

10/2 Maine Local Market Report

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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 9/28-10/2, 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:

- Buyers report that consumer demand in wholesale markets continues to be strong and steady, though Farmers report demand is mixed across their markets.
- Appears that supply of summer crops has dwindled sooner than demand in wholesale markets.
- Farmers expect good supplies of fall greens and fresh crops through the fall, and will move from field harvest to tunnel harvest when hard frosts hit.
- Supplies of storage crops will reach a limit sooner than usual due to reduced yields.
- What do you think about forward contracts? Helpful? Not interested? FarmSmart (Jed Beach) and CEI are doing some research. [Consider filling out the survey BY MONDAY OCT 5.](#)

Buyer responses:

Overview: Buyer reports are brief this week, and only three of them. But good news – demand in wholesale markets remains elevated and sales are exceeding expectations. Some mismatch between supply and demand of specific crops as the season changes, particularly summer crops such as tomatoes. [Editor's Note: folks in the last report predicted this.] Buyers are looking towards the Holiday Season as it presents the next round of uncertainties in the marketplace, as well as planning for winter crop supplies.

1. **What trends are you observing right now in current consumer demand?**
 - a. Buyers shared positive trends regarding current demand. Consumer demand remains elevated, and one long-established buyer reported their sales in September were "above 2019 by almost 40%".
 - b. Though consumers are still seeking out fresh local products, it's not only produce that's benefiting from increased demand. "Meat, eggs, cider, grains are all trending strong!"

2. **Is your supply meeting demand? Is there unmet demand for certain products? Do you have an oversupply of certain products?**
 - a. Buyers reported varying mismatches between supply and demand, with a thread that supply of “summer crops” is below demand.
 - b. Specific buyers also reported undersupply of: cauliflower, garlic, potatoes, pears, tomatoes, and salad greens.
 - c. Specific buyers reported an oversupply of: husk cherries, chard, and that fall squashes are abundant

3. **Are you seeing or anticipating any changes that will affect your supply and demand in the coming weeks?**
 - a. The Holiday Season is presenting new uncertainty to demand. One buyer reported folks are already stocking up for their meal prep and baking needs.
 - b. One buyer reports planning with their farmers for supply of late fall and winter crops, and working on opportunities to get more local product into the supply chain.

4. **Any useful resources, news, or data you want to share?**
 - a. One buyer states: “Maine Center for Entrepreneurs has a steady stream of food related courses and events I would encourage readers to engage with if they haven't already. It does seem like the supply of online events and courses may exceed the time available to enjoy them! Winter is coming?”

Farmer responses:

Overview: The reports on demand vary this week, with some farms seeing continued strong demand and others seeing a slight decline. Fall crops are in good supply, meeting demand now and expected to meet demand further into the fall --but a reduced yield of storage crops due primarily to the drought will limit supplies further down the road. Restaurant closures are a great concern, and some farms have started to pivot their marketing towards on-farm pick-up options for the coming months.

1. **What trends are you observing right now in current consumer demand?**
 - a. **Direct to Consumer/Farmers Markets:** Many variations reported this week: demand has been tapering off for some farmers, while remaining strong for others. Those who have seen a slight downturn cite the departure of seasonal residents and tourists, but report overall September sales were strong. Most report high interest in fall crops including carrots, beets, onions, winter squash, fall brassicas like broccoli and bok choy, and fennel. As one farmer put it, customers are no longer mourning the loss of summer crops; no one is asking for tomatoes anymore. However, one farm said they are still having strong demand for tomatoes, cukes and zukes at their market!
 - b. **Wholesale to Stores:** Also mixed reports this week: demand is high and sales are good for a couple farms reporting, while others are experiencing a levelling off or dip in sales, most likely due to the tourist season winding down. As above, summer crops like tomatoes and peppers are falling off in demand, while winter squash, bunched greens like chard and kale, cut greens, head lettuce and fall root crops are seeing strong interest.

- c. **Wholesale to Institutions:** One farm reported that demand to some institutions like hospitals, colleges, and assisted living facilities is pretty steady, while public schools are really diminished, some aren't buying anything.
 - d. **Restaurants:** Demand is definitely slowing as the seasonal trade winds down and some restaurants have already closed. Several farmers are prepared to see a big drop, especially as the flu season is upon us, COVID-19 is prevalent, and fall weather closes up outdoor dining options.
2. **Is your supply meeting demand? Is there unmet demand for certain products? Do you have an oversupply of certain products?**
- a. Overall, fall crops are meeting demand. Many stated fall storage crop yields were reduced due mainly to the drought and weather events over the season, and therefore may likely run out earlier than usual in the late fall or early winter months.
 - b. Several farmers said their supplies of fresh crops in the field are diminishing because of the seasonal change of weather and the drought (deer pressure also mentioned). Individuals have a lull in supply of head lettuce, cauliflower, broccoli, Hakurei turnip, cabbage, brussel sprouts and greens. Most of these items have been slow to mature and/or are slow to regrow from first cuttings. One farm noted an under-supply of potatoes and seed garlic. Another grower is waiting for fall crops to fully come in before offering availability to some wholesale accounts.
 - c. Most farmers expect their supplies of fresh crops in hoop houses and tunnels will be strong when those come in later in the fall.
 - d. There were a couple of farms who mentioned having a slight over-supply, mostly with various greens and fall brassicas. One farmer thought perhaps it's due to wide selection of those similar products. Another is not worried about moving such products over the next few weeks. Most of these crops are growing slower at this time of year.
3. **Are you seeing or anticipating any changes that will affect your supply and demand in the coming weeks?**
- a. Fall root harvest continues, as will the harvest of tender field crops until heavy frost. Supplies of these items look good, and demand is expected to remain strong. Tunnels continue to be planted to greens for late fall and early winter.
 - b. Several farms are pivoting or adjusting their markets towards on-farm direct sales over the next month or two. These CSA programs seemed to sell out very quickly, and these farms regard this pivot as good insurance for the end of the year against all the market uncertainties.
4. **Any useful resources, news, or data you want to share?**
- a. Many farms voiced concern over restaurants closing for the season or even going out of business. One farm stated it's "sad to see these long-term partners go under, hope this isn't an indicator of many more to come."
 - b. One farmer wonders about the need for more conversation and promotion of eating local through the winter months. They would like to see folks in the Maine local food scene be vigilant right now about talking up the value of local food with customers and our community. It would be great to have a statewide campaign or push to get consumers to think about and plan for a local winter diet --what that means, what that looks like. And this should be tied into the value of strengthening the local economy.

- c. Stress continues to be a big factor in farmers' lives. One farmer shared, "Between the drought, deer, and frost, the last three weeks was pretty stressful," though they did find optimism with the rain that came this past week.
- d. We received two comments in response to a farmer's inquiry in our last report about it being said that this is a "bad weed year":
 - i. In hot dry years, C4 plants are going to be more competitive, and that includes crabgrass, pigweed and purslane, whereas most of our crops are C3 plants, so they don't compete as well in those conditions. But it was also a really good weed killing year. Can't think of better conditions to flush weeds (assuming you have some irrigation) and to kill them with cultivation.
 - ii. Our experience is that it's never a "bad weed year" only a "bad weed management year", which for an organic farm probably means the root issue is staffing limitations since so much of organic weed control requires human contact (hand weeding, mechanical cultivation, etc) and timing is critical. This is compounded when the already limited labor is redirected to other tasks like irrigation and direct marketing, both on the rise this year with drought and COVID. We're among the farms who have had supply gaps directly related to weeds directly related to changes in our staffing.