

MARKETING YEAR
2020-2021*

FOODSERVICE VOLUMETRIC REPORT

Potatoes
USA

HIGHLIGHTS



THE 2020/2021 MARKETING YEAR

Experienced dramatic changes for the foodservice industry. These impacted sales of potatoes to this sector.

10.0 BILLION POUNDS SOLD
in foodservice in MY21

Compared to \$10.7 billion pounds in MY20.
In MY19, the total foodservice potato market declined from 12.4B (2019) to 10.0B (2021).

While restaurant sales took a significant hit in 2020/21, potatoes outperformed the foodservice industry as a whole.



POTATOES OUTPERFORMED FOODSERVICE INDUSTRY

Potatoes -7.1% Foodservice -7.5%

Least impacted by the pandemic

LIMITED SERVICE RESTAURANTS (LSR)

continue to represent the largest share of foodservice potato volume.

Good news: LSR'S gained in potato volume in 2021 as this segment has experienced strong performance, also gaining in volume share.

+5 PTS in MY21 to 52% SHARE

The overall decline in potatoes has slowed since MY20, driven by lower rates of decline in whole fresh and frozen forms. Refrigerated and dehydrated formats declined in MY21 due to their heavier concentration in segments which continue to struggle (noncommercial, travel & leisure). Chips have also seen an increase in declines in MY21, in part due to Subway restaurant's continued challenges.

KEY FINDINGS



FROZEN

6,397 MILLION POUNDS SOLD
-256M lbs from MY20
-1,001M lbs from MY19

Since MY19, frozen potatoes have gained 4 percentage points in volume share, now representing 64% of all potato products. Its concentration in the LSR segment has driven this share increase.

Frozen potatoes lost the most pounds but declined the least in percent in 2021. In fact, French fry volume is up 122 million pounds to LSR.

The sectors with the biggest losses were:

Breakfast products continued to decline in 2021 due to the struggling breakfast segment (there were less commuters and travelers): hash browns (formed -8%, loose -14% YOY), other breakfast potatoes (-15% YOY).



FRESH

2,894 MILLION POUNDS SOLD
-344M lbs from MY20
-1,121M lbs from MY19

Fresh whole potatoes saw the greatest decrease in the Full-Service Restaurant channel (FSR), which represents the largest share of whole fresh volume. The FSR channel struggled throughout the pandemic due to closures and capacity limits, but is slowly beginning to recover.

Travel & leisure also recorded significant declines with whole fresh potatoes.



KEY FINDINGS (continued)



REFRIGERATED

REFRIGERATED
POTATOES
FOODSERVICE
SALES

255
MILLION POUNDS

-71M lbs from MY20
-123M lbs from MY19

Refrigerated potatoes volume declined most in the travel and leisure segment (-58%), with several other Beyond Restaurant segments also seeing high percentage declines.



CHIPS



266
MILLION POUNDS
CHIPS SOLD

-61M lbs from MY20
-109M lbs from MY19

Despite decreasing in volume, potato chip dollars are up considerably due to a major shift toward single serve versus bulk pack items, as off-premise became a key force during the pandemic.



DEHYDRATED

153 MILLION
POUNDS
SOLD

-31M lbs from MY20
-62M lbs from MY19



DEHYDRATED POTATOES VOLUME DECLINE IN SEGMENTS HIT PARTICULARLY HARD BY THE PANDEMIC

-13% Full-Service

-44% Travel and Leisure

-46% Business and Industry

Mashed potatoes represent over 60% of dehydrated potato volume
and saw the greatest decline in terms of absolute poundage

METHODOLOGY

- The objective of this study is to measure the potato volume data during marketing year 2021 in the United States foodservice marketplace.
- A structured survey of foodservice operators representing all segments was conducted to gather potato volumes and format usage, including channel interviews with distributors to gather information on volume, trends and analysis of foodservice distributor potato sales data to 150,000 operators.
- This study was conducted by Technomic, Inc. in August 2021 to reflect potato usage for, MY19, MY20, and MY21 (period ending June 30, 2021).