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Food supply chains are in shock

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Food supply chains around the world have experienced the impact of the pandemic. A combination of factors has triggered food surplus,^[1] bottlenecks^[2] and other logistics challenges and scarcity.

The primary factor is the dramatic shift in demand: Restaurants, hotels, cafeterias and other wholesale buyers have reduced orders while consumers have not only increased demand for groceries, but also adapted to conditions by moving online to purchase what they need. Additionally, people struggling with food insecurity who are normally served by food banks have also been affected by the pandemic.^[3]

Attempting to meet this shift has revealed the “divided supply chain” — one serving customers and the other serving businesses. According to *The Wall Street Journal*,

Experts say the gap between the industrial and consumer supply chains grows larger at virtually every step of the process. Erasing the differences, they say, would require expensive investment with little promise of a payoff over the long term. Wholesalers that sell to both retail and food-service customers can try and leverage existing relationships with grocers to offload some bulk products. But stores configured to sell consumer-size goods may not have space to store and display hefty sacks of rice and giant jars of mayonnaise.^[4]

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