

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 were collected over the week of 6/22-26, with crucial and insightful input from wholesale buyers and diversified farmers. Huge gratitude to those folks for taking the time. This information is solely for informational and observational purposes.

Every other week we ask the same group of farmers and buyers the same set of questions. They are largely concentrated in the Portland and Mid-Coast markets, although we also receive observations about other parts of the state (particularly about farmers markets). These market reports are meant to be snapshots of what some folks are seeing at the moment, and not a data-rich statistical survey nor widely cast net meant to capture all of the nuances of every marketplace. We hope that their 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](mailto:alex@mainefarmlandtrust.org)) or Nicolas at MOFGA ([nlindholm@mofga.org](mailto:nlindholm@mofga.org)).

## Key Takeaways:

- Background info: Responses each week are coming from the same group of farmers and buyers concentrated in the Portland and Mid-Coast markets. Use this report to assess and gauge your own experiences and observations.
- Demand seems to be holding steady, much less variation than previous months. Consumers are looking for strawberries and anticipating early season field crops (zucchini, summer squash, new potatoes, cherry tomatoes).
- Supply of main summer crops starting to come in, and should be steady for the next couple weeks. Dry weather has some, but not all, folks concerned.
- Oversupply of head lettuce in most markets remains.

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## Buyer responses:

Overview: We only got three responses this week. Demand is still strong, particularly for strawberries and upcoming field crops (grilling season!). Oversupply of head lettuce remains, but might be moving out of that as field crops come in. One buyer noted a disappointing early end to the asparagus season, and that dry weather is concerning. According to one buyer's consumer survey, about half of the respondents remain worried about the future, and that percentage of consumers hasn't changed since mid-April.

## Farmer responses:

Overview: Summer crops are starting to come in, and upcoming supplies are thought to be steady now and into the near future, and demand remains strong. Farmers markets are seeing good business, and a diverse crop mix remains key to keeping customers interested. Restaurants are slowly expanding their business, and most farms are seeing careful and conservative orders picking up, but still unpredictable and well below historic levels. Farmers voice cautious optimism, and many are working hard to adapt to production and marketing needs knowing that Maine's summer traffic and weather are big unknowns.

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

- a. **Direct to Consumers/Farmers Markets:** Demand is high, and sales are strong for most farms. Customers are excited about strawberries, carrots, beets, cukes, zukes and

summer squash. A few farms report continued interest in salad greens and bunched greens at their markets, while other farms are seeing a slow down in demand for greens, particularly head lettuce. One farm reports their cut flower demand is down slightly from the last report. Two farms mention that their online platform sales remain strong. Most Farmers Market's customer counts and sales are still up, including SNAP sales across the state. People are still spending more per transaction, and come to market focused on purchasing not socializing. This week, diversity of crop mix was cited by many farms as a key to continued customer interest.

- b. **Wholesale to Stores:** Farms are generally experiencing good demand, though one farm reported the small businesses they sell to have had a slow couple weeks. Another farm selling to large stores is not quite able to keep up with accounts even as production comes into full force.
- c. **Restaurants:** These markets are unpredictable right now. Most farms report sales are starting to increase, orders are slowly picking up as restaurants open up more for the tourism season, but with great caution. The uncertainty of the restaurant trade ripples directly to farms, resulting in an unpredictability of demand. For example, one farm reports good demand for a popular item like cukes, and another farm reports no demand for their usually popular herbs.

**2. Is your supply meeting demand?**

- a. **Is there unmet demand for certain products?** Most farms report a good supply/demand balance at the moment. Notable new/incoming crops like strawberries are in limited supply that can't meet all markets, and a few farms said they could sell more bunched carrots. Another farm reported that their out-of-state buyers want to buy more Maine produce, even lettuce which Maine buyers report a surplus of. Earlier spring weather, particularly a cold snap followed by a hot snap, has led to some crop gaps or failures with spring greens like kale and napa cabbage, but that hasn't seemed to cause any market shortages.
- b. **Do you have an oversupply of certain products?** Several farms stated that they have abundant amounts and may not be selling all of their head lettuce, bunched greens, and salad greens (including lettuce mix, arugula, and baby kale). One farm said they have an oversupply of flowers.

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

- a. Most farms expect a stable supply for the next few weeks, and anticipate demand to stay elevated. Farmers are expecting high demand for new items coming in, including new potatoes, green beans, cherry tomatoes, celery, and basil.
- b. The dry weather has most farms working hard at irrigating and prioritizing which crops get water. A few farms voiced concern about crop quality and potential loss due to the drought.
- c. One farm mentioned they continue to modify their crop planting plans, and are putting in more utilitarian and bulk staple crops (like carrots) for the fall in place of high-end or quickly perishable crops like arugula and edible flowers.
- d. There remains a heightened level of uncertainty regarding the impact on demand that COVID-19 will have over the summer --most farmers feel optimistic, but know that both tourism and the restaurant trade could be curtailed, and could impact farm sales dramatically. A couple farms mentioned the efforts of some restaurants pivoting or adapting their curbside marketing to include "grocery" items, prepared food, goods

from other food producers/businesses, and considered potential positive and negative implications of this.

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

- a. An online pre-order and farm pick-up platform continues to work well for one farm, giving them sales comparable to past years' farmers markets --so they have decided not to go back to farmers markets for the season.
- b. Another farm first instituted a CSA bag with pre-pay and pick-up system for customers back in the early season, and decided to drop it due to the extra labor and packaging required. They are now trying a less structured pick-up system: packing set-price bags for anyone who wants to come pick up through a simple social media post --this "no commitment" CSA seems to be working and will be trialed through the fall.
- c. One farm is having a hard time reaching and getting responses from wholesale buyers, and is wondering why this is. It's unusual for the buyers to not be proactive in reaching out and to not hear back from them.
- d. Another farm that usually sells to summer institutional markets is wondering how to connect with buyers who need supply since their accounts are definitely closed this season.
- e. Overall, farmers continue to be cautiously optimistic. One farmer acknowledged there *is* demand for local seasonal produce and it's good to have a diverse crop mix, and it's easiest to sell when you can get it to market early. There's a lot of "normal" to this "new normal."