



FORGING THE FUTURE

2021 Mid-Year Report



NAMA Delivered For You

Through engagement with policymakers, proactive public outreach, timely resources and education, NAMA shaped favorable policy outcomes and equipped members with essential knowledge and tools throughout the first half of 2021.

As the challenges from COVID-19 persisted, and new opportunities emerged, NAMA continued to evolve and execute an aggressive strategy to ensure operators could sustain their business and keep employees on the payroll.

6

Wins for Convenience Services

1

PUTTING THE INDUSTRY FIRST

NAMA secured early vaccine eligibility and provided necessary resources, ensuring route drivers, warehouse workers and other operator company employees could safely serve clients as part of the essential workforce.



Thanks to NAMA's work, the Center for Disease Control and Prevention (CDC) authorized convenience services workers as among the first for vaccination under Phase 1b of its COVID-19 distribution plan.

2

KEEPING EMPLOYEES ON THE PAYROLL

NAMA secured an extension for operators to take advantage of the Paycheck Protection Program (PPP) through May 31, 2021.

BUT HOLD THE TAX...

NAMA quickly engaged in all 50 states to push back on efforts to tax PPP as income – leading many states to clarify operators' ability to deduct expenses paid with loans.

3

SECURING ACCESS TO FINANCIAL SUPPORT

NAMA partnered with The U.S. Small Business Administration (SBA) to increase and expand funds available to meet small operators' needs.



NAMA's input led SBA to improve its Economic Injury Disaster Loan (EIDL) program by:

- Increasing program from \$500,000 to \$2 million;
- Expanding ability to use funds to pay and prepay debt; and
- Extending deferral period to two years after a loan is received.

4

EXPANDING GRANT OPPORTUNITIES FOR BLENDED OPERATIONS

After direct engagement with the U.S. Small Business Administration (SBA), eligibility for the \$28.5 billion Restaurant Revitalization Fund (RRF) was clarified to allow operators with business lines such as catering, and in many cases micro markets, to take advantage of the grants.

KEEPING THE PRESSURE ON

The program, however, was woefully underfunded, running out of the \$28.5 billion within the first month. NAMA continues to press for the replenishing of resources and expanding access for vending machine operations.

5

REMOVING TEMPORARY FRICTIONS TO THE SUPPLY CHAIN

As a result of NAMA's engagement, food manufacturers with less than \$10 million in annual food sales were granted flexibility for compliance with the U.S. Food and Drug Administration's (FDA) updated Nutrition and Supplement Facts label requirements.



6

CREATING OPPORTUNITIES FOR SUSTAINABLE GROWTH

NAMA expanded the range of equipment eligible for ENERGY STAR certification – giving operators more options for equipment to use in micro markets and breakrooms while demonstrating how their business practices are sustainably sound.



DID YOU KNOW?

According to ENERGYSTAR®, certified buildings have higher occupancy rates and higher rents – making certified equipment a great asset.

A Steady Drum Beat

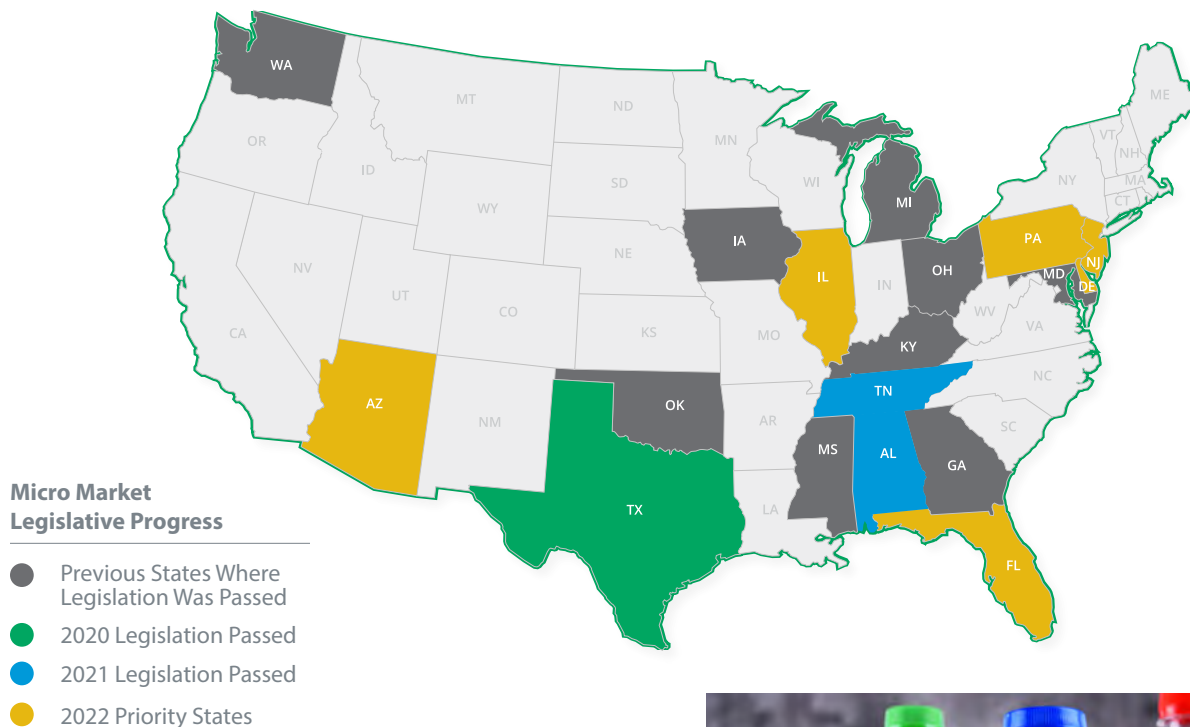
NAMA continues to expand its advocacy work at the state and local level – chalking up significant wins along the way that help operators with their day-to-day business and bottom line:

REMOVING RED TAPE FOR MICRO MARKETS

Momentum continues in solidifying consistent tax and food safety definitions for micro markets. Each win, state-by-state, is another step toward insuring equitable treatment by state regulators and health inspectors.

NAMA will continue to work with state legislators to identify champions for its model micro market legislation – The Unattended Retail Innovation Act – in states where micro markets are currently undefined, such as, Arizona, Illinois and Florida.

★ RECENT VICTORIES INCLUDE ★ Tennessee and Alabama.



FIGHTING DC'S BEVERAGE TAX

The Washington D.C. City Council withdrew its overburdensome sugar-sweetened beverage tax after pressure and testimony from NAMA.



In the Works

LEADING THE CHARGE ON TAX CREDIT ACCESS

NAMA is actively pursuing protection for the Employee Retention Tax Credit (ERTC) which supports convenience services companies in keeping employees on the payroll through calendar year 2021.

\$193 million
benefit for operators in the fourth quarter alone

Through direct lobbying of legislators, engagement of individual member companies, and the creation of a 22-organization small business coalition led by NAMA, the association is driving the message that infrastructure spending should not be done on the backs of small business, specifically the convenience services industry.

REMOVING ROADBLOCKS TO GROWTH

As federal agencies look to update and initiate new regulations, NAMA is pushing back and making it clear that now is not the time for these oversight organizations to create new regulatory hurdles.



A UNITED FRONT: NAMA formed and led a small business coalition of 22 organizations pushing to save the ERTC.

NAMA expressed public opposition to several existing onerous regulatory requirements and is currently awaiting decisions regarding:

- **Urging the U.S. Food and Drug Administration (FDA) to postpone recordkeeping and renewal requirements for vending machine calorie disclosure information.**
- **Opposing changes to U.S Department of Energy efficiency standards for refrigerated vending machines or bottle coolers.**

Amplifying the Industry's Voice

NATIONAL #VENDINGDAY

On March 4, operators received recognition and appreciation on the national stage through NAMA's National Vending Day efforts.

A robust social media campaign served as the driving force for engaging operators and spreading awareness of the crucial role convenience services plays every day, and specifically in providing sustenance for essential workers during the pandemic.

MEDIA COVERAGE

As a result of NAMA's National Vending Day efforts, vending caught the eye of national press in a Washington Post piece that uncovered how the pandemic revolutionized vending machines.

The story brought convenience services' demonstrated history of serving consumers to the forefront – setting the stage for operators to gain continued recognition as trusted solution providers in a time where health and safety is a key priority for clients.

OTHERS NOTICED

NAMA continued momentum from past years, securing recognition for National Vending Day from the State of Kansas and partner groups such as, National Association of Manufacturers (NAM), National Confectioners Association (NCA) and U.S. Chamber of Commerce.



The Washington Post

**Cannoli kits and prime aged steaks:
Here's how the pandemic has
revolutionized vending machines**

“...technology has made it even safer: Some machines have a hover feature so you don't have to touch the buttons and you can use an app on your phone or use mobile ordering.”

Carla Balakgie
NAMA President & CEO

Spearheading the Great Return

BACK TO IT

In June, NAMA quickly activated to help operators navigate new challenges spurred by a rapid increase in customer demand, paired with an already-strained supply chain.

NAMA launched the Back to It campaign providing resources, information and education to promote a smooth transition and tools to adapt to the frequent shifts in the way business is done.

And the media took notice. CEO Update, an influential association leader publication, recognized NAMA's proactive efforts as a standout among other initiatives. While industry publications, such as Vending Market Watch and Vending Times, promoted the vast array of NAMA resources now available for the industry and its partners.



Back to IT



The three-pronged approach included:



1. Clear guidance

for reopening protocols that
alleviated guesswork



2. A bi-weekly newsletter

highlighting new research, workplace trends and emerging news that kept members ahead of shifts and trends in the marketplace.



3. Curated education sessions

to identify solutions for supply chain woes, reveal recovery forecasts by channel, and inspire new ideas through knowledge exchange.



THE STATE OF CONVENIENCE SERVICES

A 2020 INDUSTRY CENSUS



The Big Picture For The Future

Convenience services is expected to reach pre-pandemic levels, industry-wide, by 2023.



Micro Markets

Micro market sales are expected to match 2019 sales by the end of 2021 and outpace all other segments by 2025.



The Glass Is Half Full

70% of all Operators expressed optimism about the future of convenience services.

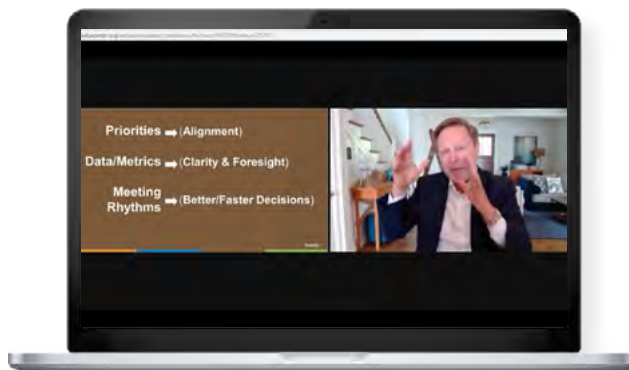
INDUSTRY CENSUS

While the 2020 Industry Census, funded by the NAMA Foundation, enabled operators to make real-time business decisions grounded in data, it also quantified the impact of the pandemic on convenience services, providing foresight for recovery and revealing key areas of growth opportunity.

PREEMINENT ONLINE EDUCATION

NAMA kept the industry informed and prepared to capitalize on trends and create operational efficiencies through its robust education offerings.

Ongoing webcasts throughout the year, including the Winter Success Series and Springtime Solutions, convened individuals from every segment, area of expertise and business focus of convenience services.



1362
ATTENDEES



20+
HOURS OF CONTENT



ENDLESS
INSIGHTS

Up Next



SHARE YOUR VOICE

November 16-17, 2021

The Omni Shoreham Hotel, Washington, D.C.

REGISTER NOW



THE PREMIER GROWTH OPPORTUNITY OF 2022

April 6-8, 2022

McCormick Place, Chicago

SAVE THE DATE



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