TDA Task Force Collaborative Updates

The Texas Department of Agriculture (TDA) convened a task force to connect the various perspectives to aid in the coordination of activities necessary to successfully resume operations in Fall 2020. The information provided includes feedback from industry manufacturers, school district professionals, distributors, food bank representatives, and cooperative coordinators.



FOOD BANKS

Food banks rely on the generous donations of others to ensure that there is food available for families during times of emergency. During these times, food banks are concerned with the contact that is integral to their normal processes to pack and distribute food. While the economy is reopening, food banks continue to see large lines due to the rising unemployment rates. It is critical that food is available to competitively purchase to supplement the donations received from alternate sources to include TEFAP, the Coronavirus Food Box to Families program, and private donations.

SCHOOLS

The uncertainty of campus operations and structure is the critical factor impacting all other decisions to resume child nutrition programs! Schools must consider existing inventories, procurement contracts, and unknown campus operation standards that will drive delivery mechanism. Many must consider the breadth of individually wrapped (IW) products that may be available and the potential to source new IW products if not currently bid. Do schools need multiple cycle menu plans, one for the start of the school year and another contingent upon "normal" operations? Other considerations include:



- 1. What is the status of waivers and what will meal service look like?
- 2. What inventory is available at distributors/processors and must be used?
- 3. Have forecasts been provided to distributors/manufacturers on products needed, particularly new ones?
- 4. Have new product quantities been forecasted and does the manufacturer have capacity?
- 5. Can we create IW products using bulk inventory readily available in house or at distributors to ensure that planned menus are served? What training will be needed for staff to use bulk product vs. IW?
- 6. Am I planning for the 8-10 week lead time necessary to ensure product availability? Understanding the lead times of the current supply chain is imperative for schools, distributors, and manufacturers.
- 7. Do I know where to find resources to guide my staff to utilize bulk and re-think menu options?
- 8. Do bids contain adequate packaging quantities?
- 9. What equipment is needed to ensure proper social distancing for students and staff?
- 10. Communication plan with distributors, processors, brokers, and TDA.

Child Nutrition staff familiarity with handling and serving portions of bulk foods lends employee stability in trying times, ensures food safety, promotes proven, validated and verified procedures within the established functionality of each district's kitchen product flow, current equipment parameters and storage capacity limits, etc.







MANUFACTURERS

Manufacturers want to balance their desire to be customer friendly, honor distributor agreements, and production capacity. Manufacturers have experienced significant impacts of COVID-19 to include:

- Excess finished goods inventory of bulk product
- Reduced product demand for bulk items and increased demand for IW items
- Manufacturer production limitation to replace bulk items with IW
- Limited to no visibility to forecast production for July/August orders
- Increased challenges of COVID-19 operational protocols, and associated costs with COVID-19 staff screening and new safety measures.

Manufacturers are unique in size and ownership structure thereby affecting responses to the pandemic. For example, smaller locally managed companies may be able to more quickly shift product development decisions. Therefore, it is critical that manufacturers be able to forecast production quantities so that distributors can respond to customer needs and provide the desired items.



DISTRIBUTORS

Distributors are the conduit between manufacturing and serving meals. Distributors are challenged with high inventory levels and demand management. Customers desire to purchase new IW products despite current inventory levels of many products procured based on bids and former menu trends. Distributors must strike a balance between accommodating customer demand and managing inventory, including relationships with manufacturers. Their ability to successfully strike this balance affect the overall ability to fulfill orders to food banks and school districts.

TDA's ROLE

TDA is prepared to continue to facilitate the communication and coordination between affected parties. TDA endeavors to bridge the information gap to ensure awareness of all the consequences associated with delayed decisions. Therefore, TDA has proactively launched efforts to support the various stakeholders impacted by the pandemic. Efforts include continued waiver evaluation and requests, surveys and communication of responses across sectors, increased communication and collaboration with cooperatives and how food show structures may be impacted, and development of educational resources to assist in maximizing operational efficiencies.









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