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Contact:

[Charlie Souhrada](#), CFSP, vice president,  
Regulatory and Technical Affairs  
+1.312.821.0212

**U.S. foodservice equipment and supplies manufacturers  
face unprecedented, concurrent supply chain pressures**

**Chicago, Sept. 23, 2021** – Supply chain issues caused by component shortages, shipping challenges and tariffs continue to plague manufacturers in the \$15 billion<sup>1</sup> U.S. foodservice equipment and supplies industry. These ongoing disruptions impact the ability of businesses to compete, grow, control costs, fulfill orders and, ultimately, maintain employees. More than 96% of respondents to a recent member survey<sup>2</sup> of the North American Association of Food Equipment Manufacturers (NAFEM), face escalating supply chain issues.

“These unprecedented, concurrent pressures on the industry continue to increase,” said NAFEM Vice President, Regulatory & Technical Affairs Charlie Souhrada, CFSP. “Tariffs, shortages and shipping delays all hamper the industry’s ability to meet the equipment and supplies needs of the \$931+ billion food-away-from home market<sup>3</sup>, including more than one million locations in the U.S. and countless more around the world.”

Supply shortages and the rising costs of shipping are members’ most-pressing concerns in the current August and earlier, April, surveys. While the order of issues impacting members changed slightly in the past four months, tariffs on imported metals and goods from China and shipping delays round out the industry’s concerns.

Rate the following supply chain issues in order of impact on your business (1=highest, 5=lowest)		
August 2021		April 2021
1	Supply shortages	1
2	Rising costs of shipping	2
	Section 301 tariffs on imports from China	4
3	Section 232 tariffs on imported steel/aluminum	5
4	International shipping delays	3

<sup>1</sup> NAFEM 2020 Size and Shape of the Industry Study, [www.nafem.org](http://www.nafem.org)

<sup>2</sup> NAFEM surveyed 401 member company contacts from Aug. 9-Sept. 3, 2021. Results represent a 13% response rate. Data was compared against an earlier survey of 400 member companies fielded April 5-16, 2021 with a 10% response rate.

<sup>3</sup> <https://www.fb.org/market-intel/how-consumers-purchase-food-is-changing>

Limited access to essential steel and aluminum, the industry's most cumbersome supply challenge, increased from 52% in April to 75% in August. Shortages of plastics, polyurethane/foam insulation and semi-conductors increased as well. These supply shortages are impacting respondents' abilities to control costs (100%), fulfill orders (92%), grow (83%), compete (63%) and maintain their workforce (31%).

The Section 301 tariffs on imports from China also are hurting members' businesses. More than 76% of those surveyed report supply issues on Chinese imports, up from 60% in April. Tariffs are impacting NAFEM members' abilities to fulfill orders (97%), control costs (95%), grow (87%), compete (69%) and maintain their workforce (22%).

Shipping issues further exacerbate members' challenges. From April to August, members were burdened by worsening delays in domestic transportation – including intermodal, rail, or truck. Delays also have increased in air and ocean freight.

"NAFEM and its members are working closely with elected and appointed officials to address these challenges," said Souhrada. "Our members provide good-paying manufacturing jobs across the country. Keeping them and our country competitive is our top priority."

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**NAFEM** is a trade association of more than 600 foodservice equipment and supplies manufacturers providing products for food preparation, cooking, storage and table service. For more information, visit [www.nafem.org](http://www.nafem.org).