

# Compounding Crises

Top Ten Topics: **Second Quarter 2020**



COVID-19 drove conversations throughout the second quarter of 2020, upending previous trends in influential discussions. During this first full quarter under pandemic conditions, and the resultant restrictions on business operations, hunger and workforce concerns emerged front-and-center. Safety and compensation drove conversations around workers who maintained their jobs, while food insecurity increasingly affected those who lost them.

As the quarter progressed, the country moved unevenly toward reopening restaurants and other businesses. Even as some sectors adapted, others struggled under the strain of COVID-19 outbreaks. The rankings reflect these difficulties, as four of

the Top Ten Topics hinged on discussions of supply chains: international trade, protein processing, niche production and global food supply. This upheaval prompted many influential voices to examine tradeoffs between efficiency and resiliency.

Compounding the crisis with another layer of national turmoil, a wave of protests shifted conversations following the May 25 killing of George Floyd. While protests disrupted some retail and foodservice businesses, the entire industry faced a broader reckoning with racism. Many companies rose to the occasion by reflecting, realigning and even rebranding. We dive into the topic further on [Page 6](#).

# 1. U.S. Hunger

## Food-related welfare policy and food insecurity in the United States



Mass unemployment caused by the coronavirus crisis led to a sharp rise in food insecurity, boosting hunger to the top spot of our rankings for the first time since 2013. The Brookings Institute [analyzed](#) food insecurity data for April and [followed up](#) with June numbers. In

both cases, more than 16% of households responded that their children faced hunger — compared with 3.1% in 2018. Politico [emphasized](#) that the crisis hit communities of color harder: 39% of Black and 37% of Hispanic households with children suffer from food insecurity.

To combat the hunger crisis and provide an alternative to disrupted supply chains, the USDA on April 17 [announced](#) the Farmers to Families Food Box Program, which set aside \$3 billion to purchase meat, dairy and produce from farms and distribute those products to food banks and nonprofits. Media outlets focused on inefficiencies in the program: San Antonio Express-News [reported](#) that a local event-planning company failed to deliver on

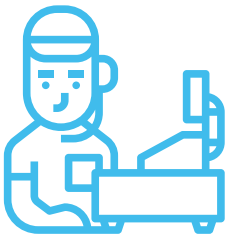
a \$39 million contract and The Counter [noted](#) that the food box program fell 25% short of its June 30 goal. Chef and philanthropist José Andrés [offered](#) a more optimistic take: “It’s no small task to distribute billions of dollars of perishable food in a way that also helps the ag sector. But we must aim for the best we can, better each day!”

Anti-hunger groups largely recommended that USDA instead bolster the Supplemental Nutrition Assistance Program (SNAP, aka food stamps). In a June 18 letter, more than 2,400 organizations [urged](#) Congress to boost SNAP benefits by 15% and suspend eligibility cuts, citing the health and economic benefits of the policy. Civil Eats [highlighted](#) the modernization of SNAP benefits by allowing online purchases — a policy adopted by 36 states and the District of Columbia.

In addition to government efforts, a wide array of food companies also pitched in. Triple Pundit [showcased](#) large CPG companies, Meatingplace [rounded up](#) meat industry contributions and Eater [profiled](#) restaurants that donated food and labor.

# 2. Workforce

## Pay, benefits and safety of workers



For the second quarter in a row, the labor needed to support the food system garnered significant attention. Health, safety and compensation emerged as topics for workers in foodservice, processing and cultivation.

With restaurants forced to close, the foodservice industry took the biggest hit in job losses. The National Restaurant Association [estimated](#) on May 9 that employment in foodservice reached its lowest point since 1989, with 6 million jobs lost. The organization [published](#) a “Blueprint for Recovery” aimed at legislators, advocating on behalf of the nation’s second-largest private sector employer. On April 28, Financial Times [reported](#) that many restaurant chains, including Shake Shack and Ruth’s Chris Steak House, were “highly likely” to return government Paycheck Protection Program funds after receiving harsh criticism.

Workers infected with COVID-19 forced many meat processing plants to close and sanitize by mid-April, heavily stressing the meat supply. On April 28, President Trump [issued](#) an Executive Order under the Defense Production Act to direct meat and poultry companies to “continue operations uninterrupted to the maximum extent possible.” On June 24, The Counter [recapped](#) the situation, quoting a United Food and Commercial Workers Union estimate of more than 13,000 infected workers and 57 deaths. In an open letter in The New York Times, Tyson Foods, Inc., board chairman John Tyson [expressed](#) the need to balance food production with concerns for worker safety and health. Trade publication Meat+Poultry [mapped](#) which plants closed, and when. Toward the end of the quarter, with meat processing workers on the mend, attention turned to farm fields ([Politico](#)), food processors ([Environmental Working Group](#)) and fishing enterprises ([NPR](#)) — all of which involve people working and living in close proximity.

**IF WORKERS ARE CONSIDERED ASSETS, THEN THE QUESTION IS THE EXTENT TO WHICH COMPANIES ARE WILLING TO INVEST IN THEIR HEALTH AND SAFETY. ... MAKE NO MISTAKE: IN THE HERE AND NOW, COVID-19 REQUIRES DECISIONS THAT TEST THE INDUSTRY’S MORAL FOUNDATION.**

— TOM JOHNSTON, MANAGING EDITOR, MEATINGPLACE

### 3. Human Health

#### Diet-related health conditions, including obesity, diabetes and hypertension



Discussions of health concerns primarily centered on how diets changed during the coronavirus crisis. Andrew Rundle, DrPH, an associate professor of epidemiology at Columbia University, [warned](#) that school closures could lead to a rise in childhood obesity. The

Lunch Tray blogger Bettina Elias Siegel [called out](#) the danger of “comfort food” as a coping mechanism, particularly for low-income families. Sources ranging from [Joseph Mercola](#) to [Harvard University’s](#) Lilian Cheung promoted dietary choices to boost immune function. Center for Science in the Public Interest (CSPI) President Peter Lurie, MD, [countered](#): “No single food or vitamin can fire up your immune system

or render you immune to coronavirus infection.” Indeed, the FDA [sent](#) 67 warning letters to food and supplement makers for fraudulently claiming to prevent or treat COVID-19.

Separately, the 2020 Dietary Guidelines Advisory Committee garnered attention for ongoing efforts to update the quinquennial dietary guidelines. Nutrition Coalition Executive Director Nina Teicholz [raised](#) concerns that the committee did not have enough time to complete its scientific review and that some evidence had been excluded. Food Politics blogger Marion Nestle [shared](#) a Corporate Accountability report that [alleges](#) industry influence in the process. The committee [published](#) its draft recommendations on June 17, drawing support from [CSPI](#) as well as [meat and dairy](#) industry groups (Feedstuffs).

**NOT ONLY DO [LOW-INCOME] FAMILIES TYPICALLY HAVE LESS ACCESS TO HEALTHIER FOOD ... IF CRUSHING STRESS WAS THE HALLMARK OF YOUR DAILY LIFE EVEN BEFORE THE PANDEMIC, WHEN EXACTLY IS A GOOD TIME TO FOCUS ON HEALTHY EATING AND EXERCISE?**

**BETTINA ELIAS SIEGEL, THE LUNCH TRAY**

### 4. International Trade

#### Imports and exports of food and agricultural products



With mounting economic fallout, agriculturalists and government leaders pushed for progress on exports amid the pandemic. Discussing the “Phase One” trade agreement with China, Agri-Pulse [hinted](#) in April that agriculture exports were tracking below

expectations, and Feedstuffs [released](#) estimates in June showing purchases were off by as much as 60%. President Trump [fueled](#) tensions when he threatened new tariffs on Chinese goods in coronavirus-related retaliation (Reuters). The New York Times [pointed out](#), “A record amount of pork produced in the United States — 129,000 tons — was exported to China in April.” Reuters [elaborated](#) on the issue when Sens. Elizabeth Warren (D-Mass.) and Cory Booker (D-N.J.) asked leading meat companies to disclose meat exports to China during the outbreak when domestic supply was tight. However, USA Today [found](#) on June 14 that exports did not endanger U.S. supplies. On June 25, China [imposed](#) food import policies requiring companies to declare products free from COVID contamination (The Wall Street Journal).

On other fronts, the United States and other major food exporting countries in the World Trade Organization

[agreed](#) to keep food and agricultural trade open to minimize disruptions to global food supply, according to Bloomberg. Meanwhile, trade talks between U.S. and U.K. officials [continued](#) with agricultural goods as a key topic of debate (Agri-Pulse). The American Farm Bureau Federation [heralded](#) the July 1 start date for the United States-Mexico-Canada Agreement (USMCA) for providing an “expected \$2 billion annual increase in U.S. agricultural exports and overall increase of \$65 billion in gross domestic product.”



## 5. Food Safety

### Foodborne illness, related recalls and regulation



Food safety spiked as COVID-19-related concerns grew among influential voices. The FDA [relaxed](#) labeling policies to accommodate shifts in demand, while CDC [stated](#) in April that COVID-19 does not spread through food. The Pew Charitable Trusts [published](#) a

Q&A on the safety of the nation's food supply. After USDA adjusted how its inspectors cover plants, Food & Water Watch [criticized](#) the agency for "removing safeguards on food while everyone else is fighting a pandemic." Meat+Poultry [explored](#) how inspections changed during the pandemic.

Food Business News [shared](#) first quarter recall data from Stericycle Expert Solutions, showing a 78.6% drop in USDA recalls. In a May 1 report, the CDC [found](#) that incidents of foodborne illness rose for most pathogens but noted that the spread of *Salmonella* infections had [slowed](#) due to increased use of vaccines in poultry flocks (The Poultry Site). The FDA [completed](#) an investigation into *E. coli* outbreaks linked to leafy greens, attributing the contamination to the close proximity of livestock and lettuce operations. On June 27, Fresh Express [recalled](#) bagged salad products linked to a multi-state *Cyclospora* outbreak. In a Meetingplace opinion, legal consultant Shawn Stevens [discussed](#) the business impacts of proposed testing for strains of *E. coli*.

## 6. Protein

### Protein as a nutrient and its role in human diets



Demand for protein — from meat and eggs as well as plant-based alternatives — put unprecedented pressure on retail outlets as foodservice outlets closed. Several major meat processing plants temporarily closed due to workers infected with COVID-19 (see Workforce, above). This tightened

the supply of beef, pork and poultry products, with pork processing suffering the most significant closures. By mid-June, the closures and erratic consumer shopping habits caused further meat price increases ([CNN](#)). Similarly, Food Dive [analyzed](#) egg volatility as the coronavirus pandemic sent prices to a high of \$3 per dozen. Downstream channels felt the kink in the protein supply chain, with retailers Costco Wholesale Corporation and The Kroger Co. ([Food Processing](#))

limiting how many meat items consumers could purchase and The Wendy's Company running short on its never-frozen beef items — prompting many "Where's the beef?" wisecracks ([Nation's Restaurant News](#)).

Prior to the coronavirus crisis, plant-based protein products enjoyed a super-sized share of discussion, which re-engaged in May as animal protein supplies shrank in stores and restaurants. Kroger [announced](#) that 1,700 of its stores will carry Impossible Burgers (Supermarket News). Beyond Meat [launched](#) "value packs" of Beyond Burgers to compete on price. [Burger King](#) and [Starbucks](#) both launched plant-based breakfast sandwiches using Impossible Foods' products. Category newcomer Kellogg Company [delayed](#) its Incogmeato brand debut (Food Ingredients 1st). Former Quartz journalist Chase Purdy [launched](#) his Pluripotent blog in May to track developments in the field of cell-cultured protein.

## 7. Stewardship

### Environmental management of the land, water and air quality on and around farms and ranches



Agriculturalists, corporations and legislators took time to address farm stewardship practices, despite the level of attention demanded by the pandemic. Part of this stemmed from the 50th anniversary of Earth Day on April 22. Animal Agriculture Alliance [published](#) an updated "Sustainability Impact Report." Civil Eats editor

Naomi Starkman [shared](#) a High Country News opinion piece by Gary Paul Nabhan that [advocated](#) for regenerative farming practices. Cargill, Inc., [tweeted](#), "Every day is Earth Day for farmers and ranchers, even in these uncertain times."

A bipartisan group of senators [introduced](#) the Growing Climate Solutions Act on June 4, including provisions for farmers to generate carbon credits for adhering to certain stewardship practices. The Environmental Defense Fund [praised](#) the bill for "[Ensuring] farms and rural communities thrive in a changing climate." The bill also drew support from the [National Corn Growers Association](#), [National Pork Producers Council](#) and [Sustainable Food Policy Alliance](#) (comprised of Danone North America; Mars, Inc.; Nestlé USA; and Unilever U.S.). Corteva Agriscience [punctuated](#) its support of the bill with its 2030 sustainability goals to [boost](#) biodiversity and [decrease](#) greenhouse gas emissions while increasing yield.

## 8. Niche Food Production

### Nonconventional production practices and smaller producers/processors



As large food companies struggled to maintain supply chains during the pandemic, smaller producers and processors stepped in to fill the gaps. The Counter [reported](#) that community supported agriculture (CSA) memberships increased sharply

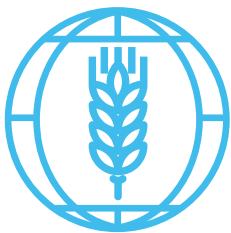
in the first six weeks of the pandemic. New York Times editor Isvett Verde [featured](#) rising interest in farm stands and Florida produce farmers' efforts to distribute produce that would otherwise have been bound for foodservice venues. GreenBiz [showcased](#) the resiliency of smaller dairy cooperatives. Bloomberg's Deena Shanker [profiled](#) indoor

farming outfit Gotham Greens and its ability to meet local demands in urban settings.

Smaller meat and poultry processors, in particular, fared well compared with their larger counterparts. Smaller meatpackers faced lower risks of infection as major operations [shut down](#) (NPR). Animal welfare expert Temple Grandin [summed up](#) a key tradeoff in a Forbes article: "Big suppliers are low cost, efficient and fragile. More numerous local producers are more expensive, but the entire supply is more robust." With this in mind, a bipartisan group of senators [urged](#) Agriculture Secretary Sonny Perdue to loosen regulations on smaller processors to help boost resiliency.

## 9. Global Food Supply

### Availability and distribution of food to a growing global population



For the first time since The Intel Distillery began tracking leading food topics and discussions, the global food supply made the Top Ten list. It took a pandemic to move the issue from a narrow discussion among food producers to a key concern for many across the food production chain.

In addition to struggles with COVID-19 outbreaks in the workforce, many countries introduced protectionist rules to limit trade and immigration. The National Council of Farmer Cooperatives [worried](#) that the U.S. agricultural system would suffer from reduced laborers without immigration. Meanwhile, European countries [attempted](#) to shift unemployed workers to jobs typically performed

**NOW IS THE TIME TO SHOW SOLIDARITY, ACT RESPONSIBLY AND ADHERE TO OUR COMMON GOAL OF ENHANCING FOOD SECURITY, FOOD SAFETY AND NUTRITION AND IMPROVING THE GENERAL WELFARE OF PEOPLE AROUND THE WORLD.**

- **QU DONGYU, TEDROS ADHANOM GHEBREYESUS AND ROBERTO AZEVÉDO, DIRECTORS-GENERAL OF FAO, WHO AND WTO (JOINT STATEMENT)**

by immigrants (The Wall Street Journal). Nonprofit organizations, such as Oxfam, [warned](#) that, without international cooperation, the pandemic could plunge half a billion people into poverty and food insecurity. On May 18, a coalition of dairy industry groups [called for](#) the USDA to "provide a lifeline for regions where food is needed while supplying an additional outlet for American farmers to share their abundance of dairy products."

## 10. Pesticides

### Herbicides, fungicides, insecticides and other forms of pest management



Scrutiny of herbicide use on farms primarily drew attention due to legal battles toward the end of the quarter. On June 3, a federal appeals court [vacated](#) EPA's conditional approval of dicamba, explaining: "The EPA substantially understated the risks

it acknowledged, and it entirely failed to acknowledge other risks." On June 8, EPA Administrator Andrew Wheeler [issued](#) a statement clarifying that the herbicide could no longer be sold, but farmers may still use existing supplies until July 31. American Farm Bureau Federation President Zippy

Duvall [thanked](#) the EPA for protecting farmers. Center for Food Safety, one of the groups that sued the EPA, [filed](#) an emergency hearing to overturn the EPA action, stating: "EPA needs a lesson in separation of powers." The motion [failed](#).

On June 22, a federal judge [blocked](#) California from placing warning labels on products containing glyphosate (the active ingredient in Bayer AG's Roundup), as the labels are "not backed up by regulatory findings." On June 24, Bayer [set aside](#) \$10.9 billion for settling class action lawsuits that link glyphosate to non-Hodgkin's lymphoma. However, the company did not admit wrongdoing and continues to fight earlier lawsuits in appeals courts. [NOTE: Bayer [readjusted](#) the settlement in July.]

# Reflecting on Racism in Food Production

In addition to addressing coronavirus-related challenges, major food companies sorted through a major shift in conversations and turned to address racism throughout the industry. Protests following the May 25 killing of George Floyd brought about broad examination of systemic racism that called out food industry practices and policies.

Civil Eats writer Gosia Wozniacka [explained](#) historical and current-day barriers to racial equality in agriculture. CNN [examined](#) why supermarkets underserve Black communities. And worker advocacy group Fight for \$15 [emphasized](#) the disproportionately high number of Black workers in the foodservice industry.

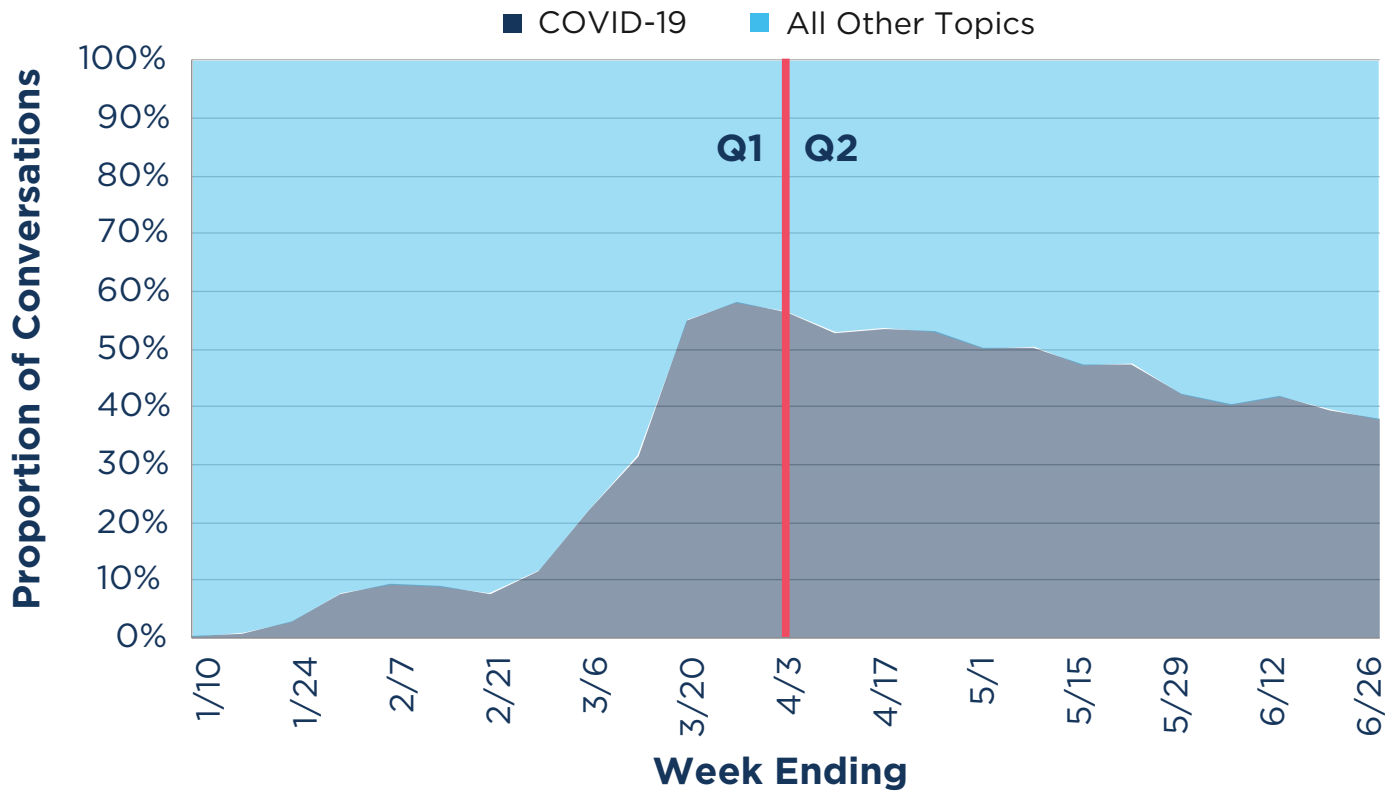
An array of large food companies — from [Mondelēz](#) to [McDonald's](#) — offered solidarity with Black Lives Matter

protesters. New York Times restaurant critic Tejal Rao [questioned](#) whether companies intended to follow up on commitments posted on social media. But leaders stepped up with concrete plans to address racism. Kellogg Company [doubled](#) its support of the NAACP. Walmart CEO Doug McMillon [outlined](#) specific initiatives and changes to hiring practices. And several companies rebranded controversial product lines: [PepsiCo's](#) Aunt Jemima, [Mars, Inc.'s](#) Uncle Ben's, [ConAgra Foods' Mrs. Butterworth](#) and [Dreyer's Eskimo Pie](#).

On July 3, Politico [reported](#) that more than 800 brands boycotted advertising on Facebook to force Facebook to regulate hate speech, including racist language, more strictly. Food brands ranging from Chobani and Clif Bar to PepsiCo and Unilever [joined](#) the campaign.

## COVID's Continuing Conversation Dominance

In our first quarter report, we [shared](#) findings that attention to the COVID-19 pandemic overtook the sum total of all other food production conversations at the end of March. As the second quarter progressed, this proportion fell, but continued to outstrip individual issues by a wide margin. Even as operations have stabilized, the magnitude of the pandemic's impact on food production remains profound. While the full report illustrates many facets of food production that have been affected, the chart below can help to put things in perspective.



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