

9/4 Maine Local Market Report

Organic Price Report: Consider contributing to the upcoming report [here](#).

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 8/31-9/4, 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:

- Demand at direct-to-consumer outlets seems to have taken a dip in the last couple weeks. Farmers report demand in wholesale markets staying steady, but wholesale buyers report more variation.
- Farmers and Buyers are expecting strong consumer demand for fall crops as they come in. Consumers have expressed interest in squashes, kale, apples, etc.
- Supply gaps in the next couple weeks anticipated as weather challenges over the season compound with the usual seasonal transition in fields and tunnels.
- There is general uncertainty about the effects of schools reopening and the tourist season ending on consumer demand. Farmers are hedging their bets and solidifying their fall markets, and buyers seem to be waiting to see what happens.
- Farmers and Buyers shared lots of nifty data, news, etc. so check out those responses if you're interested.

Buyer responses:

Overview: Demand is less consistent across wholesale markets right now. In some places, it continues to increase and in other places, folks noticed a downturn in the last week. Supply gap of stone fruit unsurprising. A sentiment that the seasonal shift usually brings challenges, and with the pressures of the growing season as well as uncertainty in tourism and school re-opening, folks are anticipating it to be a trickier transition than usual years. Seems like consumers are looking forward to fall crops, though.

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

- a. Buyers reported the most variation in consumer demand yet, this season. Some folks reported decreased foot traffic (fewer tourists?), others reported consumer demand staying steady from previous weeks, and one reported that sales continue to increase.
- b. The retailer who reported increasing sales noted that local product sales/movement is outpacing non-local products, and that consumers are simultaneously seeking local products while becoming more price conscious.

- c. Some consumer disappointment that peaches and blueberries are not available, and consumers seem eager to move into the 'fall set' - squashes, roots, pears, apples, husk cherries, etc.
- 2. Is your supply meeting demand? Is there unmet demand for certain products? Do you have an oversupply of certain products?**
- a. Stone fruit is in high demand and low supply. Specific buyers also report low supply of beans, bell peppers, zucchini, organic corn, broccoli, cauliflower, radishes, potatoes, garlic, fennel, and blueberries.
 - b. Specific buyers also report that tomatoes seem more or less matched to demand, and expectations for good squash and carrot harvests.
- 3. Are you seeing or anticipating any changes that will affect your supply and demand in the coming weeks?**
- a. One buyer summarized many folks' thoughts when they said, "The change from summer to fall crops is often tricky, and this year seems like it will be more so."
 - b. Buyers pointed to the weather and start of school as presenting new adjustments to supply and demand. With schools opening in a mix of in-person and remote learning across the state, family shopping habits may include some single-serve and portable options and many will likely remain purchasing bulk foods to be prepared at home.
 - c. Another buyer expects an unusual dynamic for potato supply and pricing this year, as Aroostook County suffered severe drought and southern Maine growers don't typically grow to the scale and price of the County.
 - d. Frost is on the way.
- 4. Any useful resources, news, or data you want to share?**
- a. One buyer suggests checking out IRI for data about what's happening nationally in grocery. [This page is specific to changes due to COVID](#). They've got reports (such as how reduced unemployment benefits impacted consumer spending), podcasts, and an overview (including this observation: "More consumers are focused on wellness, which is key for fresh food, but affordability is critical, particularly in the current economic environment," showing that the pandemic has emphasized health benefits and price in consumer's shopping decisions leading to more fresh product purchases).
 - b. Another buyer asks, "Is anyone else seeing [these videos of the Salinas Valley on fire?](#)"
 - c. Editor's Note: In response to a comment from a buyer in the last report, "Some of our best farms to work with are those who, when possible, brand their products," Leigh Hallett at DACF reminds us that [Real Maine](#) is available to help farmers brand their products as Maine-produced.

Farmer responses:

Overview: Demand at direct-to-consumer markets slowed (as is often the case this time of year), while wholesale demand to stores remains steady, and restaurant demand remains weak. Tomatoes are still in strong demand across all markets! Summer crops are on their way out. Heat and lack of rain through the summer caused plant stress, induced pest problems, and led to many farms' successive plantings being thrown off. Cooler weather and shorter days has also slowed ripening of most summer crops (especially tomatoes), and some farms have started to pull their summer crops out, so there may be

some gaps in supply before fall crops are ready. But farmers report most fall crops are coming in early, and demand is expected to be high and supplies to be good. Uncertainties still abound over what effects the pandemic, school openings, and tourists heading out will have on the market.

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

- a. **Direct to Consumer/Farmers Markets:** Demand has dipped for most farmers across these markets. Farmers suspect it's due to tourism dropping off and/or school being back in session in many places. Many farms see this slight slow-down as a typical seasonal trend for late August into early Sept. A few reports state that per-customer sales are still up, meaning there are fewer people but they are purchasing more than previous years' average. Demand for tomatoes is still strong! A few farms have seen good interest in new fall crops that are coming in early this year (cauliflower, napa cabbage, onions and lacinato kale), as well as new items brought to farmers market for the first time due to restaurant closures or weather/pest induced stresses, including fancy herbs and small-sized ("baby") eggplant.
- b. **Wholesale to stores:** Demand remains steady, especially for tomatoes of all kinds, and many other summer crops including bunched and cut greens. One farm reported a couple markets called them for mesclun mix despite having never sold this to them before, and wondered if it's perhaps due to a lull in production from other growers? Stores have shown good reception to this farm's pre-bagging and packaging of most produce, which saves store labor and loss from shrinkage, and allows opportunity for the farm to brand their products. A couple other farms report having a drop-off in demand for their summer crops, like watermelon, with inquiries coming in for storage crops like beets, carrots, winter squash and bunched greens.
- c. **Restaurants:** Demand continues to be down overall compared to previous years, but remains near steady to this summer's trend. One farm noted strong sales of cut and bunched greens and summer crops. Another farm noted restaurants are still placing orders and are "happy with what they're getting." Another farm, who has seen 50% of normal demand from only 50% of their typical restaurant base, has seen further slow-down due to fall weather (cooler nights, windy days, rain, earlier sunset) --restaurants that have depended on outdoor service during the pandemic may likely continue to slow down or even close.

2. **Is your supply meeting demand? Is there unmet demand for certain products?**

- a. Many farms are just meeting demand, or selling out before meeting demand. At many farmers markets across the state, there are fewer produce vendors, and increased demand is directed towards fewer farms.
- b. Cooler temps, cold nights, and short days have slowed down both tunnel and field crops, particularly tomatoes, melons, basil and cukes. Some farms report running out for the season of zukes, cukes, cut greens, head lettuce, and beans, due to pest and weather issues, and/or interruptions in planting sequences.
- c. One farm says it was the toughest week to fill CSA boxes thus far this season, especially since fall crops aren't fully in yet.
- d. Though most farms haven't got their fall crops ready yet, they are seeing growing demand for winter squash, broccoli, fennel, turnip, and cabbages!
- e. Specific farms noted crops in undersupply due to production: tomatoes, head lettuce, lettuce mix/cut greens, zukes, cukes.

- f. Specific farms noted crops in oversupply due to low demand: pickling cukes, specialty greens like arugula.
3. **Are you seeing or anticipating any changes that will affect your supply and demand in the coming weeks?**
 - a. Weather will impact supply, and some gaps are likely as summer crops drop out and fall crops come in. Some irregularity is expected due to the extensive heat and drought through August. Many farms are now pulling their summer crops out of their hoop houses and tunnels to put in fall and winter growing crops.
 - b. Supply of fall crops is expected to be good once they're in, and most farms anticipate their market demand to be strong.
 - c. Markets are overall expected to slow down due to tourists heading out, and inclement fall weather affecting outdoor markets. There is some uncertainty being voiced about the effects of COVID-19 and schools reopening, and how consumers' shopping habits may change. One farm thought the demand for summer crops will remain strong even as those items disappear and winter squash and storage crops come on the scene. A couple farms stated that they've now planted more variety (including fall greens, scallions, celery) in their fall/winter crop mix to hedge their market options that could vary greatly.
4. **Any useful resources, news, or data you want to share?**
 - a. Winter farmers' market planning is happening now. If you want to join one, start reaching out to market organizers now (or yesterday!).
 - b. A nationwide [Farmers' Market Manager Survey](#) was conducted in 2019 and the data was shared out recently. Interesting to think about Maine farmers' markets compared to other parts of the country.
 - c. A couple farms said they will be holding steady on their current market commitments going into the fall and not instigating or introducing new market options (like offering a fall/winter CSA or channeling some quantities from retail to wholesale accounts) until they see a slow-down in their current market. There's a general sense to keep steady with sales that have established a good trend over the past couple months.
 - d. Lots of great MOFGA webinars and Common Ground Country Fair (virtual/online this year) is coming up!
 - e. It was so exciting to see that the Somali Bantu Community Association met its funding goal to secure more farmland, and with the help of so many smaller local farms!
 - f. A plug for the [Maine-Wabanaki REACH Community Response Fund](#) to help indigenous Peoples who have been financially impacted by Covid-19. Donations can be made to the fund online, and they also suggest direct donations to the food pantries that serve the Wabanaki community.