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DRA Releases Industry Operations Survey Indicating Dramatic Workforce Struggles; Nearly Nine in Ten Restaurants Currently Operating with Inadequate Staffing

Newark, DE – The Delaware Restaurant Association (DRA) today released the results of a recent hospitality industry survey* conducted to better understand the challenges and opportunities facing the industry approximately 3 months after COVID-19 restrictions were lifted. Despite anecdotal stories of industry recovery, the data makes clear that the industry still faces significant challenges tied to its workforce, inflationary pressures, and the re-emergence of COVID-19 variants.

“While Delawareans and tourists alike have proven eager to return to a life that includes travel and restaurant dining this summer, it has become clear that the nature and speed of this return has placed enormous pressure on the industry and its supply chain,” said DRA President & CEO Carrie Leishman. “Restaurant operators are trying to meet consumer demand that exceeds 2019 with 6,000 fewer workers and skyrocketing labor and commodity prices. Workers are exhausted and profit margins are thin for many despite the resurgent demand.”

Survey highlights Include:

- 87% of hospitality industry respondents are operating with inadequate staffing to meet consumer demand.
- Nearly eight in ten respondents that reported a staffing shortfall are operating at a staffing deficit of over 20% in their establishments.
- 80% of restaurant operators reported closing or modifying hours of operations as a direct result of inadequate staffing levels.
- 100% of restaurant respondents have increased wages in 2021, with 55% increasing wages by more than 10% this year.
- 100% reported inflation of commodities this year, with 66% reporting price increases greater than 10%. The greatest price increases were reported on crabmeat, chicken wings, beef and paper/to-go products.

In addition to the findings of the DRA survey in Delaware, The National Restaurant Association has also released a [national survey of customers](#) to assess dining trends and consumer confidence amid the rise of the delta variant of the coronavirus. The survey found that 6 in 10 adults changed their restaurant usage as a result of the delta variant, which is beginning to put

acute pressure back on the restaurant industry. Respondents report cancelling existing plans to go out to a restaurant in recent weeks, or opting out of indoor dining in favor of restaurant takeout or delivery services.

“This is an industry that requires a ‘full house’ to make a profit, said Carrie Leishman, President & CEO of the Delaware Restaurant Association. “These changes indicate declining consumer confidence that will make it more difficult for restaurant owners to maintain their delicate financial stability as we enter a season fraught with the possibility of persistent COVID-19 challenges. Add in an exhausted workforce and rampant inflationary pressures...and the struggles this industry has faced for months will only continue, threatening more restaurants to permanently close their doors. Replenishing the RRF and prioritizing relief efforts and support of the restaurant workforce must remain a top priority for our local legislators and members of Congress.”

The Restaurant Revitalization Fund (RRF) served as a lifeline for many restaurant owners, but an initial round of funding was quickly depleted - leaving roughly two-thirds of applicants nationwide approved but not processed for payment. Over \$67 million in RRF grants were awarded to Delaware restaurant operators, but this represents only 37% of DE applicants - the rest remain in limbo waiting to find out if Congress will act to provide the stability they need to make it through this new pandemic threat and into the future. The small gains that our industry has made toward financial security are in danger of being wiped out, dashing the hopes of communities, entrepreneurs, and consumers nationwide.

** The industry operations survey was conducted August 20 - 23 by the DRA and included over 100 responses from Delaware restaurant owners and operators, representing approximately 300 locations statewide. DRA members and non-members were both presented the opportunity to complete the survey and provide operational and industry insights.*

[**Click here to view DRA Operations Survey Infographic**](#)



The Delaware Restaurant Association is the state trade association dedicated to promoting, educating, and advocating for Delaware's foodservice industry.

Delaware's 2,000 restaurants employ over 53,000 people with an economic impact of over \$2.5 billion in annual sales (**pre-pandemic levels*). Delaware restaurants are the largest small business employer in the state and the largest component of Delaware's tourism industry.

UPDATE: Delaware's restaurant industry has suffered over \$1.2 billion+ in lost revenue sales during the COVID-19 pandemic, with industry workforce still at a deficit of nearly 7,000 jobs compared to previous employment levels.

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