Welcome to the MSNA December Industry Chair Report!

I'd like to first welcome Jeremy Kurth back to the Industry Advisory Board (IAB) from a very brief hiatus as terms were clarified. I'd also like to thank outgoing IAB member Janelle Nash of Nardone Brothers Baking Company for her great work and additional time on the committee.

The committee will be meeting later this month to begin planning for 2023.

To provide MSNA members with a better understanding of the current state of the industry, we asked industry members to share their viewpoints.

- The equipment and supplies industry still seems to be in flux. Lead times for some manufacturers have been slowly improving since the onset of the pandemic and since the rise of the subsequent supply chain issues. Some products and/or entire categories are still experiencing much longer lead times than we were used to prior to COVID. While frustrating for everyone, the long lead times could be due to a missing part or parts, which can change from week to week. For example, it may be a thermostat one week, a control board or a shortage of workers the next, or a lack of trucks after that. This can affect all the manufacturers across a given category.
- Some categories have improved greatly e.g., ranges, while others have a longer process, such as convection ovens, some combination ovens, and ice machines. Many manufacturers in the walk-in category have faced long lead times dating back to the winter storms of 2021. Some have rebounded while others have continued to struggle.
- Pricing is also all over the board. The 'old days' of one price increase per year seem to have vanished. We are seeing multiple increases over the course of the year due to the fluctuation of raw materials. In addition, while things like stainless steel continue to fluctuate, there are too many other variables when it comes to controlling pricing, with a major cost issue being the labor force itself and the cost to ship. All of this has led to higher prices and more frequent price increases.
- Please reach out to the equipment & supply reps for details on shortages or other issues. The reps typically have a good idea of what the lead times are for their various manufacturers and can help them find solutions.
- Food and beverages: Please provide your forecast by product SKU, if possible, to your distributor or manufacturer if you order direct. This will provide a higher chance that your orders will be received in full and shortages minimized.
- While the overall supply chain is improving, please be patient with your foodservice distributor and/or manufacturer on supply disruptions. Please also allow flexibility on your menus for possible product substitutions.

I want to give many thanks to the SNIP Conference chairs, Bekah DeJarlais, Upper Lakes Foods and Angel Wagner, Waypoint, and their committee for a successful event! Thank you to those who completed the SNIP post-conference survey. The comments are very valuable and are being utilized to assist with future SNIP conference plans.

Thank you Elite Industry Members, who are listed within this newsletter, for your generous support!

Industry Membership: Renewals for 2023 shall be sent to inboxes by the end of December. If you'd like to become an Industry member or upgrade your level, please visit our <u>website</u> for benefits and other information. Please email <u>MSNA@fusionLP.org</u> with any membership questions.

Thank you!

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