

The Food & Beverage Industry and the COVID-19 Pandemic

The global pandemic has affected not only how individuals work but also the way companies supply food, how consumers shop, and how regulators try to alleviate food shortages during the pandemic. Here are some of the biggest developments thus far. **MASSIVE DISRUPTIONS IN THE FOOD SUPPLY CHAIN** During the pandemic, demand for food products in the retail sector has grown dramatically while use of food products destined for foodservice locations—such as hotels, universities, and restaurants—declined precipitously. Regulatory agencies have recognized the challenges posed by the pandemic's disruption of food supply channels and implemented temporary policies to support food businesses and consumers. **SECURING FOOD WORK ENVIRONMENTS** From agriculture to food processing and retail, much of the food sector and its workforce have been designated as essential during the pandemic. Food businesses are employers and have employment law obligations. Federal agencies, including the FDA and OSHA, have issued guidance to food businesses to develop and assess COVID-19 control plans to assist the industry in protecting employee health during the pandemic. **TEMPORARY REGULATORY FLEXIBILITY** Promoting the safe and efficient production of food during the pandemic has been a priority for both businesses and regulators. Among other things, the FDA and USDA have issued temporary policies allowing: many foods not labeled for retail sale to nonetheless be sold directly to consumers; minor product formulation changes to adapt to supply shocks; and temporary relaxation of mandatory menu labeling requirements for chain restaurants. **INCREASED FOOD INSECURITY** Food insecurity rates have significantly increased during the pandemic. The USDA has expanded the use of SNAP (food stamp) benefits for online grocery purchases, which is likely to lead to permanent changes in how shoppers use such benefits. **LOOKING AHEAD: WHAT'S NEXT?** Regulators, businesses, and consumers are adjusting to the realities of the COVID-19 pandemic, and some of the changes implemented during this emergency period may lead to long-term shifts. Based in part on temporary policies during the crisis, the Consumer Brands Association has identified 10 policy areas ripe for change in a post-pandemic environment, such as expanding digital disclosure of product information and maintaining flexibility in food labeling to facilitate transfer of food products between the retail and foodservice channels.

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