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Equipment manufacturers that serve the K-12 foodservice market share some of their pandemic-era trials and triumphs. INSPIRES

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A Special Digital Supplement to School Nutrition's Ongoing Coverage of the COVID-19 Pandemic



Equipped with Resilience

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SUPPLY CHAIN

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#COVID19

Equipment manufacturers that serve the K-12 school foodservice market share some of their pandemic-era trials and triumphs.

Over the course of the last year, we've learned a lot about how the COVID-19 pandemic has affected school nutrition professionals—and the partners that support school meal operations. No business stands alone, unaffected by this worldwide event. There's been a great deal of attention on the food and beverage supply chain—on how growers, food processors and distributors are meeting the challenge of getting their products to school districts. But we've heard considerably *less* about the impact on another part of the K-12 supply chain: equipment manufacturers. Until now.

School Nutrition reached out to several longtime vendor partners, asking about how the pandemic has affected their operations—and their sales and support efforts. The good news? With the exception of Zoom fatigue, they all seem to be weathering the challenges with good spirit and optimism for the future. But all is not rainbows and unicorns—and learning from their insights and reflections will help you to strengthen your own business relationships as you finish out this school year and look ahead to the next.



A LOOK BACK

"COVID affected everything in our lives like nothing I'd ever seen. By the time, we all got home from SNA's Legislative Action Conference (LAC), the entire country had ground to a complete halt," recollects Corey Ainsworth, CFSP, Regional Sales Manager, Winston Foodservice, a manufacturer of holding cabinets and ovens that has served the K-12 segment for more than 30 years. "Once we completed the orders we had inhouse, there was almost nothing for a month. By May, things slowly started to pick up, but a lot of it was new build or renovation projects that were already due for completion in 2020. The equipment replacement business was almost nonexistent, as operators held on to reserve cash or diverted it toward program changes to navigate the new COVID world."

John Pennington, Executive Vice President Sales and Marketing/Corporate Chef, AccuTemp Products, a manufacturer of steam equipment, has a similar report. "The trend toward scratchcooking and fresh ingredients was out the window, as many school districts were forced to transition to grab-and-go and more reheat-at-home meals," he notes. "This moved school kitchens away from cooking and caused a downturn in capital equipment spending for cooking equipment."

Mike Burke, SNS, K-12 Ambassador for Vulcan, wistfully recalls travel plans for a post-LAC, 10-day Irish rugby tour that was abruptly cancelled. "Remember, the '15-day quarantine to flatten the curve?" he asks, ruefully. Initially, the company's school business was down only 10% in the first months. "But as schools delayed the return to in-school learning, our segment sales suffered." Vulcan produces foodservice cooking and holding solutions, including ovens, steamers, braising pans, kettles, ranges and holding cabinets and is a long-time supporter of the school market segment.

Fortunately, the future is looking brighter, and Ainsworth, for one, is very encouraged: "K-12 sales are still down, but we have seen significantly more equipment bids and orders over the last six months, which tells me programs are getting healthier, as equipment is usually a 'luxury."

Still, as the pandemic has continued, Ainsworth reveals another challenge for some equipment manufacturers. With quick-serve and to-go restaurant business booming, incoming orders in *that* segment are now higher than they were before the pandemic. "That would ordinarily be great news—and it is!—but we've now gone from a period where we were running lean and cutting par levels of key components and materials to reflect the decrease in orders and revenue to a period where interest and orders are extremely high."

This kind of pivot, he notes, isn't simple. "The global supply chain is decimated and the cost of goods and labor have skyrocketed." It's also





created a huge bottleneck across the manufacturing industry. And the end result for operators? "Abnormally long lead times," Ainsworth explains.

Burke shares this observation. "Even though our school products are designed and assembled in U.S. plants, we have components and subassemblies that are manufactured offshore. Between getting those parts—and the reduced productivity that allowed workers to be socially distanced—lead times started to lengthen." curbside and delivery approaches. "We keep quite a bit of stock on hand, and have East and West coast warehouses, so we were able to ship most of what was needed pretty quickly," she recounts. It meant the whole team—from marketing and sales to customer service and shipping—pitching in to ensure orders were managed as efficiently as possible.

"As the pandemic wore on, we were fielding more and more calls for transport and wheeled

SOMETHING YOU'D BE SURPRISED TO LEARN...

"That foodservice equipment manufacturing was considered 'essential' during the pandemic. Of course food supply is critical any time—especially during a year like 2020—but so is the ability to store, cook, prepare and transport food safely."



—Hailey Elting, Traulsen/ITW Refrigeration

Michael Capretta, Vice President of Sales, Marketing and Customer Care for Cres Cor, echoes this sobering state of affairs. "Many of our supply chain partners have been experiencing labor shortages and raw materials delays, which affect us and others in equipment. Raw material price increases are also a challenge," he says.

Still, Capretta is optimistic about the months ahead. "We are seeing the light at the end of the tunnel." Cres Cor manufactures ovens, heated cabinets, transport cabinets and racks, and the K-12 segment is its largest partner.

ANOTHER VIEW

A spirit of pragmatic candor among equipment vendors is paired with an attitude of confidence and gratitude, especially among those with products that were in high demand during the pandemic.

Cambro is a 70-year-old manufacturer and supplier of a wide range of foodservice equipment, including transport equipment, trays, storage solutions and more. It's been actively involved in the K-12 market for many years. Manager, Non-Commercial Markets Gayle Swain recognizes how fortunate Cambro was to be able to offer many products that helped K-12 customers pivot from congregate feeding to classroom, products to move food from kitchens to distribution areas," says Swain. "I told our reps that 'anything with wheels was king!" Helpful humor aside, "Our K-12 customer sales were a big part of what kept us afloat this past year. We are very grateful for the way everyone supported *us*!"

Like equipment with wheels, refrigeration was a particularly hot commodity for schools during early lockdowns. Fortunately, "Overall, the pandemic has not hindered our ability to supply the K-12 market with quality refrigeration products," reports Hailey Elting, Business Development Manager, ITW North America Refrigeration and Traulsen K-12 Specialist, although she does concede that some "rearranging" was required on production lines to ensure a safe and effective working environment for employees. Traulsen is a manufacturer of refrigeration equipment for more than 80 years, with a longstanding commitment to the K-12 segment.

At Duke Manufacturing, Vice President, Sales– Institutional Business Segment Jim Klimt also looks at the bright side. "Our business is divided into two separate segments or value streams: chains and institutional. The chain value stream, which focuses on independent restaurants, fast casual, quick-serve and convenience stores thrived during the pandemic," he says. While acknowledging the negative impacts of remote



SOMETHING YOU'D BE SURPRISED TO LEARN...

"It's been such a chaotic year, I think we all get caught up with managing our own struggles and forget that everyone is dealing with similar issues. One of these is labor. Between shutdowns, quarantines, layoffs, unemployment and flatout fear, we have all been faced with a shortage of our most important resource: people. For an operator, it may seem like a manufacturer took forever to build and ship their product. But the reality is that the manufacturer is probably waiting on a part from another company, which is probably waiting on a truck or a part from *another* company and so on."—Corey Ainsworth, Winston Foodservice

> learning—lower meal counts and revenue—on K-12 equipment purchasing, he reports that the company's serving system business "remained healthy, buoyed by several innovative new product introductions." Duke is a manufacturer of serving and holding solutions and a 50-year partner with school districts.

Like Traulsen and many other manufacturers, Duke's primary mission during the pandemic "was to protect employees and protect our customers," says Klimt's colleague Jimmy Leist, Business Development Manager, Education Segment. "Through a series of carefully planned initiatives, we were able to accomplish this objective with little or no disruption to the business." Vulcan's Burke notes, "Our company was very good to its salaried and hourly workforce, paying plant staff for 40 hours, regardless of actual hours worked between March and August 2020."

Swain points out that multiple areas of non-commercial foodservice have been compelled to find ways to serve their customers, especially during quarantine lockdowns. "K-12 schools, healthcare, corrections, the military—all had to keep feeding and do so while dealing with labor issues, menu changes, changes in meal service, etc. Equipment vendors stepped up to help with these challenges—and some pivoted *a lot* in the process," she says, adding, "Some cool new products were developed, too."

MASTERING THE VIRTUAL PIVOT

Keeping safe means keeping our distance—and that's a painful consequence for stakeholders all throughout the school nutrition profession. "We all miss seeing each other!" exclaims AccuTemp's Pennington. "The relationships we forge at conferences are cherished by many. There really isn't a good substitute for one-on-one time with someone we'd see at conferences."

Duke's Leist agrees whole-heartedly. "We certainly miss engaging with K-12 operators faceto-face. We have built our business on establishing trusted relationships with K-12 operators, and we long for a time when we are able to rekindle those relationships," he notes, eager for his team to start providing hands-on training and to meet with directors to complete equipment assessments."

As with so many aspects of business in the COVID era, the dearth of in-person visits and events has "caused us to get extra creative," says Traulsen's Elting. "I think it has opened up a

SOMETHING YOU'D BE SURPRISED TO LEARN

"That K-12 ordering habits need to change. This year, bidding and ordering needs to be done earlier than ever to allow manufacturers greater lead time to fulfill orders."—*Michael Capretta, Cres Cor*

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whole new world for effective communication." She cites virtual conference tools, social media, informational videos and podcasts.

Ainsworth agrees that "we've all had to embrace the new virtual world, whether we wanted to or not. 'Zoom fatigue' is real, but it *has* allowed us to reach our customers and market our products in lieu of face-to-face interactions." Winston has updated one of its test kitchens with state-ofthe-art A/V technology to use it for virtual trade shows, menu collaborations, training, troubleshooting and more. "We've also made our website more interactive and increased our social media presence," he notes.

Klimt credits virtual engagement with a focus group of K-12 thought leaders to Duke's being able to successfully launch several new innovative products during the pandemic. While "Selling and engaging with our customer base is vastly different today compared to 2019, we believe we were able to *broaden* our reach to a captive audience to provide a greater number of virtual training and education sessions with operators across the country," he notes, pointing to the company's strategic initiatives and marketing efforts in the digital space. manufacturer, it also sparked increased questions around issues of food safety. "This helped maintain interest and demand for commercial dishwashing equipment," asserts Jerry Socha, Marketing Manager–Warewash for ITW Food Equipment Group, which manufactures commercial dishwashing equipment under the Hobart brand. "We created a Food Safety Factbook full of information, tips and tricks to maintain food safety throughout the pandemic," he notes. The resource is available on the company's website.

Vulcan's Mike Burke makes it a personal priority to stay engaged on social media sites, particularly several Facebook groups (School Nutrition Professionals, Tips for Schools Meals That Rock, School Nutrition Industry Professionals, School Nutrition Masterminds and others). He also regularly attends webinars, state association-hosted interview segments (such as the "Connections" series from SNA of Wisconsin), allied organization discussions (such as with the American Commodity Distribution Association) and independent initiatives, such as "COVID National Call 2.0," hosted by Guilderland (N.Y.) Central School District's Megan Beck. In his role as an industry thought leader, rather than a sales or marketing professional, Burke tries to be a resource for operators by writing and sharing information on general equipment procurement, use and care.

Virtual engagements have pros and cons. Many operators appreciate the savings in travel time and costs that a digital event provides. On the other hand, says Cambro's Swain, "It is definitely more difficult to show and demonstrate equipment virtually." The stress is not all on the part of vendor, either. "When folks are in their office, they are challenged with participating in a virtual event while still being in the throes of daily activities. When we attend a show in person, we are *away* from the distractions of the day and can focus on the experience of the event."

While COVID had an impact on sales for every

SOMETHING YOU'D BE SURPRISED TO LEARN...

"While the increased use of disposable ware has helped many schools adapt their foodservice operations to the challenges of COVID, long term this can add costs and set back sustainability initiatives."—Jerry Socha, Hobart



SOMETHING YOU'D BE SURPRISED TO LEARN...

"We *really* care about child nutrition programs. We work with school nutrition professionals, consultants, health departments and key industry groups to gain as much insight as we can into this segment. Ideas and comments from meetings and events help us to create new products."—*Gayle Swain, Cambro*



She circles back to the most-missed and irreplaceable aspects of in-person gatherings. "Conversations develop organically and you learn so much just by being a part of a group and listening to what innovations people have discovered or challenges they are dealing with. We take ideas back to our corporate teams—and often a needed solution turns into an actual product."

Pennington has concerns about the lasting effects of virtual-centric interaction on the industry. "While many online trainings and virtual tradeshows have been successful, there were many people who simply didn't have time to attend these as they were pivoting their own operations," he notes.

What will happen when restrictions are lifted for in-person events? Many of the challenges will still exist—and air travel costs are already skyrocketing. Some organizations may ban travel for a time. Will operators and vendors alike get out of "the habit" of in-person events in favor of less-expensive and time-consuming virtual options? "It will be interesting to see how conferences fair in general once all restrictions are lifted. I'm sure the great ones, like SNA's Annual National Conference, will continue on, but many will not survive," he muses.

FINAL THOUGHTS

Traulsen's Elting wants *SN* readers to know "that we are not just an equipment provider, but a *solutions* provider," and that's a philosophy that applies across equipment categories to so many of the vendors that serve the K-12 school nutrition channel. Duke's Klimt wants to reiterate how important the K-12 segment is to their business. "We are in it for the long haul and offer to help in any way we can," he says.

Vulcan's Burke echoes this commitment with some advice. "Find good sales equipment reps," he urges. "Not the ones who call you when you are buying, but the ones who are there for you when you are *not* buying, but planning district meetings or needing refresh training for equipment. Those are your keepers."

The longstanding key to successful vendoroperator relationships has always been an attitude of *partnership*. Today, partners need to demonstrate mutual respect and a fair amount of *patience*. "Until there are major corrections in labor and the supply chain, count on long lead times and prepare accordingly," Ainsworth advises. "I would also expect price increases for 2022, if not mid-year 2021, for some. In addition to our labor issues, raw materials and fuel have both gone up significantly, so it's just a matter of time." Burke asks K-12 operators to remember to "Support the equipment reps who support you."

AccuTemp's Pennington wants to leave *SN* readers with a particularly positive takeaway: "While sales were down, many equipment vendors doubled down and reinvested into their manufacturing capabilities, designing new products, improving current products and finding ways for more production efficiencies," he says. "This should result in some exciting new pieces of equipment being released for the K-12 market." **SN**

Patricia Fitzgerald is editor of School Nutrition.

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