

Catering

Business start-up guide

Catering business overview

Catering business operators include specialist caterers and food-service businesses.

Many government institutions and businesses use caterers and food service contractors. Demand is increasing for full-service catering, where the caterer is responsible for food services as well as cleaning, maintenance, security, account and other services.

Starting or buying a catering business involves many essential steps. Legally, you must ensure that you apply for and receive the correct licences.

This guide explains how to start a catering business in Queensland. It will help you understand the challenges and opportunities of entering the catering industry so you can make good business decisions.

Getting into the catering industry

Before you start a catering business, you need to understand how the industry works, what things you need to consider in your planning, and the legal requirements you must meet.

Finding a competitive edge in Queensland's catering industry

Competition in Queensland's catering industry is usually based on price, however, there are other ways to give your business a competitive edge.

You can serve consistently high-quality, well-presented food so customers recommend you to other prospective customers. Another way to attract customers is to include options for vegetarian, vegan, gluten-free or dairy-free diets.

Many big catering contracts are made on a full-service basis to include cleaning, maintenance,

security and other services in 1 contract. Develop business partnerships with other quality suppliers to increase your competitiveness.

Offering more than just catering services will also give you an edge over other businesses such as restaurants or pubs that provide food catering from their already established commercial kitchens.

Key success factors for a catering business

To build a successful catering business, you need to:

- compete on catering contracts and tenders
- market your catering business
- control your product and service quality
- hire professional staff
- manage external contracts with suppliers (e.g. cleaning, security providers)
- have business and industry expertise.

Catering industry entry barriers

The catering industry is generally labour-intensive and you need to make large amounts of food to be profitable. Other barriers to entering the catering industry include initial start-up costs and licensing regulations.

A small-medium size business costs less to start because you can do small-scale catering for private functions. Stricter food safety regulations have made it harder for small operators to meet food safety requirements, but starting small can help you learn to balance the amount of food and labour you need to make a profit from catering. It can also get you positive word-of-mouth recommendations.

(Source IBISWorld, March 2012)

Catering industry requirements

A number of licensing and registration regulations govern the catering industry. When starting a catering business you need to consider the following requirements.

Operating a food service business

To run a catering business, you may need a Food Business Licence from the [local council](#) where your food business is based. Licence costs and application processing times will vary so check details with your local council when you apply. Licensed food businesses may have more than 1 registered premises.

Occupying a stall or selling food from a stationary vehicle

To sell food from a stall or stationary vehicle, you may need a Standing Vehicle/Stall Licence from the [local council](#) where you will be selling food. Licence costs vary from council to council and it can take 4 weeks to process your application. Your permit will stay in effect for 12 months if it's approved.

This licence is not mandatory in all council areas so check with the local council to see if you need one.

Serving alcohol to customers

To serve alcohol to your customers, you may need a [Liquor Licence \(Commercial other\)](#) from the Office of Liquor and Gaming Regulation. Licence costs vary depending on your business type so check with the Office of Liquor and Gaming Regulation when you request an application form.

Picking up meat (e.g. from an abattoir) to sell to customers

If you pick up meat to sell to customers, you may need to fill in an [Application for Accreditation](#) from [Safe Food](#) Production Queensland. Accreditation costs vary depending on your business type and it may take Safe Food up to 4 weeks to process your application. You must ensure the meat's integrity for your customers' safety.

Travelling in council areas while selling food to the public

To travel within the boundaries of the local council while you sell food, you may need an Itinerant Vendor

Licence from the [local council](#) where you'll be travelling. Licence costs vary from council to council and it can take 4 weeks to process your application. Your permit will stay in effect for 12 months if it's approved.

This licence is not mandatory in all council areas so check with the local council to see if you need one.

Food safety

You are legally required to meet the food health and safety standards set in the *Food Safety Act 2006* and *Food Production (Safety) Act 2000*. Ensure you make and store food safely for your customers.

Legislation that may apply to your business

- *Fire and Rescue Service Act 1990*
- *Food Act 2006*
- *Integrated Planning Act 1997*
- *Liquor Act 1992*
- *Local Government Act 2009*
- *Retail Shop Leases Act 1994*
- *Sale of Goods Act 1896*
- *Vocational Education, Training and Employment Act 2000*
- *Water Supply (Safety and Reliability) Act 2008*
- *Work Health and Safety Act 2011*

To access copies of legislation, visit www.legislation.qld.gov.au.

Useful industry contacts

Business Support Unit

For more information on licences, regulations, market research, business planning and other support services phone 13 25 23 or visit business.qld.gov.au

Catering Institute of Australia

Phone (08) 9325 3824
Visit www.cateringinstitute.com.au

Restaurant & Catering Australia

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