrial Classification of All Economic Activities
IT	Income tax
RSE	Relative standard error
SARS	South African Revenue Service
SE	Standard error
SIC	Standard Industrial Classification of All Economic Activities
SNA	System of National Accounts
Stats SA	Statistics South Africa
VAT	Value added tax

Glossary

Casual employees	Casual employees are employees who are typically working daily or hourly, whose services can be dispensed with at a very short notice, usually not exceeding a period of one week, and who are not entitled to benefits such as paid leave and medical aid contributions paid by employers.
Current assets	Assets on the balance sheet which are expected to be sold or otherwise used up in the near future, usually within one year. They include: <ul style="list-style-type: none">• trade and other receivables;• cash and bank;• inventories; and• other current assets.
Current liabilities	Current liabilities are debts or obligations that are due within one year. They include: <ul style="list-style-type: none">• trade and other payables;• bank overdraft; and• other current liabilities.
Enterprise	The enterprise is a legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its activities.
Industry	An industry consists of a group of enterprises engaged in the same or similar kinds of economic activity. Industries are defined in the <i>System of National Accounts (SNA)</i> in the same way as in the <i>Standard Industrial Classification of all Economic Activities (SIC)</i> , Fifth Edition, Report No. 09-90-02 of January 1993.
Intangible assets	Intangible assets include: <ul style="list-style-type: none">• computer software and databases;• patent rights and trademarks;• goodwill and marketing assets;• research and development;• entertainment, literary and artistic originals;• contracts, leases and licences; and• other intellectual products.
Labour brokers	Agents who recruit and administer workers on behalf of the enterprise. They do not provide any other service.

Motor vehicles	Motor vehicles includes motor vehicles, trucks, aircraft, boats, trailers, locomotives and other transport equipment.
Net profit or loss after tax	<p>Net profit or loss after tax is derived as:</p> <p>Total income plus closing value of inventories minus total expenditure minus opening value of inventories minus company tax</p>
Net profit or loss before tax	<p>Net profit or loss before tax is derived as:</p> <p>Total income plus closing value of inventories minus total expenditure minus opening value of inventories</p>
Non-current assets	<p>Non-current assets are assets which are not easily convertible to cash or not expected to become cash within the next year. They include:</p> <ul style="list-style-type: none">• property, plant and equipment and intangible assets;• long-term investments; and• other non-current assets.
Non-current liabilities	<p>Non-current liabilities are liabilities not due to be paid within one year during the normal course of business. They include:</p> <ul style="list-style-type: none">• long-term loans; and• other non-current liabilities.

Other expenditure

Other expenditure includes:

- accommodation;
- administration fees;
- amortisation;
- bank charges;
- bursaries;
- computers and other IT expenditure;
- containers and packaging materials;
- entertainment;
- excise and customs duty;
- insurance;
- losses on liabilities;
- losses on foreign exchange;
- mineral rights leases;
- motor vehicle running expenditure;
- paper, printing and stationery;
- property tax;
- provisions;
- railage and transport-out;
- research and development;
- road tolls;
- royalties;
- security services (including IT security services);
- severance, termination and redundancy payments;
- skills development levy;
- staff training;
- subscriptions;
- telecommunication services;
- travelling;
- donations, sponsorships and social investment; and
- other expenditure.

Other income

Other income includes:

- capital transfers received;
- dividends;
- government subsidies and incentives;
- profit on financial and other assets;
- profit on financial and other liabilities;
- profit on foreign exchange transactions as a result of variations in foreign exchange rates;
- provisions;
- royalties;
- excise and customs duty received; and
- other income.

Other purchases

Other purchases includes:

- cleaning materials;
- fruits and nuts;
- gas;
- glassware and cutlery, crockery and cooking equipment (pans, pots, etc.);
- soft furnishings, souvenirs and novelty items; and
- other purchases.

Other sales	<p>Other sales includes:</p> <ul style="list-style-type: none">• food and snacks for transportation businesses (e.g. airways and railways);• tobacco and tobacco products (excluding sales from vending machines operated by others); and• other purchases.
Owners' equity	<p>Owners' equity is the residual interest in the entity's assets after deducting its liabilities.</p>
Permanent employees	<p>Permanent employees are employees appointed on an open-ended contract with no stipulated termination date or a fixed-term contract for periods of more than one year</p>
Profit margin	<p>Profit margin is derived as:</p> <p>Net profit after tax Divided by turnover Multiplied by 100</p>
Statistical unit	<p>A statistical unit is a unit of observation or measurement for which statistical data are collected or derived.</p>
Stratum	<p>A stratum is constructed by concatenating the SIC classification and size group variables.</p>
Temporary employees	<p>Temporary employees are employees appointed on a short-term contract basis with a stipulated termination date for periods not exceeding one year.</p>
Turnover	<p>Turnover includes:</p> <ul style="list-style-type: none">• value of sales of goods;• amount received for services rendered;• rent and lease payments received for land and buildings; and• rent, leasing and hiring received for machinery, vehicles and other equipment.

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