



# IMPACT OF COVID-19 ON THE SCHOOL NUTRITION INDUSTRY

A SUMMARY OF SURVEY RESULTS

## ABSTRACT

A report of SNA industry member survey results regarding the impacts of COVID19 school closures on the school nutrition industry.

[School Nutrition Association](#)





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## Objective

SNA polled its industry member corporate officials and consultants in order to better understand their concerns, needs, important issues they feel need to be addressed with the USDA to mitigate future issues in the future, and identify how SNA assist during COVID19 school closures.

## Background and Sample

Dates Open	March 30 - April 6, 2020
# Respondents (SNA Member Consultants and Corporate Officials)	155
Response Rate	17%
Unique Companies Represented	135

<i>Company Types</i>		
<b>Company Types</b>	<b>Frequency</b>	<b>%</b>
Food manufacturer	88	55.6
Equipment manufacturer	19	11.3
Other	11	6.8
Technology	10	6.8
Food manufacturer broker	8	5.3
Food distributor	7	5.3
Consultant	6	3.8
Packaging, sanitation, and supplies	4	3.8
Equipment manufacturer representative	2	1.5
<b>Total</b>	<b>155</b>	<b>100.0</b>

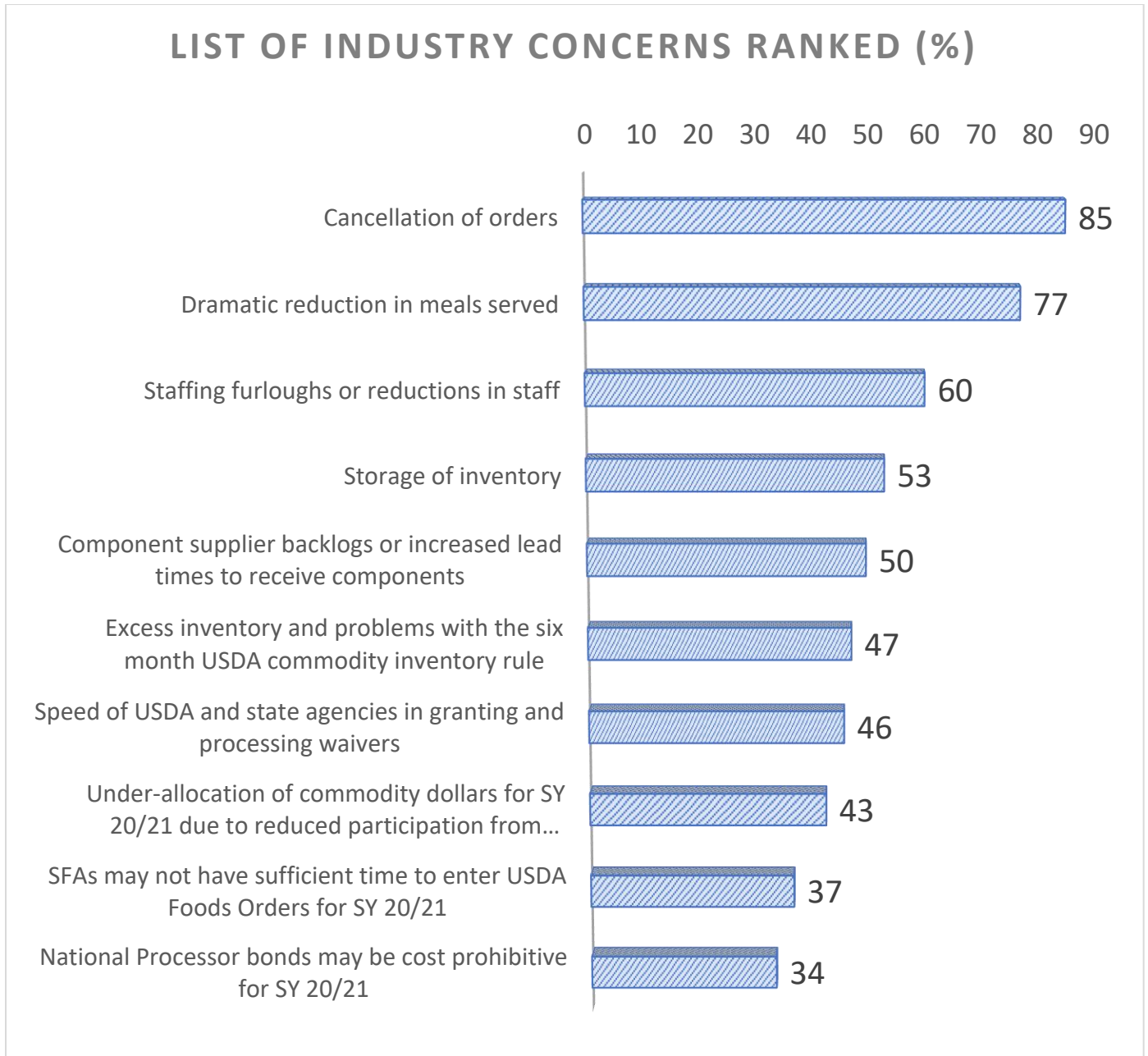


<i>USDA FNS Regional Location</i>	<i>Frequency</i>	<i>%</i>
Midwest	47	30.7
Middle Plains	7	4.6
West	30	19.6
Southwest	11	7.2
Southeast	23	15.0
Mid Atlantic	19	12.4
Northeast	16	10.5
<b>Total</b>	<b>153</b>	<b>100.0</b>



## Results

### 1. Concerns





<i>List of Concerns Ranked</i>			
<b>Concern</b>	<b>Rank</b>	<b>Frequency</b>	<b>%</b>
Cancellation of orders	1	131	85
Dramatic reduction in meals served	2	119	77
Staffing furloughs or reductions in staff	3	93	60
Storage of inventory	4	82	53
Component supplier backlogs or increased lead times to receive components	5	77	50
Excess inventory and problems with the six month USDA commodity inventory rule	6	73	47
Speed of USDA and state agencies in granting and processing waivers	7	71	46
Under-allocation of commodity dollars for SY 20/21 due to reduced participation from COVID19 school closures	8	66	43
SFAs may not have sufficient time to enter USDA Foods Orders for SY 20/21	9	57	37
National Processor bonds may be cost prohibitive for SY 20/21	10	52	34
Note: 'Frequency' and '%' columns include respondents rating each a concern either a 'Serious' or 'Moderate' concern.			

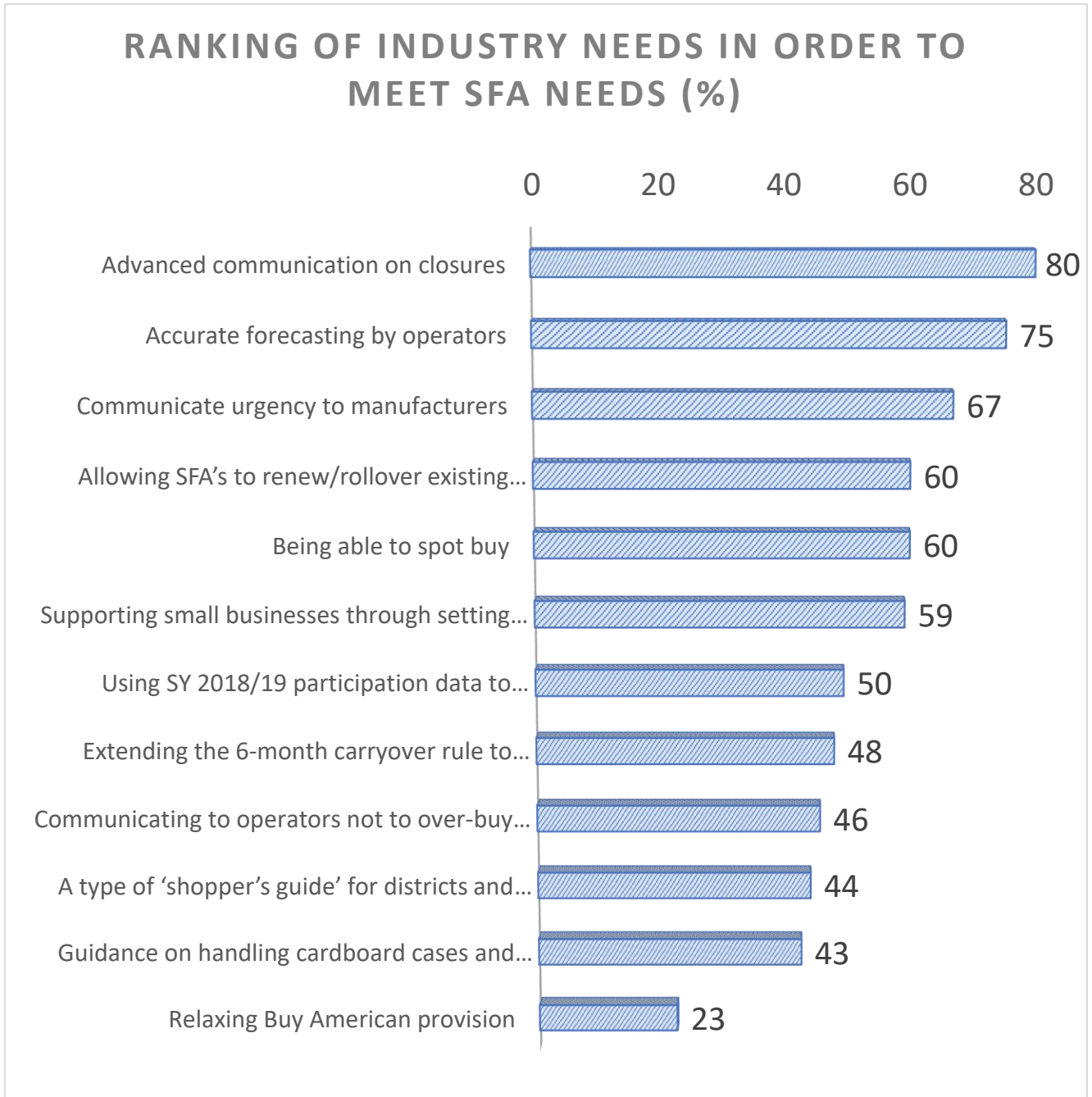


<i>Are there any other concerns you have as you consider ways to meet SNA member needs during Coronavirus-related school closures?</i>	
<b>Concern</b>	<b>n</b>
Switching to Grab n Go Products	9
Excess/Carryover Inventory	8
Communication with SN Program Directors	7
Supply Line/Distribution Problems	5
Health of employees and foodservice workers	4
Need to know which types of products SFAs need (i.e. room temp vs. refrigerated)	4
Procurement contracts/Bids	4
Equipment	3
Meal Pattern Guidelines	3
SFA Forecasting	3
Uncertainty about how long schools will be closed	3
Knowing if ANC or state conferences are cancelled	2
Make sure food insecure kids get fed	2
SN Financial Solvency	2
USDA Commodity Allocations and Entitlement Dollars	2

Note: Open-ended write-in responses were coded and counted.



## 2. Industry Needs in Order to Meet Operator Needs







*Ranking of Industry Needs in Order to Meet SFA Needs*

<b>Need</b>	<b>Rank</b>	<b>n</b>	<b>%</b>
Advanced communication on closures	1	106	80
Accurate forecasting by operators	2	100	75
Communicate urgency to manufacturers	3	89	67
Allowing SFA's to renew/rollover existing procurement bids for SY 2020/21	4	80	60
Being able to spot buy	5	80	60
Supporting small businesses through setting targets for small business purchasing or increasing reimbursement for small business purchasing	6	79	59
Using SY 2018/19 participation data to determine SFA entitlement dollars for SY 20/21	7	66	50
Extending the 6-month carryover rule to address excess inventory at processors	8	64	48
Communicating to operators not to over-buy or hoard food/products	9	61	46
A type of 'shopper's guide' for districts and distributors on sources of cold items	10	59	44
Guidance on handling cardboard cases and surfaces	11	57	43
Relaxing Buy American provision	12	30	23

Note: 'N' and '%' columns represent respondents who listed each Need as "Extremely necessary" or "Moderately necessary."

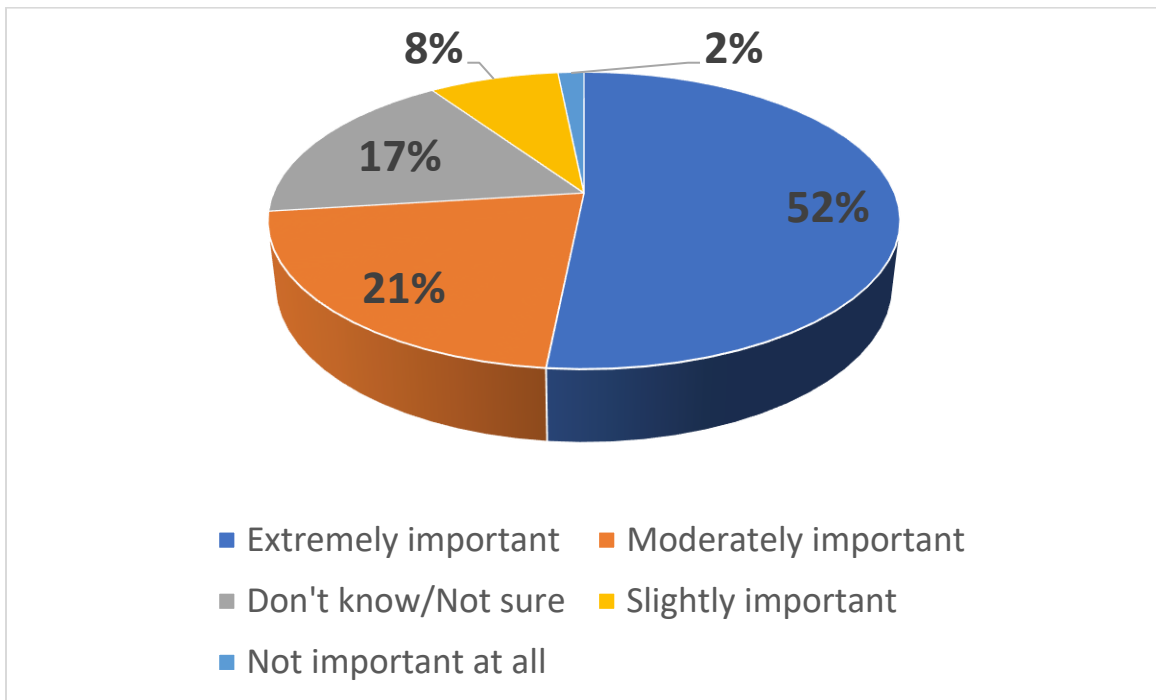


### 3. Important Issues to be Discussed with USDA to Mitigate These Issues in the Future

Issue/Idea	Rank	n	%
Creating a task force that includes USDA, state agencies, operators, and industry members to develop best practices for operating during a national emergency	1	117	75
Engaging in national emergency preparedness planning	2	113	73
Increasing funding for school meal programs	3	112	72
Relaxing requirement that summer program open sites determined by 50% free/reduced percentage	4	108	70
Reviewing the regulations and rules of the commodity program	5	80	52
Review how commodity pounds are calculated and allocated, with flexibilities as necessary	6	74	48
Note: 'N' and '%' columns include respondents who indicated an idea was either "Extremely important" or "Moderately Important."			

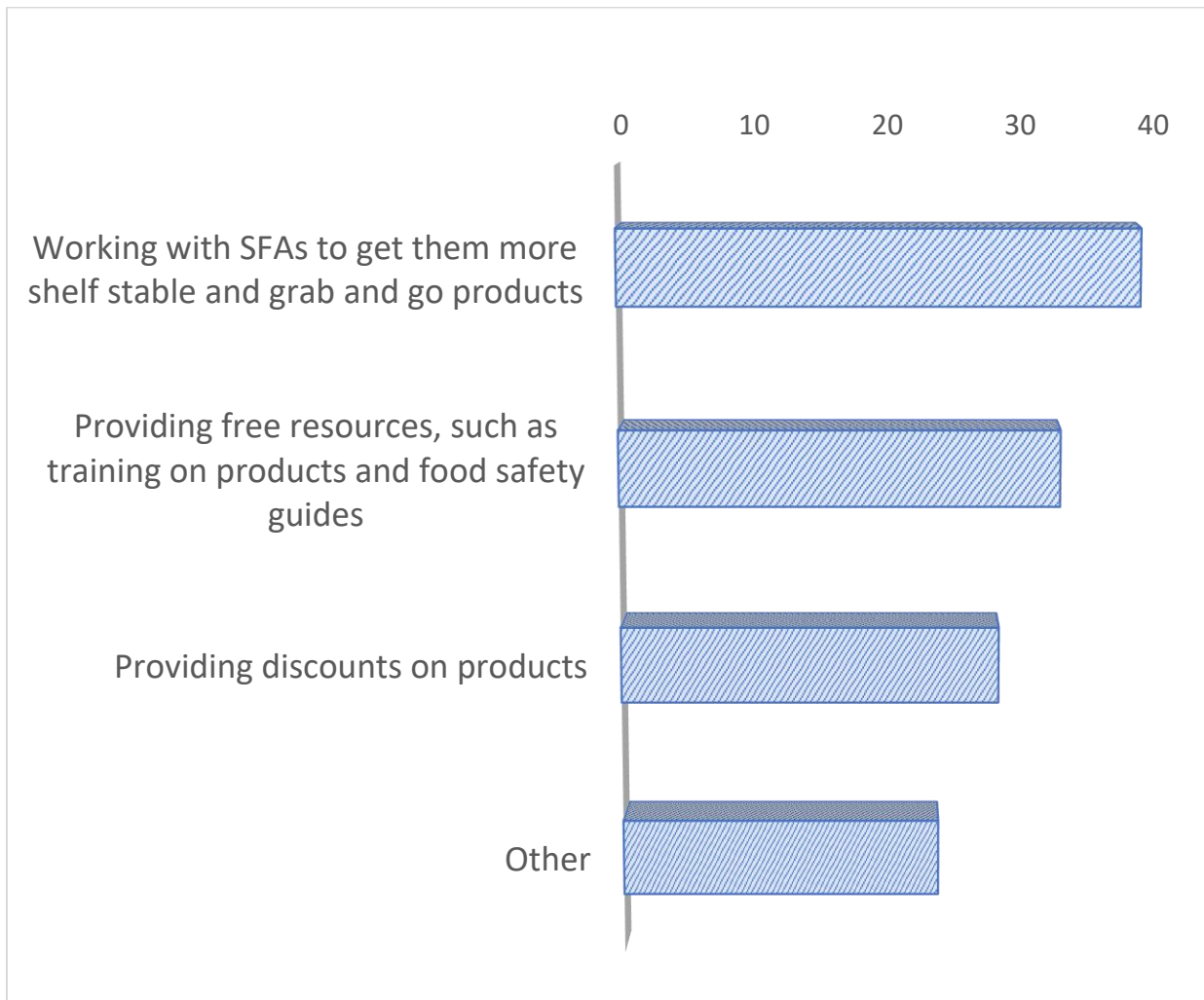


**4. USDA launched a Business Management Improvement initiative in 2017, which began a focus on Processing in the fall of 2019. How important do you feel it is for USDA to continue studying improvements to Food Distribution in the United States?**





## 5. How is your company supporting SNA operator members?





**5A. Write-in responses for 'How is your company supporting SNA operator members?'**

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Equipment (Giving grants to afford equipment, providing discounts on equipment, providing free equipment)	7
Sharing recipes, menu ideas, or meal preparation instructions	6
Donating food/products	4
Sourcing requested products	3

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**6. How can SNA assist in improving/increasing communication between the SFA, Distributor and Manufacturer?**

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Provide digital updates	14
Set up trainings and webinars	4
Free marketing of grab n go items to SFAs	3
Lead times on orders	2
Sharing menuing ideas	2
Reschedule ANC	1
Reschedule ANC	1



## Appendix A. Survey Instrument

# SNA Coronavirus and Industry Survey

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Start of Block: Default Question Block

Q2 Please participate in this very brief survey to assist SNA in identifying the impact of Coronavirus-related school closures and ways the Association can help.

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Q1 Please select the category that most accurately describes your company.

- Food manufacturer (1)
  - Food manufacturer broker (2)
  - Food distributor (3)
  - Equipment manufacturer (4)
  - Equipment manufacturer representative (5)
  - Technology (6)
  - Packaging, sanitation, and supplies (8)
  - Other, Please specify: (9) \_\_\_\_\_
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Q5 In which state is your company located?

▼ Alabama (1) ... An Army or Navy base outside the geographic United States (54)

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Q6 Please indicate how significant a concern each of the following presents as you consider ways to meet SNA operator member needs during Coronavirus-related school closures.



	Serious concern (1)	Moderate concern (2)	Little concern (3)	No concern at all (4)	Not applicable (5)
Under- allocation of commodity dollars for SY 20/21 due to reduced participation from COVID19 school closures (7)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Excess inventory and problems with the six month USDA commodity inventory rule (8)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Staffing furloughs or reductions in staff (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cancellation of orders (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dramatic reduction in meals served (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Component supplier backlogs or increased lead times to receive components (4)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Storage of inventory (5)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



Speed of USDA  
and state  
agencies in  
granting and  
processing  
waivers (6)

National  
Processor bonds  
may be cost  
prohibitive for  
SY 20/21 (10)

SFAs may not  
have sufficient  
time to enter  
USDA Foods  
Orders for SY  
20/21 (11)

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Q7 Are there any **other** concerns you have as you consider ways to meet SNA member needs during Coronavirus-related school closures?

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Q8 Please indicate how necessary each of the following is for your company to meet SNA operator member needs:



	Extremely necessary (1)	Moderately necessary (2)	Slightly necessary (3)	Not necessary at all (4)	Not applicable (5)
Extending the 6-month carryover rule to address excess inventory at processors (10)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using SY 2018/19 participation data to determine SFA entitlement dollars for SY 20/21 (11)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Allowing SFA's to renew/rollover existing procurement bids for SY 2020/21 (12)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Accurate forecasting by operators (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Being able to spot buy (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Relaxing Buy American provision (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Communicating to operators not to over-buy or hoard food/products (4)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Guidance on handling cardboard cases and surfaces (5)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



Communicate  
urgency to  
manufacturers  
(6)

Advanced  
communication  
on closures (7)

A type of  
'shopper's  
guide' for  
districts and  
distributors on  
sources of cold  
items (8)

Supporting  
small businesses  
through setting  
targets for small  
business  
purchasing or  
increasing  
reimbursement  
for small  
business  
purchasing (9)

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Q9 Are there any other things you feel are necessary for your company to meet SNA operator member needs at this time?

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Q10 Please indicate how important each of the following is to communicate to the USDA to mitigate these issues in the future.

	Extremely important (1)	Moderately important (2)	Slightly important (3)	Not important at all (4)
Reviewing the regulations and rules of the commodity program (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increasing funding for school meal programs (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Engaging in national emergency preparedness planning (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Creating a task force that includes USDA, state agencies, operators, and industry members to develop best practices for operating during a national emergency (4)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Review how commodity pounds are calculated and allocated, with flexibilities as necessary (5)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Relaxing requirement that summer program open sites determined by 50% free/reduced percentage (6)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



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Q11 Are there any other important messages that you feel need to be communicated to the USDA to mitigate these issues in the future?

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Q12 USDA launched a Business Management Improvement initiative in 2017, which began a focus on Processing in the fall of 2019. How important do you feel it is for USDA to continue studying improvements to Food Distribution in the United States?

- Extremely important (1)
- Moderately important (2)
- Slightly important (3)
- Not important at all (4)
- Don't know/Not sure (5)

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Q12 How is your company supporting SNA operator members?

- Working with SFAs to get them more shelf stable and grab and go products (4)
- Providing free resources, such as training on products and food safety guides (5)
- Providing discounts on products (6)
- Other, please describe: (7) \_\_\_\_\_

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Q13 How can SNA assist in improving/increasing communication between the SFA, Distributor and Manufacturer?

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