



Feeding America: COVID-19 Response Q4 2020 Updates

FEBRUARY 15, 2021

Three high-level potential outcomes for FA fundraising

a Best case for health: "Science wins"

- COVID-19 treatment/vaccine development is accelerated, along with economic re-opening
- Although unemployment remains high, food insecurity loses mainstream focus
- Giving is redirected towards political causes vs. basic needs

b Mid point: "Base case"

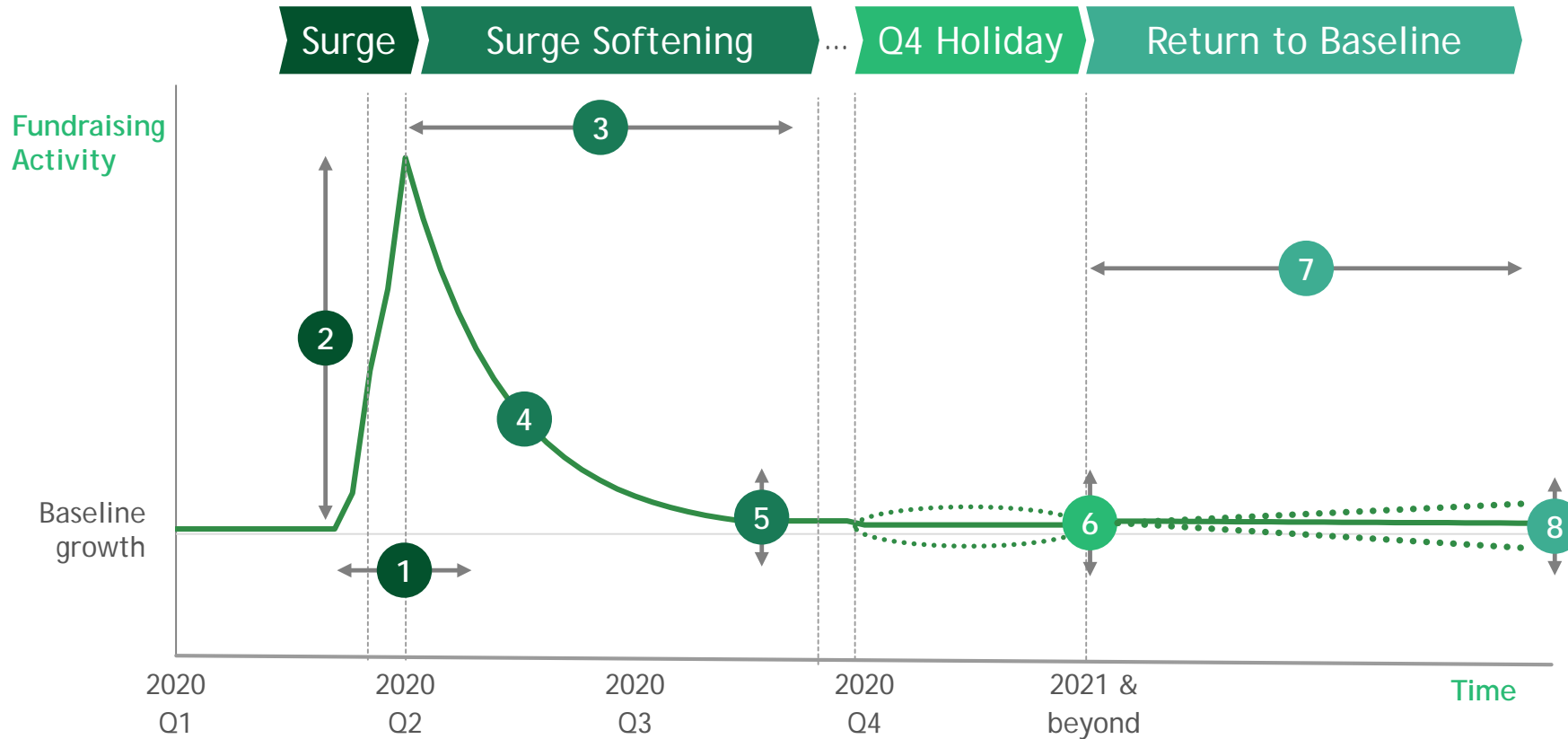
Quantified on following pages

- A single wave of COVID-19 cases is accompanied by a one-time surge in donations
- Economy recovers as treatment/vaccine is developed
- Fundraising gradually returns to "normal" levels

c Worst case for health: "Second wave"

- A second wave of COVID-19 cases is coupled rise in unemployment and another surge in basic needs fundraising
- Economic recovery is delayed and food insecurity stays in focus
- The Bezos gift is the first of many very generous donations

To quantify the impact of each scenario, must answer eight key questions

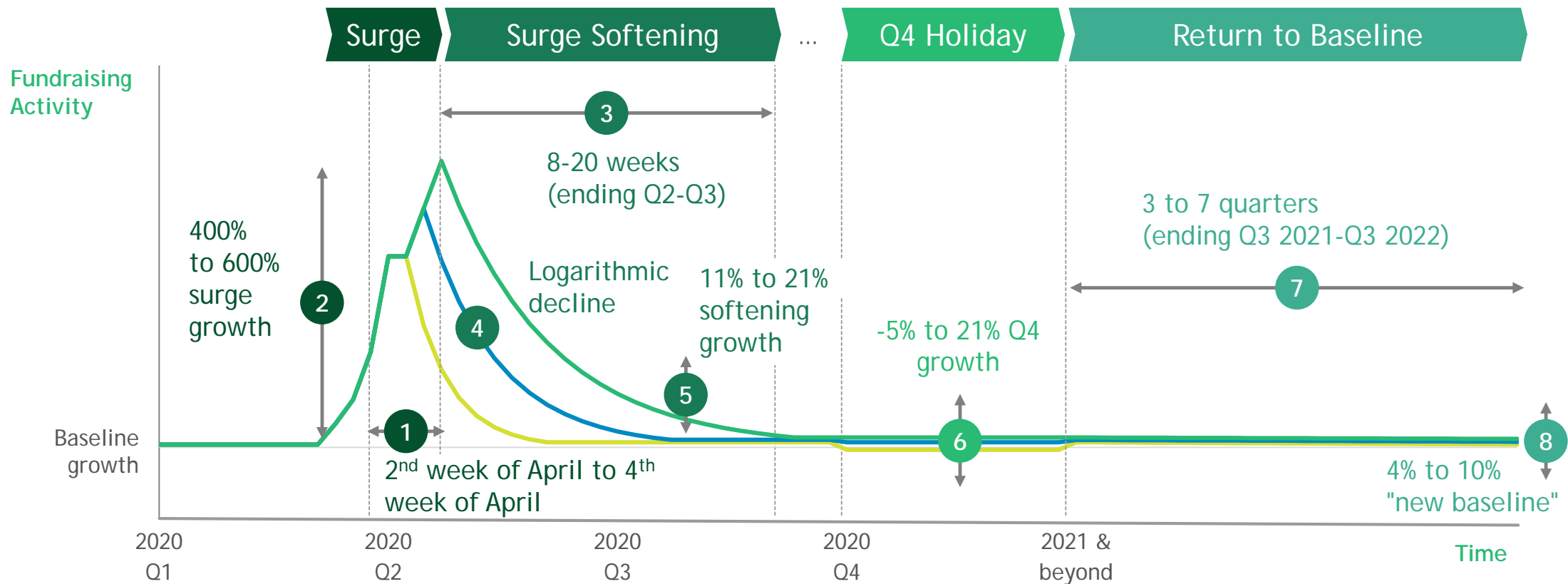


- 1 When does "Surge" peak occur?
- 2 How high is peak "Surge"?
- 3 How long is "Surge Softening"?
- 4 What shape is "surge softening" curve?
- 5 What level will "Surge Softening" fall to?
- 6 What will "Q4 Holiday" look like?
- 7 How long is "Return to Baseline"?
- 8 What is the new baseline growth?

National team consistently reviewing the answers to these questions

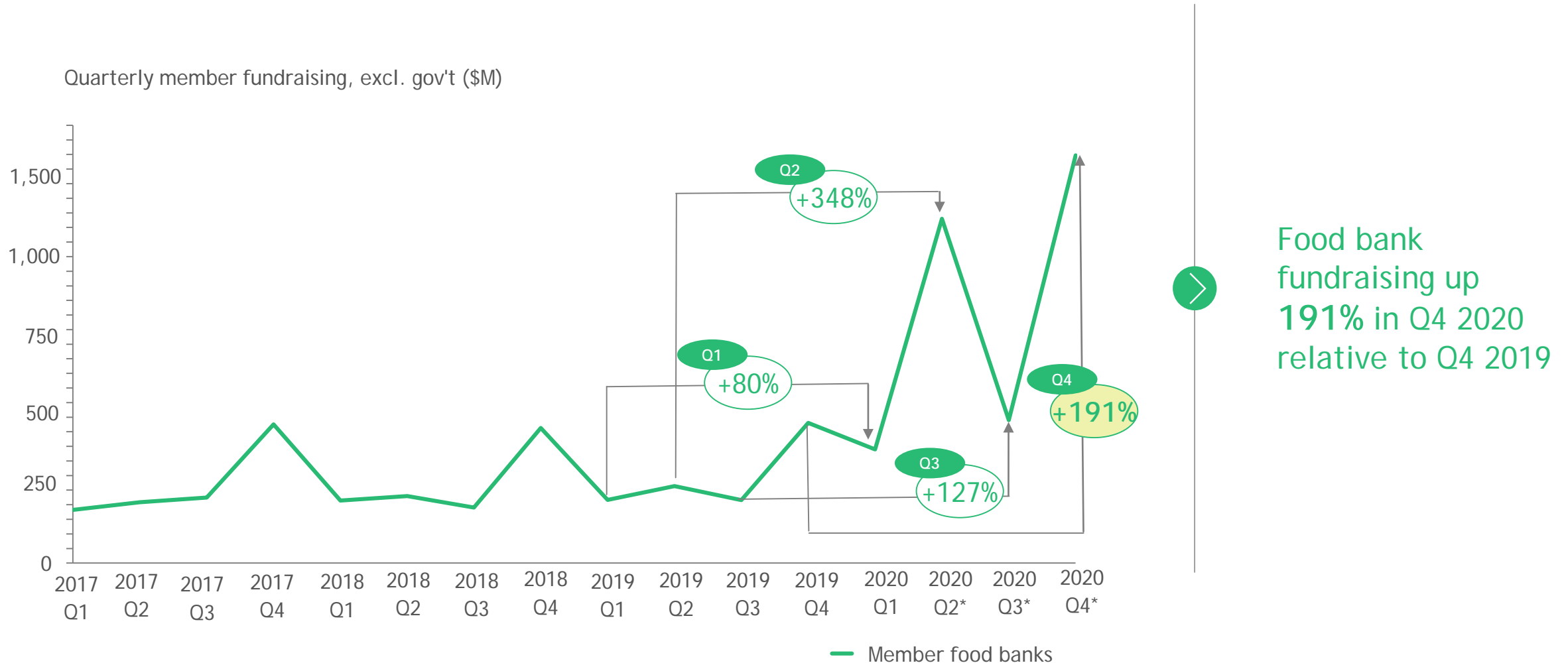
Based on our initial assumptions, middle case member scenario is 70% growth in 2020 fundraising relative to 2019

Fundraising \$ (2019 CAGR)	2020	2021	2022
Best case	\$2.5B (110%)	\$1.6B (17%)	\$1.8B (15%)
Middle case	\$2.0B (70%)	\$1.5B (11%)	\$1.6B (10%)
Worst case	\$1.7B (40%)	\$1.3B (6%)	\$1.4B (5%)



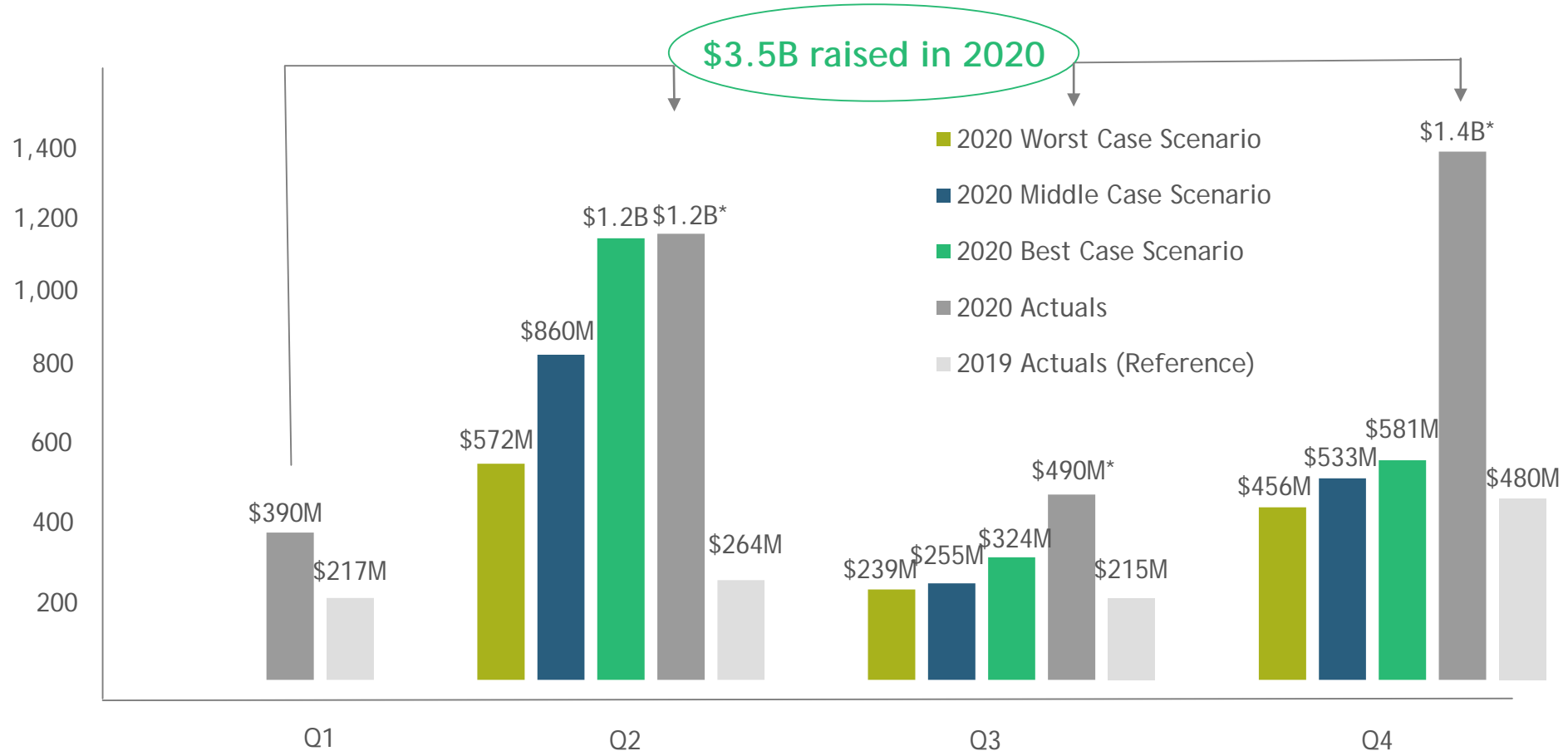
Note: 2020 impact model assumes exponential change during "Surge" & "Surge Softening" and linear change during "Return to Baseline"; Does not account for distribution of FANO COVID funds to member food banks
 Source: Expert interviews; FANO data; BCG analysis

The COVID crisis created a fundraising boom for network food banks in each quarter of 2020 relative to the year prior



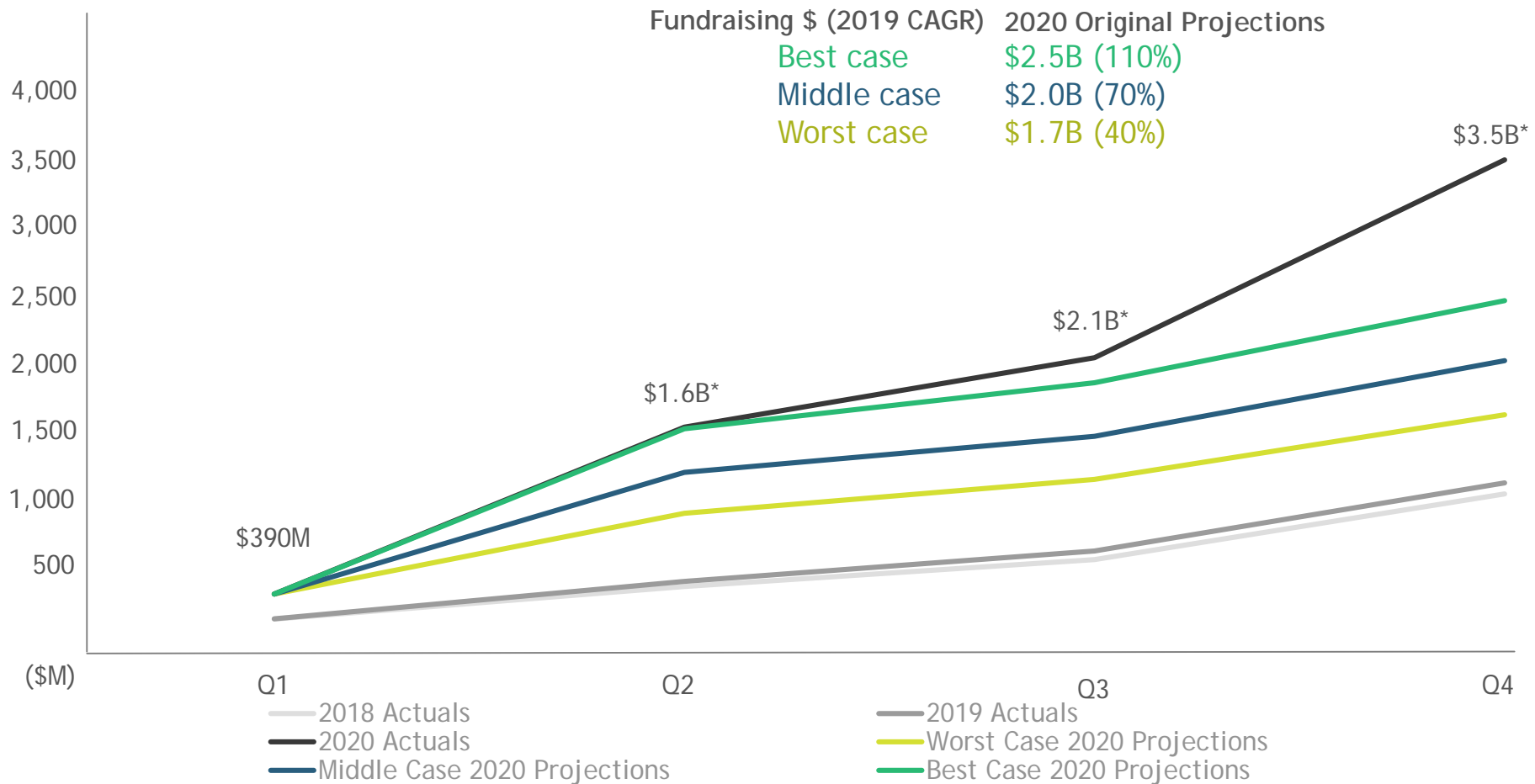
Note: Q2 2020 actuals exclude \$101.5M in Bezos pass-through funds to member food banks; 8 food banks appeared not to report Bezos funding in QPR
 Note: Q3 2020 actuals exclude \$93.12M in Phase 3 COVID pass-through funds to member food banks; 15 food banks appeared not to report this funding in QPR
 Note: Q4 2020 actuals exclude \$8M in Phase 4 COVID pass-through funds to member food banks; 3 food banks appeared not to report this funding in QPR
 Source: FANO data; BCG & FANO analysis

Fundraising actuals from the QPR met or surpassed the best-case scenario projections in each quarter of 2020



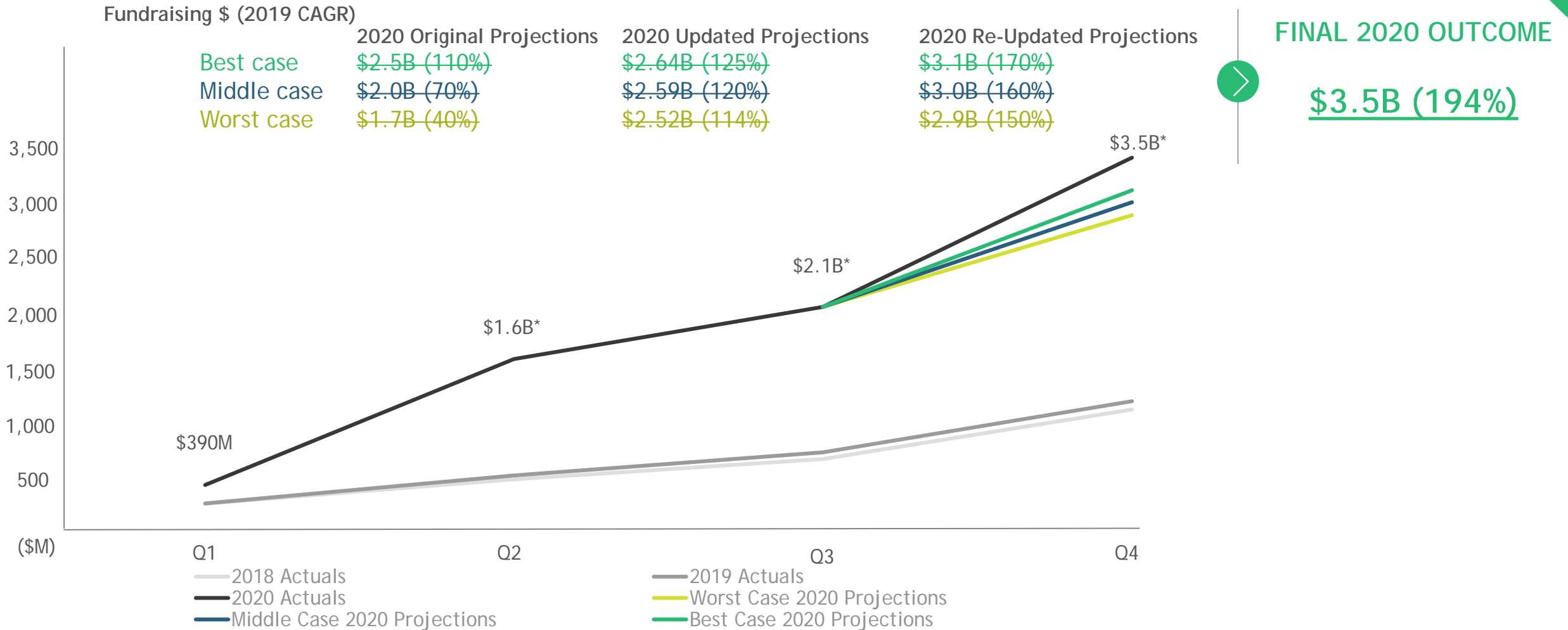
Note: Q2 2020 actuals exclude \$101.5M in Bezos pass-through funds to member food banks; 8 food banks appeared not to report Bezos funding in QPR
 Note: Q3 2020 actuals exclude \$93.12M in Phase 3 COVID pass-through funds to member food banks; 15 food banks appeared not to report this funding in QPR
 Note: Q4 2020 actuals exclude \$8M in Phase 4 COVID pass-through funds to member food banks; 3 food banks appeared not to report this funding in QPR
 Source: FANO data; BCG & FANO analysis

Taken together, the fundraising continued to accelerate well past the cumulative best-case scenarios for 2020



Note: Q2 2020 actuals exclude \$101.5M in Bezos pass-through funds to member food banks; 8 food banks appeared not to report Bezos funding in QPR
 Note: Q3 2020 actuals exclude \$93.12M in Phase 3 COVID pass-through funds to member food banks; 15 food banks appeared not to report this funding in QPR
 Note: Q4 2020 actuals exclude \$8M in Phase 4 COVID pass-through funds to member food banks; 3 food banks appeared not to report this funding in QPR
 Source: FANO data; BCG & FANO analysis

Even as we continued to update the projections, our most aggressive projections did not match the total fundraising the network achieved - nearly tripling 2019 totals



Note: Q2 2020 actuals exclude \$101.5M in Bezos pass-through funds to member food banks; 8 food banks appeared not to report Bezos funding in QPR
 Note: Q3 2020 actuals exclude \$93.12M in Phase 3 COVID pass-through funds to member food banks; 15 food banks appeared not to report this funding in QPR
 Note: Q4 2020 actuals exclude \$8M in Phase 4 COVID pass-through funds to member food banks; 3 food banks appeared not to report this funding in QPR
 Source: FANO data; BCG & FANO analysis

Updated projections for 2021 and 2022 suggest a more gradual return to higher baseline levels

Original Projections:

Fundraising \$ (2019 CAGR)	2020	2021	2022
Best case	\$2.5B (110%)	\$1.6B (17%)	\$1.8B (15%)
Middle case	\$2.0B (70%)	\$1.5B (11%)	\$1.6B (10%)
Worst case	\$1.7B (40%)	\$1.3B (6%)	\$1.4B (5%)

Revised Projections*:

Fundraising \$ (2019 CAGR)	2020 ACTUALS	2021	2022
Best case	\$3.5B (194%)	\$2.2B (38%)	\$2.5B (29%)
Middle case	\$3.5B (194%)	\$2.1B (34%)	\$2.2B (24%)
Worst case	\$3.5B (194%)	\$1.8B (24%)	\$2.0B (19%)

*Note: Updated projections take the originally projected rates of decline from 2020 and apply those rates against 2020 actuals