

10/16 Maine Local Market Report

Thank you, thank you to the folks who have contributed to so many of these reports and to all of you for reading them and letting us know what you needed this season!

This market report was compiled by Maine Farmland Trust and MOFGA for the purpose of supporting farmer and buyer communication and creating clarity in a rapidly changing market. Observations are collected biweekly, for this report over the week of 10/12-10/16, from the same group of wholesale buyers and diversified farmers concentrated in the Portland and Mid-Coast markets. Huge gratitude to those folks for taking the time. This information is solely for informational and observational purposes, and is likely most helpful for small, diversified farms selling to the local wholesale marketplace (such as stores and restaurants), and direct to consumer at farmers' markets and farmstands. We hope the Report's insights from week to week, and over the course of the season, help you assess and gauge your own experience and observations about supply and demand trends. Any questions feel free to directly contact Alex at MFT (alex@mainefarmlandtrust.org) or Nicolas at MOFGA (nlindholm@mofga.org).

Key Takeaways:

- Direct to consumer and some wholesale markets are reportedly steady at the moment, although folks are wondering about the holiday season. Will people gather? How often? In small groups or large groups? What foods will they want to eat?
- Restaurant demand is declining.
- Supplies are becoming limited. Farmers are looking at overall lower than usual volumes of some of their crops due to drought.
- Buyers are currently struggling to source enough fall brassicas.
- This is the last Market Report of 2020. Based on our evaluation results we hope there will be Market Reports in the future, with some changes. Results are summarized below.

Buyer responses:

Overview: Just three reports this week from three very different kinds of buyers, although much alignment in reports. Markets seem steady at the moment. There is reported undersupply of fall brassicas and plenty of butternut squash. The holidays are about a month away and folks are wondering what kinds of changes and uncertainty they will bring.

- 1. What trends are you observing right now in current consumer demand?**
 - a. Buyers reported markets are strong and steady.
 - b. One buyer reported that folks are stocking up for holiday cooking early and that local is important to their customers but price is taking priority.
 - c. Another buyer reported unusual high demand for root crops this fall. Usually demand lags in the fall when supply is high, but demand also seems high right now.
- 2. Is your supply meeting demand? Is there unmet demand for certain products? Do you have an oversupply of certain products?**
 - a. Two buyers reported having difficulty sourcing fall brassicas such as broccoli, cauliflower, salad turnips, rutabaga, and Brussels sprouts.

- b. One buyer reported low supply of tomatoes and cucurbits, resulting in unmet demand. They also have unmet demand for broccoli rabe, kohlrabi, red onions, fresh ginger, scallions, chives, watermelon radish, red kuri, and buttercup.
- c. One buyer reported their growers are heavy on fall items such as pumpkins and butternut squash. Another buyer reports an oversupply of husk cherries (first time occurrence), green cabbage, and butternut.

3. Are you seeing or anticipating any changes that will affect your supply and demand in the coming weeks?

- a. Folks are looking towards the shifts caused by the holiday season. Buyers seem to think it will look different from previous years, considering they're already observing folks stocking up and wondering about if and how much folks will gather, how much squash they'll eat, etc. Here's a demand schedule offered up by one buyer:
 - i. Demand peaks from distribution: Thursday Nov 12-Tuesday Nov 17
 - ii. Demand peaks from wholesale accounts: Friday Nov 13 - Thursday Nov 19
 - iii. Demand peaks from consumers: Sat Nov 21-Tuesday Nov 24
- b. One buyer reports capacity to bring in new local suppliers.

4. Any useful resources, news, or data you want to share?

- a. "I have enjoyed following the work of Jeffrey Kittay's (former Portland Press Herald manager) food economics publishing platform called The Counter www.thecounter.org For folks boggled and yet fascinated by the machinations of the industrial and political ag machine, and still retaining a healthy skepticism of the promises of a localized food utopia, this might be an enjoyable news source."

Farmer responses:

Overview: Standard fall storage crops and seasonal brassicas, bunched greens and other fall greens are all seeing strong interest. Farmers report direct to consumer demand remains good and steady, while wholesale demand has become more erratic and restaurant orders have fallen off quite a bit. About half the farms that reported are currently running low on supply, due mostly to the drought, and many are rationing their storage crops to specific markets, and the other half expect some shortages in the future. There is an oversupply of some specialty crops and salad crops. Seasonal field crop production is coming to an end, and high tunnel production is ramping up.

1. What trends are you observing right now in current consumer demand?

- a. **Direct to Consumer/Farmers Markets:** Demand for seasonal crops remains fairly strong and steady, with a lot of interest in garlic, carrots, root crops, head lettuce, salad greens, winter squash, and fall standards like brussel sprouts, cabbage, celery, and fennel. A couple of farms mention increased October sales, year over year. Demand for summer crops like tomatoes, eggplant, hakurei turnip and cut flowers has flat-lined. One farm reports an increase in inquiries from people looking for bulk quantities of storage crops like onions, potatoes, and carrots.
- b. **Wholesale to Stores:** There are mixed reports, which may vary due to individual farms' usual markets and supply. One farm states they have steady demand for all fall storage crops and very high demand for bunched greens (kale and chard). Another farm is seeing inconsistent demand now from their store accounts.

- c. **Restaurants:** Demand has slowed as restaurants continue to cut down their hours and inclement weather restricts outdoor dining options. One farmer observed that restaurants don't seem to want to purchase more expensive local items right now and worried that they may be buying more produce from away because of price.
2. **Is your supply meeting demand? Is there unmet demand for certain products? Do you have an oversupply of certain products?**
 - a. The drought has caused many farms to be low on supply, sold out, or restricting certain items for certain markets. Only a few farms say their supply is meeting demand, and acknowledge that they can see running out of field crops and short on storage crops earlier than usual.
 - b. Farms reporting low or no supply list crops like winter squash, onions, potatoes, beets, carrots, garlic, lettuce, spinach and greens.
 - c. Quality and quantity of field-grown crops is quickly deteriorating with frosts and cold temps, shorter days and lack of growth.
 - d. An oversupply exists for a couple farms of some specialty crops including radicchio and chicory. One says that this is perhaps due to restaurant demand falling. Individual farms report oversupply of lettuce, cut greens, bunching greens, hakurei turnip, and bok choy.
3. **Are you seeing or anticipating any changes that will affect your supply and demand in the coming weeks?**
 - a. It's uncertain how long the finite supply of storage crops and roots will last. One farmer notes there doesn't appear to be an overabundance or flood of items like carrots, potatoes, onions, or winter squash.
 - b. Supply of field crops will dwindle, and tunnel-grown crops will take over into the holiday season.
 - c. Many farms expect to reserve or funnel their limited inventory to certain markets (direct-to-consumer/CSA/farmers markets).
 - d. Demand is expected to hold steady, with probable increases in mid-to-late November with the onset of the winter holidays.
 - e. Cold weather will be a challenge for Farmers Markets as they plan to stay outside as long as possible due to COVID-19. But farmers are hoping that shoppers will prioritize local food and outdoor shopping vs. grocery store shopping, as they did this past spring.
4. **Any useful resources, news, or data you want to share?**
 - a. In light of shrinking restaurant sales, one farmer states, "I'm feeling aware that we need to continue to communicate the value of locally produced food both to drive their interest and consumer demand."
 - b. Another farm sees the shift from wholesale accounts towards direct CSA sales this season as a trade-off with mixed benefits; there is "all the work bagging and weighing, but it is a good, reliable outlet with a moderately high degree of flexibility, and keeps hours up for our employees."
 - c. One farm states: "Looking forward to the virtual [Farmer to Farmer Conference](#) and [MFT's annual event!](#)"
 - d. **Editor's Note:** The Maine Federation of Farmers Markets has signage, sanitizer, face coverings, and other supplies to help farmers' markets in their winter market

transitions. Contact director@mffm.org. Also, winter farmers' market guidelines from ME DACF & DECD should be coming out in the next month.

- e. **Editor's Note:** [Today's episode of The Indicator from Planet Money](#) had a succinct analysis of data looking at 4 different ways the pandemic has exacerbated existing economic inequities in the US. Our friends in the restaurant trade have been hit hard, as we know, and the data is stark. 7 min listen.

Our Evaluation Survey results:

- 28 folks responded, mostly farm owners.
- 75% found the report helpful for understanding current market conditions, mostly for clarifying demand of specific products. Farmers didn't find it useful for communicating with wholesale buyers, although wholesale buyers and service providers found it helpful for communicating with farmers.
- 79% would like to see the report continue next year, although two of these respondents made the caveat to continue only with changes to the report. For changes to the report, most folks (59%) want more data, research, and information about national trends as well as specific buying and selling opportunities. A fair number of folks also want to see a report with a longer outlook, more analysis/interpretation and resources (including more visual reporting), as well as open submissions.
- Contact Alex (alex@mainefarmlandtrust.org) or Nicolas (nlindholm@mofga.org) if you want the full analysis.