



June 30, 2020

Senator Roger Wicker
United States Senate
Washington DC. 20510

Senator Kyrsten Sinema
United States Senate
Washington, DC 20510

Dear Sens. Wicker and Sinema:

On behalf of the nation's foodservice distributors, thank you for introducing the Real Economic Support that Acknowledges Unique Restaurant Assistance Needed to Survive (RESTAURANTS) Act of 2020. This important legislation would create a \$120 billion Restaurant Revitalization Fund for restaurants and other establishments through the end of the year. This critically needed assistance will help independent and small franchise restaurant owners as they struggle to survive the challenges created by the COVID-19 pandemic.

Foodservice distributors supply food and related products to restaurants, K-12 schools, colleges and universities, hospitals and care facilities, hotels and resorts, and other foodservice operations. Overall, foodservice distribution is a \$303 billion industry, operating 15,000 distribution centers and employing 350,000 Americans in all 50 states and the District of Columbia.

Restaurants and other foodservice outlets have been overwhelmingly impacted by the shutdowns caused by COVID-19. More than 8 million foodservice industry workers have lost their jobs and the industry is estimated to have lost more than \$120 billion in sales thus far. Even as we begin to reopen, restaurants are struggling to determine how to succeed while only allowed to use 25-50% of their capacity. Meanwhile they must continue to pay rent, purchase food and other products from their suppliers and do what they can to maintain their workforces.

The shutdown has impacted foodservice distributors as well beyond just the reduced sales. Distributors provide the essential financing their customers need to purchase the food and other products they need each day. Restaurants buy their supplies on payment terms that allow them to generate revenue before the bill comes due. With the sudden and near complete closure of the food-away-from-home channel, those customers had no sales and have not been able to pay their distributors. This uncollectible debt has created a significant limitation on distributor liquidity when they need it most to extend credit to their customers so they can restart their businesses.

The RESTAURANTS Act would provide customers with the funding they need to help restaurants as they face the slow return to full operations. In addition, by allowing grant funds to be used to pay suppliers, the program will help customers cover their outstanding debts to distributors. The International Foodservice Distributors Association is pleased to support this legislation and we look forward to working with you to enact it.

Sincerely,

A handwritten signature in black ink that reads "Mark S. Allen".

Mark S. Allen
President and CEO