

How to Manage Through Cheese Supply Chain Disruption



COVID-19 has impacted the foodservice industry in unprecedented ways.

Before the pandemic struck, the foodservice industry was responsible for

48%

of all U.S. domestic cheese sales.

But the crisis reduced demand for cheese at restaurants by

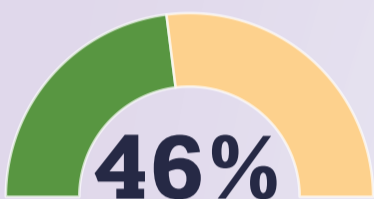
25%

Between foodservice, retail and institutional demand fluctuations, aggregate demand for cheese was down an estimated

35 million

pounds per month.¹

But consumers consider cheese an essential ingredient when they choose to eat out.



of them say they look forward to signature cheese dishes when visiting restaurants.²

They also consider cheese important or very important to the following menu items²:



87%
Pizza



78%
Burgers



78%
Sandwiches

Consumers' love of cheese isn't lost on operators, who regularly incorporate the ingredient into their dishes.

60%

of operators even acknowledge that adding cheese to a menu item helps it sell better.²



Navigating Uncertainty on Multiple Fronts

With pandemic-related restrictions changing by the day, operators are stymied by many business challenges beyond their control. Inventory management is one thing they *can* control, however. When purchasing from suppliers, **operators are prioritizing the following considerations³:**

Price	64%
Consistent product availability	56%
Food safety	50%
On-time delivery	44%
Alerts about upcoming product shortages	35%

They're also taking these steps to manage their inventory³:



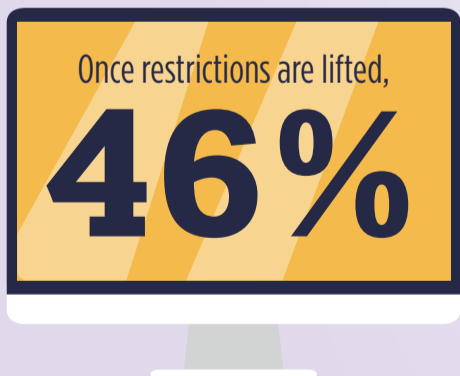
Ordering less frequently



Ordering smaller-than-usual case sizes



Increasing their share of online ordering



of those who say they've increased their share of online ordering during the pandemic intend to rely more heavily on online ordering in the future.³



In the meantime, operators should expect ongoing volatility in the cheese and dairy supply chains—and plan accordingly.

Learn more about [COVID-19's effect on the supply chain](#) and more on the [Saputo Foodservice blog](#).