

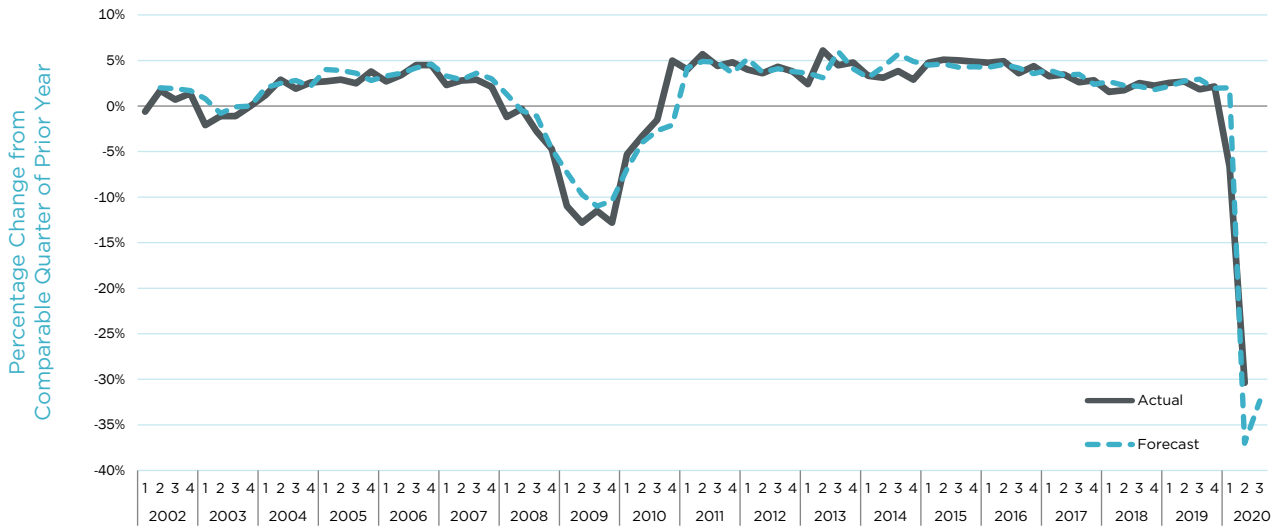


# Q2/2020 Foodservice Business Barometer Report

Expanded to Include COVID-19 Impact  
The commercial foodservice industry's most definitive non-food sales/trend indicator

## Overall Commercial Foodservice Sales Per Quarter for North America

MAFSI Business Barometer Reports Sharp Decline in Sales Throughout Industry in Q2/20



### MAFSI Business Barometer Reports Sharp Decline in Sales Throughout Industry in Q2/20

Rising Concerns Over Duration of Pandemic Impact and Recovery

Sales in Q2/20 plunged by -30.4% as a consequence of the nearly complete shutdown of most segments of the Foodservice industry during the April, May, and June 2020 time frame. This decline was slightly tempered as the quarter progressed as partial re-openings occurred, largely in outdoor dining; as well as the resumption of construction, which enabled pre-COVID projects on hold to be completed.

The hardest-hit product area once again was Tabletop at -62.9%. On the other hand, Disposables were only down -1.9%, reflecting a surge in take-out and delivery packaging as well as PPE products. Supplies were off -35.4%, Furniture -28.1%, and Equipment -25.9%.

By region, Canada was hardest hit with a decline of -43.2%, followed by the South at -30.6%, the Midwest at -29.5%, Northeast -27.6%, and the West at -26.1%.

MAFSI Reps are forecasting diminished Q3/20 sales of -32.4% from Q3/19 levels. Projected to be hardest hit is the Northeast at -36.2%, the South at -36.0%, Canada at 35.0%, the Midwest at -30.5%, and the West at -26.8%. Large urban cities like New York, Los Angeles, Chicago, Orlando, and Detroit are heavily impacted by sharp declines in varying degrees in Business and Industry, Entertainment and Sports Venues, Conventions, Tourism, Avoidance of Public Transportation, dependency of State funding, and the significance of hard-hit fine dining and independent restaurants, according to a recent New York Times study of the 150 largest US cities.

Fewer projects are being formulated during this COVID-19 period. 72% of Reps reported Less Quoting Activity in Q2 and 73% in Q1. 64% of Reps reported Less Consultant Activity in Q2 and 59% less in Q1. In essence, fewer new projects are entering the pipeline which is a likely "canary in the coal mine" indicator.

**Qtrly Sales Forecast for North America**  
Q3/20 vs. Q3/19  
-32.4%

**Yearly Sales Forecast for North America 2020 vs. 2019**

Pre-COVID Forecast	Revised Forecast
3.0%	-26.3%

**Jan San Sales for Q2/20 vs. Q2/19**

Equipment	Less	No Change
-4.4%	-3.4%	-1.9%

**Consultant Activity for Q2/20 vs. Q1/20**

More	Less	No Change
9%	64%	27%

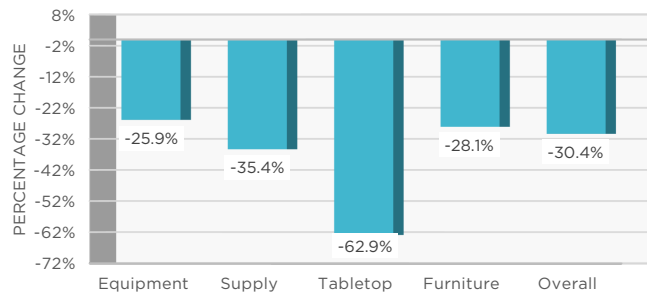
**Quoting Activity for Q2/20 vs. Q1/20**

More	Less	No Change
17%	72%	11%

Please note: Quoting and Consultant Activity only measures the direction of change. It does not report on volume of change for Quoting and Consultant Activity.

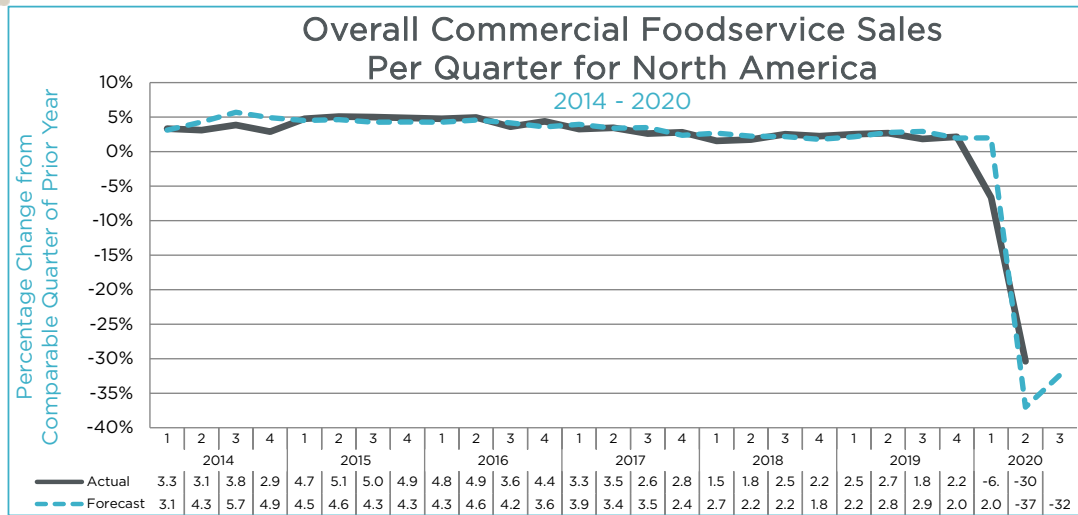
### 2nd Quarter 2020 Overall Sales for North America

Q2/2020 vs. Q2/2019 (Apr 1 - Jun 30)



\*The overall industry sales growth is calculated using a weighted average based on the percentage of the total sales volume for the overall industry represented by the various sales categories: Equipment (77%), Supplies (6%), Tabletop (11%), and Furnishings (6%). Market numbers are based on the North American Association of Food Equipment Manufacturers (NAFEM) biennial "Size & Shape of the Industry" study.



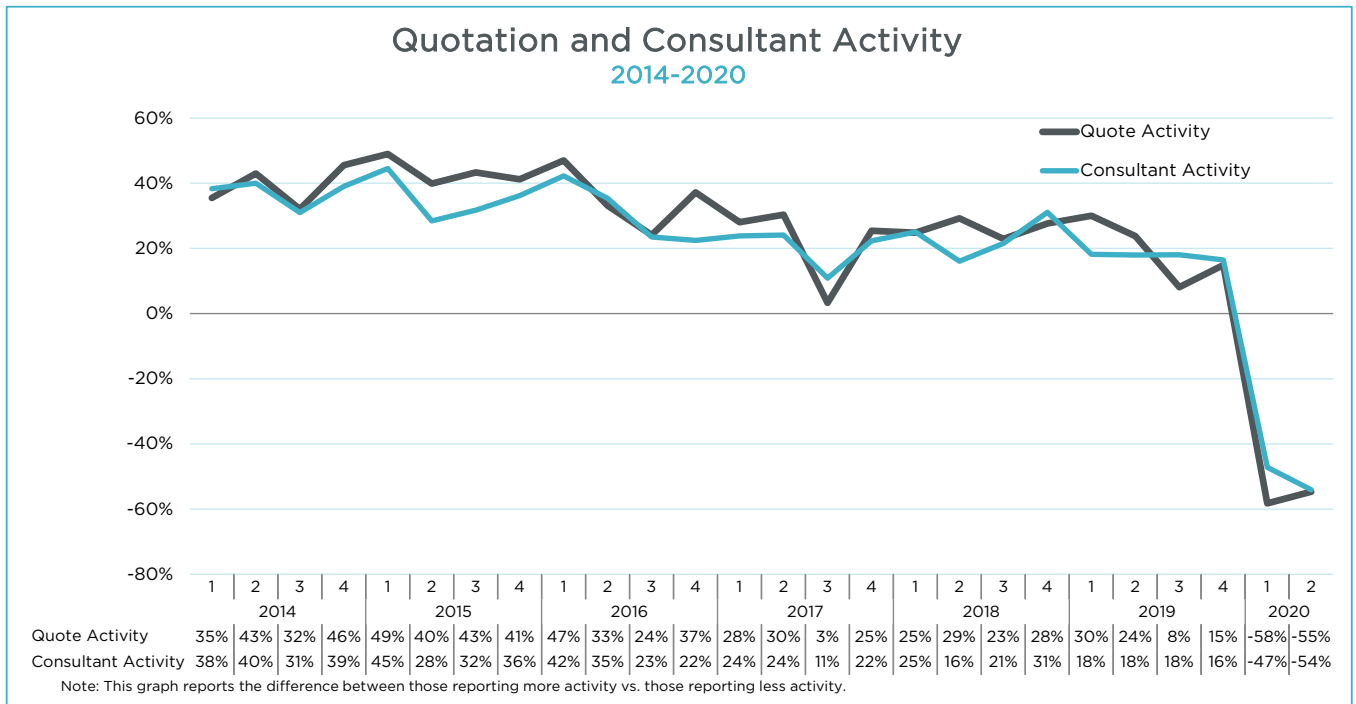


Further areas of concern are: restaurants in shopping malls hurt by the failures of retailers, the state of the travel and leisure industries such as airlines/airports, cruise ships, and hotels, the slow return to office-based work, and the curtailing of outdoor dining when cold weather sets in.

Despite all of this, there are still some opportunities for growth including senior living and health care, supermarket and convenience stores, quick service delivery, and drive-thru restaurants, as well as large chains picking up the locations vacated by weaker operators.

MAFSI Reps are coping with the challenges and opportunities of the pandemic with resiliency. Most are reporting staff and/or wage reductions, partial reopening of offices some with plans to move to smaller spaces, a bit more field activity, a significant "burn rate" in their financial reserves, and expense reductions. Concern has shifted from the depth of the sales decline to the duration of the impact of the Pandemic. We are all hopeful for a quick, effective, and widely administered vaccine, more efficient treatment, and herd immunity, and the return to normalcy in our industry. Oh, how we long for the good old days of 2019!

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### Q3/20 vs. Q3/19 Sales Percentage Change Forecast by Region

3rd Quarter 2020 compared to 3rd Quarter 2019 (Jul 1 - Sep 30)



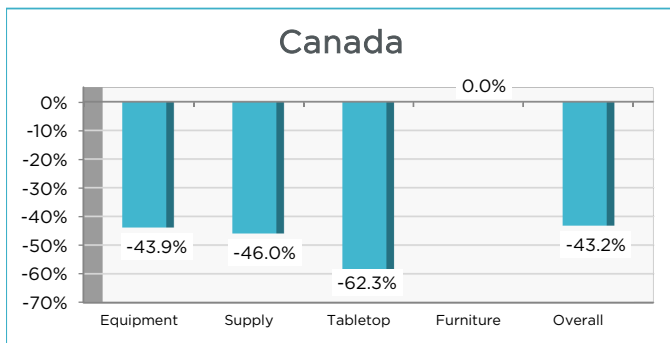
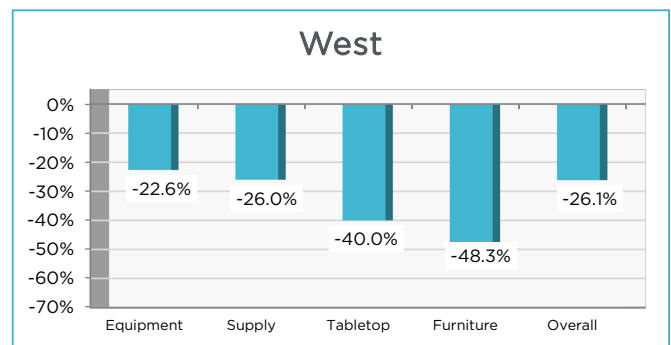
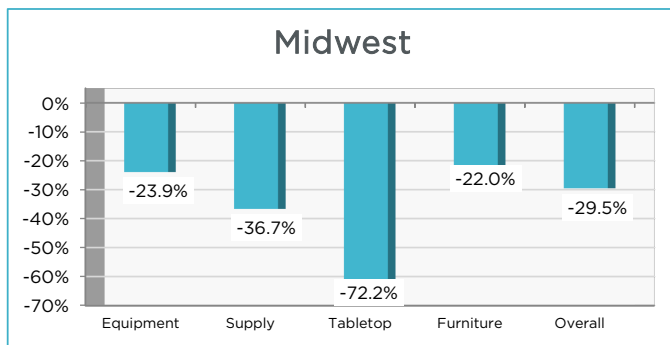
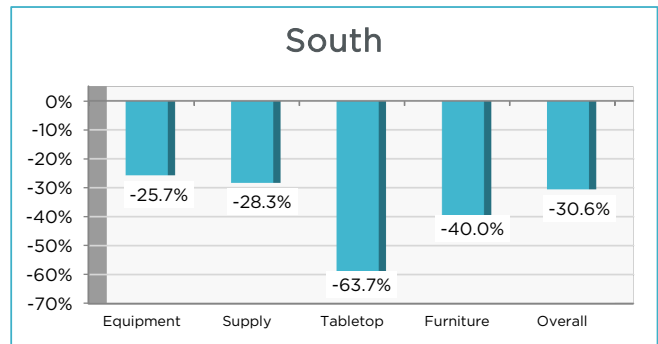
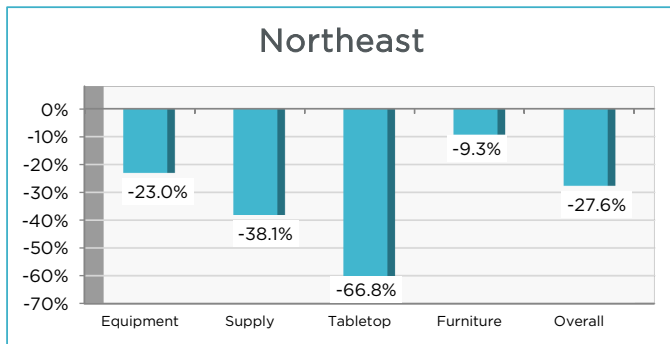
### 2020 vs. 2019 Overall Sales Forecast by Region

Post COVID Forecast Results Revised



### 2nd Quarter 2020 Sales Percentage Change by Region

2nd Quarter 2020 compared to 2nd Quarter 2019 (Apr 1 - Jun 30)



#### NORTHEAST includes the states:

CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT

#### SOUTH includes the states:

AL, AR, FL, GA, LA, MS, NC, OK, SC, TN, TX

#### MIDWEST includes the states:

IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, W. PA, SD, WI, WV

#### WEST includes the states:

AK, AZ, CA, CO, HI, ID, MT, OR, NM, NV, UT, WA, WY

#### CANADA includes all provinces and territories in Canada.

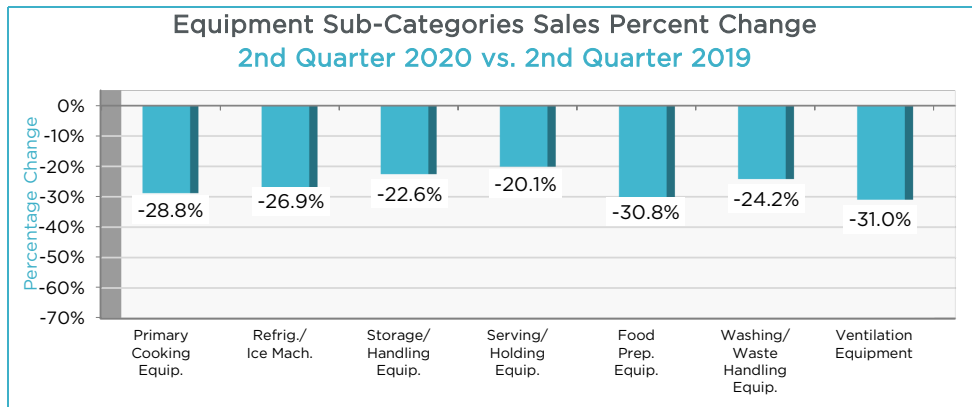
\*The overall industry sales growth is calculated using a weighted average based on the percentage of the total sales volume for the overall industry represented by the various sales categories: Equipment (77%), Supplies (7%), Tabletop (10%), and Furnishings (6%). Market numbers are based on the North American Association of Food Equipment Manufacturers (NAFEM) biennial "Size & Shape of the Industry" study.



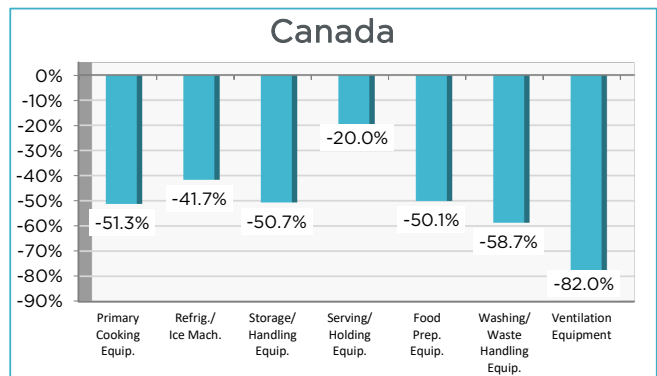
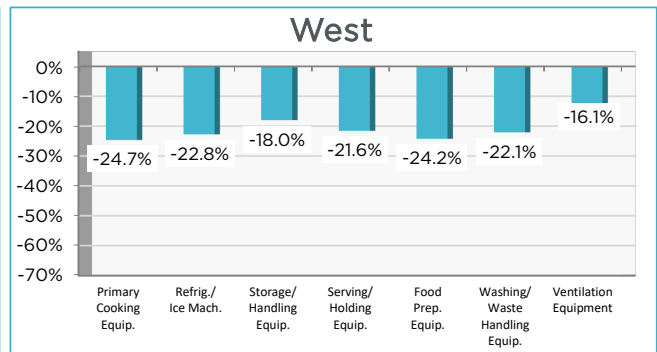
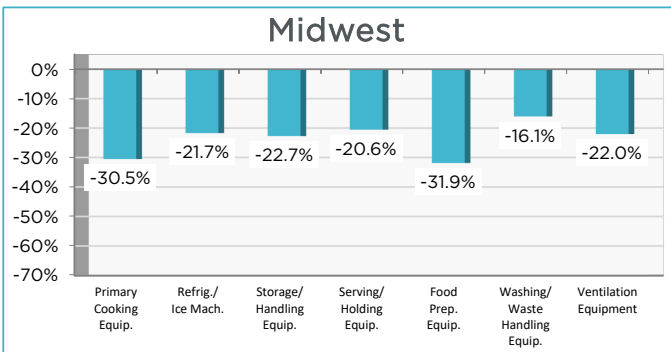
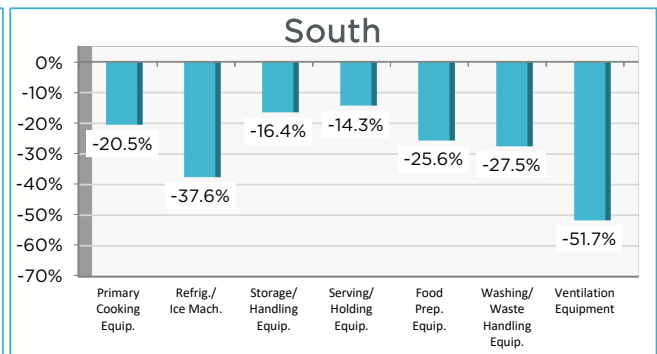
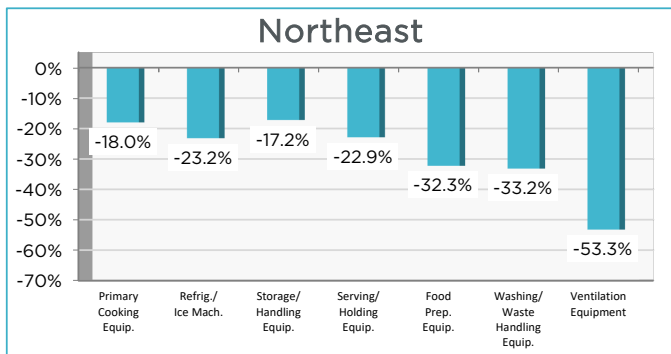


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### Equipment Sub-Categories Sales Percent Change by Region 2nd Quarter 2020 compared to 2nd Quarter 2019 (Apr 1 - Jun 30)



**NORTHEAST includes the states:**

CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT

**SOUTH includes the states:**

AL, AR, FL, GA, LA, MS, NC, OK, SC, TN, TX

**MIDWEST includes the states:**

IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, W. PA, SD, WI, WV

**WEST includes the states:**

AK, AZ, CA, CO, HI, ID, MT, OR, NM, NV, UT, WA, WY

**CANADA includes all provinces and territories in Canada.**

\*The equipment sub-category sales growth is calculated using a weighted average based on the percentage of the equipment sub-category sales volume represented by the various sales categories: Primary Cooking (25%), Refrigeration/Ice Machines (32%), Storage/Handling (9%), Serving (16%), Food Prep (7%), Warewashing (11%) from the (NAFEM) biennial "Size & Shape of the Industry" study. Ventilation not weighted.

PLEASE NOTE: The Business Barometer Report is compiled for the exclusive use of the participating companies and MAFSI members. Oral or written disclosure or publication of the confidential aggregate report, in whole or in part, by the participating companies or MAFSI staff to anyone other than authorized participating companies is expressly prohibited.





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### Category Product List

MAIN CATEGORIES	
<b>Equipment</b> <i>Please note:</i> as of Q315, "Thermometers and Temperature Monitoring Devices" (previously in Food Preparation Equipment) are now in Supplies.	Food Preparation Equipment, Janitorial & Sanitation Equipment, Primary Cooking Equipment, Refrigeration & Ice Machines, Serving & Holding Equipment, Storage & Handling Equipment, Ventilation, Warewashing, Waste Handling Equipment
<b>Supplies</b> <i>Please note:</i> as of Q315, "Menu and Message Boards" (previously calculated in Supplies) are now in Furniture.	Barware, Bakeware, Bins, Bus/Tote Boxes, Buckets (Ice & Wine), Buffetware, Can Openers, Chef Apparel/Shoes, Cleaning Tools, Colanders, Cookware/Pans/Pots, Cutting Boards, Knives/Cutlery Blocks/Sharpeners, Mixing Bowls, Storage Containers, Thermometers/Temperature Measurement/Food Safety, Textiles (Kitchen), Utensils/Tools (Kitchen)
<b>Tabletop</b>	Baskets, Beverage Pitchers/Servers, Candle Holders/Lamps, Candle & Chafing Fuel, Carafes/Decanters, Chafers, Covers, Dinnerware, Drinkware, Flatware, Glassware/Stemware, Linens (Napkins & Tablecloths/Covers), Menu Covers, Salt & Pepper Shakers, Serving Bowls/Plates, Servingware, Trays, Tray Stands
<b>Furniture</b>	Bars (Stationary & Mobile), Benches, Booths, Cabinets (Decor), Chairs, Coat Racks, Drive -Thru/Pass-Thru Windows, Heaters (Patio/Outdoor), Hostess Stands, Menu/Message Boards, Railings & Railings Fittings, Signs/Signage, Stools, Tables, Table Bases, Table Tops, Umbrellas
SUB-CATEGORIES	
<b>Primary Cooking Equipment</b>	Braising Pans, Broilers, Charbroilers, Cook-Chill Systems, Fryers, Griddles, Grills, Hot Dog Grills/Rollers, Microwaves, Oil Filtration Systems, Ovens, Panini Grills, Pasta Cookers, Ranges, Rice Cookers, Smokers, Steam Jacketed Kettles, Steamers, Tilting Skillets, Toasters, Waffle Bakers/Crepe Equipment
<b>Refrigeration &amp; Ice Machines</b>	Air Curtains, Blast Chillers, Compressors, Condensers & Evaporators, Coolers, Doors (Walk-In/Insulated), Drop-In Pan Chillers, Freezers, Ice Cream Cabinets, Ice Machines, Refrigeration, Slush/Smoothie Machines, Soft-Serve Ice Cream/Yogurt Machines, Water Filter Systems
<b>Storage &amp; Handling Equipment</b>	Cabinets, Carts, Conveyor Systems, Covers, Dispensers (non-food), Dollies (Can, Dish, Rack), Food & Ingredient Canisters & Containers, Hand Trucks/Utility Trucks, Meal Delivery Systems, Racks, Receiving Scales, Shelving, Work Tables (Bakers, Cooks, Makeup, Prep, etc.)
<b>Serving &amp; Holding Equipment</b>	Beer Systems, Beverage Dispensers, Carving Stations, Coffee Equipment, Display/Merchandisers, Food Dispensers, Food Shields, Heat Lamps, Kiosks/Mobile Serving Units, Salad/Food Bars, Serving/Buffer Lines, Serving Carts, Soda Fountains, Soup Kettles/Servers, Steam Tables/Hot-Food Tables/Bain Marie, Tea Brewers, Warmers
<b>Food Preparation Equipment</b>	Blenders, Breaders, Bread Slicers, Choppers (Dicers, Graters, Peelers, Non-Bread Slicers), Dough Preparation Equipment, Food Processors, Juice Extractors/Juicing Equipment, Meat Saws, Meat Tenderizers/Marinators, Mixers, Mixer Stands & Tables, Pasta Makers, Popcorn Carts/Machines, Salad/Vegetable Washers & Dryers, Scales, Slicers, Timers, Vacuum-Pack Machines
<b>Warewashing &amp; Waste Handling Equipment</b> <i>Please Note,</i> as of Q416, Sanitation Equipment is included under Janitorial and Sanitation Equipment.	Booster Heaters, Can & Bottle Crushers, Can Washers, Drainboards, Faucets/Spray Units/Washers/Hoses, Flatware-Handling/Recovery Systems, Floor Troughs & Drains, Mats (Anti-Fatigues, Bar, Rubber, etc.), Pulpers & De-Water Equipment, Racks (Warewashing/Dishwashing Racks), Sinks, Tables (Dish), Warewashing/Dishwashing Machines, Waste Bins/Recycling, Waste Compactors, Waste Disposal Systems
<b>Ventilation</b>	Appliance Connectors, Grease/Exhaust Filters, Grease Interceptors, Fire Suppression Systems/Fire Extinguishers, HVAC - Exhaust Systems, Fans, Utility Distribution Systems, Ventilation & Hoods
Janitorial & Sanitation Lines	
<b>New!</b> <b>Janitorial &amp; Sanitation Equipment</b>	Air Blowers/Carpet Dryers, Air Filtration Equipment, Bathroom Faucets and Faucet Systems, Bathroom Stall Doors, Dehumidifying Equipment, Eye Wash Stations, Pressure Washing Systems, Restroom Partitions/Stalls, Floor Scrubbers, Sinks, Toilets, Toilet Flushing Systems, Urinals
<b>New!</b> <b>Janitorial &amp; Sanitation Supplies</b>	Baby Changing Stations, Brooms, Dusts Mops, etc., Brushes (Equipment Cleaning Brushes, Scouring Pads, etc.), Carpet Sweepers, Vacuums, Floor & Carpet Care Products, Carts (Janitorial), Cloths Microfiber, Hand Dryers, Mops, Buckets & Pails, Odor Control Chemicals & Devices, Paper Towel Dispensers, Soaps and Hand Sanitizers, Soap Dispensers, Stall Storage Systems, Toilet Paper and Sanitary Dispensers
<b>New!</b> <b>Disposables</b>	Disposable: Catering Trays and Serving Ware, Cloths Non-Woven, Concession Food Bags, Eco-Friendly Cups, Bowls, Flatware, Lids and Plates, Deli Food Safety Labels, Food Trays & Lids, Foam Food Cups, Bowls and Plates, Gloves, Garbage Bags, Paper Napkins, Paper Cups, Lids and Plates, Placemats (Disposable), Plastic Barware, Plastic Cups, Plates and Lids, Plastic Flatware, Take-Out Containers, Trash Can Liners



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Many thanks to the firms that participated in this quarter's MAFSI Business Barometer:

Allied Technologies Food Equipment	Heartland Reps, LLC	Pro-Quip Foodservice Equipment & Supplies Incorporated
Anderson Foodservice Solutions	Hollander Company	Redco Foodservice Equipment, LLC
Apex Commercial Kitchen Co.	HRI, Inc.	Robert Emig & Associates, Inc.
Apex Marketing	Johnson Pike & Associates, Inc.	Schmid-Dewland Associates Shamrock Foodservice Equipment Reps. Inc
Beacon Sales Group LLC	KBC Specialty Products, Inc.	Southwest Foodservice Equipment Marketing
Bob Waite & Associates	Kelly-Mincks	Specialized
Brittan Associates	Ken W. Thomson Associates Ltd.	stage KOLSTAD associates
Butkevich Associates	Kitchen Resource Group	Stiefel Associates, Inc.
Celco Inc.	KLH Marketing, Inc.	The 2Market Group, Inc.
Charles Pace & Associates	Lake Effect Sales & Marketing	The Burlis-Lawson Group
Chrane Foodservice Solutions	Lund-Iorio, Inc.	The Daly & DeRoma Group, Inc.
Collis Group, Inc.	M2 Foodservice Representatives LLC	The Fischer Group
Davis & Associates, Inc.	MAC Sales & Marketing LTD.	The Pantano and Pinilla Agency, Inc
DJ Marketing & Associates	Marjon & Associates, Inc.	Thormann Associates
Downing Management	Midwest Professional Reps, Inc.	TLC Marketing Inc.
DRC Marketing Group	Mirkovich and Associates, Inc.	Total Source Equipment & Supply
E. Ruff & Associates, Inc.	Nick Mavro & Associates, LLC	Total Tabletop Plus
Eaton Marketing Associates, Inc.	ONE SOURCE	Vader & Landgraf, Inc.
Equipment Preference, Inc. (E.P.I.)	Paglio & Associates, Inc.	Viola Group
Ettinger-Rosini & Associates, Inc.	PBAC & Associates LTD	Voeller & Associates, Inc.
FOCUS Hospitality Sales LLC	PB & J Commercial Agents	W. D. Colledge Co., Ltd.
Equipment	Pecinka Ferri Associates	West Coast Food Service Agencies
Food Service Solutions	Performance Reps Northwest, Inc.	Wyllie Marketing
Forbes, Hever & Wallace, Inc.	Permul Ltd.	YBR Marketing, Inc.
FS1 Inc	Preferred Marketing Group	Zink Foodservice
Gabriel Group LLC	Premier Foodservice Solutions	
GMV Sales Associates	Premier Marketing Group, Inc.	
Greenwald Sales & Marketing, LLC	Professional Reps	