

Forwarded: April 7, 2020

Subject: [IFAS-ALL-L] State of Florida Agriculture

From: Gene McAvoy, Associate Director of Stakeholder Relations for University of Florida Institute of Food and Agricultural Sciences (UF/IFAS), Southwest Florida Research and Education Center in Immokalee, FL.

Hope this finds you well. Hearing from growers and others on a daily basis and wanted to provide you with an update on what I am hearing/seeing.

Markets

On Tuesday, March 24, a local broker says, everything changed. From brokers, orders stopped and everything got quiet. Wednesday, the 25th, super-quiet.

Since then tomato volumes are down 85 percent, green beans are like 50 percent, cabbage is like 50 percent.

R.C. Hatton has plowed under 100 acres of green beans, around 2 million pounds, and 60 acres of cabbage, or 5 million pounds.

Florida's tomato growers target 80% of their production to restaurants and other food service companies, rather than to supermarkets. In this sector, growers are walking away from big portions of their crop.

Tony DiMare estimates that by the end of the growing season, about 10 million pounds of his tomatoes will go unpicked.

Some crops like potatoes and oranges are faring well, other produce isn't selling like it used to.

With a lot of people staying home and buying mostly comfort foods, products like peppers, tomatoes, cucumbers, have actually slowed down incrementally," said Chuck Weisinger, president of Weis-Buy Farms, Inc.

The biggest challenge we have right now is getting the stores to start buying," said John Stanford, farm manager at Frey Farms.

10's of thousands of gallons of milk have been dumped by dairies around Lake Okeechobee.

As you know produce is highly perishable and three weeks into this many companies around Immokalee have already had to empty their coolers and dump produce. One dumped 20,000 lbs a day last week, let that sink in... 20,000 pounds of tomatoes a day. This is from one farm.

Three weeks in most farms have exercised triage dumping and emptying coolers and are terminating fields for which they have no foreseeable markets and are concentrating on

maintaining fields that they still have demand for unfortunately depending on the crop – this is only 20-50% of the total planted.

Growers have been asking for assistance on documenting their losses to help support later claims for assistance – something we have traditionally done during times of natural disaster, hurricanes, freezes, flooding etc.

Impacts on ranchers

The cash market and futures prices are lower than anyone can remember. One local rancher sold calves this week and averaged \$250 per head at the Arcadia auction barn. A few weeks ago he would have received \$450 per head average, and that constitutes below breakeven.

In normal times, strategy would be to hold calves until the crisis is over, and hope prices will take an upswing. But there is huge uncertainty about how long this will last. A major compounding problem is the dry conditions, and lack of reserve forage. These weather patterns would normally dictate early weaning of calves. Hay costs, when available, and low market prices are a formula for hardship.

The extended impact on ranchers will be the cows not breeding back on schedule. Holding calves longer in hot/dry conditions puts a strain on a cows reproductive system. This has been well documented by UF researchers.

Alternative sales - many growers are exploring alternative methods of moving product.

Sam S. Accursio and Sons Farms' in Homestead packing house opened direct sales to consumers selling boxes at \$10 each the past two weekends. They had cars stretched for half a mile in front of the packing house and were able to move 120,000 pounds of Redland-raised squash, tomatoes, beans and cukes They also partnered with a farmer out of Mount Dora who had 30,000 flats of unsold blueberries and sold these at 12 pints for \$20. Similar efforts were conducted by Alderman Farms in Bonita Beach, Farmers Alliance in Immokalee and others

Martin County opened a pop-up drive-thru market that saw 500 cars in one day. Traditional commercial farms in South Florida have been overwhelmed by the support for the sales at their packinghouses – all fruit that would have otherwise gone unsold if waiting on traditional markets to purchase.

Growers are still concerned that a large amount of produce seen in the supermarket comes from South of the border.

According to Bill Braswell, since March 1st, the start of the Florida blueberry season, Florida has produced 6.1 million pounds through last Thursday Apr 2. In that same time period Mexico has imported 17.4 million pounds into the US according to USDA report. Mexico market price is

\$12 for a 6 ounce flat delivered to Chicago which translates to \$2.60 per pound. Florida price \$0 due to saturation with Mexico fruit.

Have been encouraging growers to sign up for MyFloridaMarketPlace to be able to qualify for any FDACS - COVID-19 related produce purchasing programs aimed at assisting growers. This is the State of Florida's eProcurement system. This system is designed to streamline interactions between vendors and state government entities that purchase goods and services and provides a user-friendly Internet portal where vendors can register, receive information on upcoming bids, post information on products and services, and receive purchase orders electronically.

Labor

Growers are taking aggressive steps to protect workers from Covid 19 including keeping truckers separate from on farm labor.

They have been taking advantage of training resources and poster supplied by IFAS Extension and others.

Agents have also shared information on essential services exemption and supplying growers with template essential services exemption letters to facilitate movement of their essential staff and labor.

Labor shortages – reports indicate that Covid 19 has delayed the U.S. government's processing of H2A work visas. This will impact growers in central and north Florida and up the coast.

Press and outreach

Have been contacted by Wink News, NPR, VSC news and many others especially FFB and FDACS personnel for information and contact info for growers such as RC Hatton, Accursio Farms, Lipman, Jamerson Farms and many others

Food banks

Last week, growers in Immokalee alone donated over 3 million pounds of veggies to Harry Chapin food bank overwhelming their ability to store, transport and distribute the produce – they had to call a halt.

Farm Share, which partners with more than 2,000 food pantries, churches, schools and other nonprofits throughout Florida is running at maximum capacity, despite having 25 refrigerated trucks, six warehouses of between 10,000-35,000 square feet and 40-50 drop sites from Jacksonville to Florida City. They usually help more than seven million pounds of food reach the hungry and now are faced with moving a lot more. “It is overwhelming the system,”

Over the past two weeks, Wish Farms has donated 220,000 pounds of fresh strawberries — equivalent to 241 pallets/nine semi-trailer loads — to Feeding Tampa Bay, the United Food Bank.

Growers are having a tough time adapting because everything happening so quick. Faced with a highly perishable product growers are struggling to survive right now, daily, with picking, packing and shipping everything that they can. Because of the coronavirus, things have changed. Buyers are demanding tight security, heavier sanitation, distancing, and more.

Security

Hearing from growers and ranchers about an uptick in equipment, chemical and livestock thefts. Something that we have seen in the past during periods of high unemployment and I have warned farmers and ranchers to review security and given practical tips to reduce the possibility of being a victim.

Big picture

We have heard many ideas and suggestions from the public and even local officials - what many people fail to realize is that picking, packing, cooling, storing and transporting veggies costs money and growers who have already lost 100's of millions of dollars are understandably reluctant to throw good money after bad. It also costs money to maintain fields with no hope of sales in sight, so growers are disking up fields and maintaining just what they feel they have markets for. Unfortunately, this is only about 20-30% of the total acreage. Each acre of tomatoes costs 10-12,000 to grow and 5-6,000 to pick and pack. Unmaintained fields rapidly succumb to pests and diseases and soon become a breeding ground threatening the health of nearby fields that growers are trying to save for their remaining markets.

It is not only veggies, 10's of thousands of gallons of milk are being applied to pastures.

People really have no concept of the amount of food we are taking about – Immokalee alone ships approximately 400-500 semis of vegetables a day from March through mid-May – this is $450 \times 35,000\text{lbs} = 15,750,000$ lbs of veggies headed to market every day – add to this Belle Glade, Palm Beach Co, Homestead and the amounts are staggering. I know of one grower in Belle Glade who is disking up 1 million pounds of green beans every three days.

I would not be surprised if collective losses for South Florida growers do not exceed 1 possibly 2 billion dollars.

Information – agents have been sending info regarding programs and efforts to assist growers and the ag community from state and federal government, UF/IFAS, Farm Bureau and others.

Wish we had a better answer, but this thing blew up so quick – who would have thought a month ago we would be in the situation today. It takes time to retool and move from bulk packaging to tray packs for supermarkets etc.

Hopefully, this will bring a unique awareness to our country of how important it is for us to be able to grow our own food and feed our own people.

Will send more as it comes in.

All the best.

Gene

Gene McAvoy

Associate Director for Stakeholder Relations
University of Florida IFAS Southwest Florida Research and Education Center
Regional Vegetable Extension Agent IV Emeritus
President - National Association of County Agricultural Agents