**BREAKFAST BEAT**

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# Still Hot!

Breakfast sandwiches remain the top menued item at Limited Service Restaurants (LSRs), which include both Quick Service (QSR) and Fast Casual restaurants.

- 231 breakfast sandwiches were listed on the Top 250 LSR menus in 2011, up 24% from 186 in 2009.\(^1\)
- 54% of consumers aged 25–34 are more likely to visit LSRs for breakfast if they offer breakfast sandwiches.\(^2\)
- 43% of males and 44% of females are more likely to visit LSRs for breakfast if they offer breakfast sandwiches.\(^3\)

# Blurring The Line

A lengthy list of retailers including Whole Foods, 7-Eleven, Byerly’s, Sheetz and Wawa are getting serious about offering quick, hot breakfast fare. Retailer meal solutions provide the price points, quality, convenience and speedy delivery of QSRs, and up the ante by crossing dayparts and offering creative options for a quick breakfast on the run. Grocery and C-store trends to watch include:

- Ethnic sandwich ingredients
  - Breakfast sandwich omelet with Portuguese sausage (Tedeschi Food Shops)
  - Egg & cheese quesadillas (7-Eleven)
  - Breakfast empanadas (ampm)

- Hot food bars with eggs, waffles, grits, meats, oatmeal and more (e.g. Giant Eagle Express)

- Yogurt bars with toppings and mix-ins (e.g. Whole Foods)

Retailers are focusing on improved coffee-based beverages and customizable quick foods in hopes of creating a run for the morning diners’ money.

# Solid Nutrition

Eating high-quality protein for breakfast helps a person feel more energized and satisfied throughout the day, as compared with eating more protein at lunch or dinner. USDA Dietary Guidelines suggest Americans “eat a nutrient-dense breakfast,” and eggs contain a lot of nutrition relative to their calorie count. In fact, the protein in eggs is the highest-quality protein found in any food.

QRSs offer a wide variety of great ways to start the day with eggs:

- Starbucks’ Bacon & Gouda Artisan Breakfast Sandwich (350 calories, 17 grams protein)
- Subway’s Egg & Cheese (360 calories, 19 grams protein)
- Dunkin’ Donuts’ Ham & Cheese Egg White Flatbread (310 calories, 19 grams protein)

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**DID YOU KNOW?**

- The nutrient content of eggs from the same breed of hen fed the same diet is not affected by whether hens are raised free-range or in floor or conventional operations. It is solely determined by the feed.
- A lot goes into an egg. A hen must eat approximately 4 pounds of feed to make a dozen eggs.
- Artificial color additives are not permitted in chicken feed. Yolk color depends on the diet of the hen.
- The color of the egg shell can vary from white to deep brown. The breed of the hen determines the color of the shell. There is no difference in taste or nutrition between white and brown eggs.
- About 280 million laying hens produce some 60 billion eggs each year in the U.S. That’s roughly one hen for every person in the U.S.
- The five largest egg-producing states are: Iowa, Ohio, Pennsylvania, Indiana and California. These five states represent about 50 percent of all U.S. layers.
2012 Breakfast Predictions & Beyond

Predictions of note from some of the industry’s most informed crystal balls:

**Technomic** - Consumers are looking for novel flavors, so innovation in familiar formats (sandwiches, wraps, pizza) or with a twist (gourmet, ethnic, artisan) will be popular.

**NRA’s survey of American Culinary Federation chefs** - Ethnic-inspired breakfast items (e.g. Asian-flavored syrups, chorizo scrambled eggs) as well as traditional ethnic breakfast items (like huevos rancheros) will be popular.

**Lisa Jennings of NRN** - As breakfast continues to grow, LSRs will look for portable options that go beyond breakfast sandwiches.

**Bonnie Riggs of The NPD Group** – Breakfast foods should outpace overall demand through 2019. (6)

Chain Activities

- **Wendy’s** - four new restaurant prototypes are in test to improve customer experience and aid focus on new breakfast and Redhead Roasters coffee line. Features include “Wi-Fi bar,” lounge seating, Coca-Cola Freestyle beverage fountain, and digital signage. (3)

- **Taco Bell** - "First Meal" breakfast program rolling out to 800 locations in early 2012, with a 50/50 split between company and franchised stores. (3)

- **Subway** – November BOGO offered free 6” sandwich with purchase of second one before 9 a.m.

- **Sonic** - November LTO of Fiesta Steak Breakfast Burrito of seasoned carne asada, jalapeños, tomatoes, golden tots, cheese, and eggs wrapped in a tortilla. Promotion of the breakfast daypart, which began in August, assisted Sonic in posting same-store sales increases in three out of four months during September-December of 2011. (7)

- **White Castle** - October expansion of breakfast menu included four breakfast sandwiches offered on either a steamed bun or whole-wheat toast, with service expanded to begin at midnight in many locations.

By the Numbers

- QSR menu mentions of breakfast sandwiches increased by 17% between the third quarter of 2009 and the same period of 2011, while fast casual mentions were up by 21% during the same period. (5)

- 85% of consumers say they prefer whole eggs in their breakfast sandwiches. (4)

- The number of consumers who agree that eating eggs is good for their health has increased 30% from 2009. (1)

Eggspansion Continues

The American Egg Board recently presented a webinar in partnership with QSR magazine titled, Breakfast: The Incredible Eggspanding Market. Presentations by Warren Solochek of The NPD Group/CREST® and Maeve Webster of Datassential Research included the following points:

- The percentage of restaurants menuing breakfast (47% industry wide) has been steadily rising, resulting in more availability than ever before in the history of foodservice.

- Lunch and dinner innovation tends to trickle down from fine dining, but breakfast innovation may soon come from a new segment: food trucks.

- The blurring of traditional dayparts, higher profit margins of breakfast items, and increased consumer interest in breakfast all make a case for expanding the hours of breakfast food availability.

For a more thorough overview of the webinar, go to http://tinyurl.com/6wmnnkm