



## ACS SURVEY KEY FINDINGS

### How Is the COVID-19 Pandemic Impacting Your Business and the American Cheese Industry?

In May 2020, the American Cheese Society (ACS) surveyed 980 artisan cheese community members including cheesemakers, cheesemongers, retailers, buyers and other industry stakeholders to gauge the impact of the COVID-19 pandemic on the American cheese industry. Initial findings from the survey are below.

#### DEMOGRAPHIC DATA

Please select the one description that best describes your role.

Answer Choices	Responses
I am the founder or owner of a business that crafts cheese.	15.10%
I am the CEO, President or other executive	9.80%
I am in sales/marketing	13.57%
I am a buyer	9.39%
I am a cheesemaker	5.92%
I am a cheesemonger	24.80%
I am a consultant	2.14%
I am a writer	0.92%
I work in food safety, quality control or related areas	1.84%
I am in product development	0.71%
I am a farmer or livestock manager	1.02%
I am an educator or trainer	3.98%
I am a chef	1.84%
Other	8.98%

Please select your business type.

Answer Choices	Responses
Artisan Producer	14%
Farmstead Producer	16%
Specialty Producer	5%
Retailer	41%
Distributor	8%
Buyer	1%
Other (please specify)	15%

## **INDUSTRY IMPACT**

**Across the industry, stakeholders are feeling the impacts of COVID-19.\***

- 68% of respondents reported that their business was negatively impacted by COVID-19.
- 58% of respondents reported a decrease in overall sales.

**Loss of sales to the food service and restaurant markets have significantly impacted cheesemakers, as well as loss of inventory and future orders.\***

- 49% of respondents reported loss of sales to the food service market.
- 51.5% reported loss of sales to the restaurant market.
- 49.5% reported other loss of sales.
- 37% reported loss of future orders.
- 34% reported inventory loss.

**Surveyed members also reported significant disruption to both supply chain and distribution chain.\***

- 47.5% of respondents reported supply chain disruption.
- 41% reported distribution chain disruption.

**Respondents confirmed that COVID-19 has had a marked impact on the fiscal health of the American cheese industry, as stakeholders balanced issues like cash flow management, staff management and loan applications.\***

- 71% of respondents applied for debt relief or financial assistance.
- 30% laid off or furloughed employees and 48% reduced employee hours.

**Survey respondents took the below actions in response to the impact of the COVID-19 crisis.\***

Answer Choices	Responses
Reduced hours for employees	47.93%
Laid off or furloughed employees	30.41%
Applied for debt relief	28.47%
Applied for financial assistance	42.34%
Delayed payment of regular bills	26.03%
Closed business temporarily	16.30%
Closed business permanently	0.73%

## **LOOKING AHEAD**

**Despite challenges, members are pivoting swiftly to change their business models, explore new packaging methods and distribute more product direct to consumer.\***

- 57.5% identified new distribution methods for products
- 50% of respondents reported an increase in e-commerce sales
- 59.5% noted a change in delivery methods of products due to market shifts

**Although ACS members agree that there will be a new normal for the artisan cheese industry, they are rising to the challenge and finding new ways to innovate. \***

- 61.5% agree that the new normal for cheese production in the US will be very different from the past model.
  - 23% anticipate it will take 0-3 months before seeing positive impacts from economic stimulus packages and efforts to support businesses on their operations.
  - 31% anticipate it will take 4-12 months before seeing positive impacts.
  - 16.5% anticipate it will take over 1 year before seeing positive impacts.
  - 10% do not believe business will return to normal.
- 73% agree that this is an opportunity to pause and improve how their businesses work.
- 73.5% agree that there is a chance to reach new customers who are interested in ways to support their community.
- 76% agree that they have the resources needed to support themselves and their families. This is a positive and encouraging sign for the future.

*\*Survey respondents were given the option to select multiple answers.*