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**Testimony to the House Interim Committee on Agriculture and Land Use on
The Impacts of COVID-19 on Agricultural Markets**

Dear Chair Clem and Members of the Committee,

Thank you for this opportunity to share our perspective on the effects of COVID-19 on agricultural markets. Friends of Family Farmers (FoFF) has represented thousands of Oregon farmers and ranchers for over 14 years. While the pandemic has led to considerable socio-economic instability, it has put a very bright spotlight on the fragility of the U.S. food system due to the massive vertical integration and corporate consolidation that has been allowed to take root and grow to unsustainable and harmful levels. It is time to re-regionalize our food system. It is a shame that corporate interests have been allowed to skirt antitrust laws. Thankfully, many small and medium sized farmers across the country, and in Oregon, are saving the day and feeding people fresh, healthy and local food during these uncertain times.

These farmers and ranchers are passionate about growing food for our communities; they are nimble, responsive, not afraid of technology, and have actually been thriving as the pandemic has led to increased demand for local food directly from farms and from non-traditional outlets such as online and CSAs. Oregonians are actively participating in and strengthening Oregon's local food system and the legislature should take note.

One thing to add, the situations discussed below are morphing by the minute and not all data has been collated. I am happy to provide the committee with any updates that you would like.

CSAs

- [PACSAC](#), the statewide CSA clearinghouse, now has 81 farms, up from 60 last year. There are a very few number of shares available, otherwise all their CSA farm members are completely sold out.
- Last year they collectively sold ~11,000 shares and this year it's looking like it will be around 13,825 shares, which translates to feeding over 40,000 people.
- Last April, in the course of 2 weeks, Boundless Farmstead in Central Oregon added 25 shares to their original 50. They filled up in 48 hours, and now have a 50 person waiting list. They are barely keeping up with increased sales at Locavore, Agricultural Connections (a local distributor with online ordering for the public), and their Tumalo Farmstand.
- Increased demand for Rainshadow Organics produce meant they had to close their farmstand for a month or two to prioritize their CSA customers until harvests increased.

On-line Sales

Amy McCann, the owner of Local Food Marketplace (LFM), a Eugene-based company which provides sales and distribution software for farms, food hubs, and markets, says that their business is booming. They've added 4 people to their staff and are about to bring on another. LFM has seen a 50% growth in the number of farms using their services. There were 164 at the end of February; today are 230 and counting. Nationally, they had 5200 farms at end of February; as of mid-May 7800 are using their services. Many new Farmers Markets, food hubs and co-ops are coming online and farms are just getting set up. They've also seen sales per farm increase an average of 50%.

Local/Regional Based Grocery Stores:

Central Oregon Locavore, a Farm Direct Grocery Store, has seen sales double starting March 15th through today,

with no signs of slowing. They have taken on new ranchers to meet the demand for local meat. They have limited space for new produce farmers (they already worked with quite a few in the area) and those they already worked with are filling the increased demand for spring greens and veggies. They are fundraising to buy new commercial freezers to expand their meat selection and replace existing freezers designed for home use that can't withstand the retail environment.

However, medium-sized growers and those without direct to consumer sales are struggling more to pivot. For example, Casad Family Farms in Madras, who sells mostly to restaurants, added a fall storage crop CSA to ensure some of their potatoes, onions and squash have committed buyers. They are planting and hoping restaurant sales will pick up by the fall harvest or that they can find another outlet to sell their potatoes.

Oregon Meat Processing:

Where we are seeing problems is with the many small meat producers who are seriously struggling as a result of losing access to processing slots as a result of an influx of out-of-state animals usurping Oregon's limited processing capacity. You'll hear more from ODA, but ensuring Oregon producers have processing access is a critical, immediate need. Below are stories that FoFF farmers and ranchers have recently shared with us.

· Angie Boudro, Rock Field Farm in Central Point

“While this is a tough time, these problems aren't new. Every year, it is a challenge to get USDA slots when the animals are actually ready to go. Most producers reserve slots a year in advance to ensure they get them, but there are so many variables in livestock farming that unless you have A LOT of animals, chances are the animals will be less than optimally finished or over-finished on the actual date. This is less true with beef, but very true with pigs and lambs. And of course, lots of the appointments made a year in advance are cancelled.

“The effects of this uncertainty on our business are wide-spread. Many of us travel a long way to get to USDA plants, and if we don't get appointments when we need them, we have to juggle animals being on the wrong piece of property or have to feed extra hay, which is expensive. As a 100% grass-fed producer, an extra month on grass means I carry fewer animals, feed more hay, and potentially have to give my pastures more rest the following year. On the business side, I direct-market and have to spend an incredible amount of time educating consumers on why their lamb or beef won't be ready when planned (because I couldn't get slots).

“I know I am reducing my flock size this year due to a combination of drought and difficulty getting processing appointments. I am also trying to take all my lamb custom-exempt because I don't trust the USDA appointments to be there when I need them this fall. That means I'm giving up a whole year at market, but I don't want to have animals that I can't guarantee that can be processed at a USDA facility. On the other hand, most of the custom-exempt plants are busy already due to processing all the back-up animals and of course, fairs occur during the time when many forage-finished animals are also needing to be processed. And when fair season winds down, hunting season starts so the custom exempt plants are still booked and it is hard to get in with forage-finished animals. So perhaps the solution includes not only more USDA capacity or a state-inspection, but more capacity on the custom exempt side as well.”

· Mike Guebert, Terra Farma in Corbett

“Our appointments were cancelled and so far we've had no luck scheduling at other USDA facilities, they are booked at least through January and not willing to schedule anything with new customers. This not only puts our ability to fulfill our CSA commitments in doubt, but then we also have the animals that will just keep getting larger with ever increasing feed expenses and more damage to the pasture from additional hogs in the wet season.”

· Geoff Scott, Marion Acres in Helvetia

“Our custom shop here struggled to get us dates for fall hogs, fall beef, and now winter beef. They are normally very slow this time of year, but their cooler is packed full. The thought right now is that hunting will fill the coolers more than usual this year because of the meat shortages nationally (providing

incentive for folks to go out and try and get some venison themselves). Given that, it was impossible to get a domestic date (i.e. farm animal) processing date in October.”

· Greg Malinowski, Malinowski Farm in Hillsboro

“Malinowski Farm’s processor for the last several decades changed hands this year. And the new folks have sold all of the rest of this year’s process capacity to folks who worked with [the] mega-butchers. Outside of opening a co-op processor in Oregon, I don’t know what we will do...”

· Sarah Ballini-Ross, Rossalini Farm in Scio

Access to USDA processing has almost completely dried up in Oregon for small farmers. That local USDA processing places are no longer offering services to small farmers is a huge and critical issue that is going to devastate many Oregon farmers. One farmer I spoke with today has 30 hogs that were scheduled to be processed in June at Revel Meats, and they were cancelled. They can’t find any other USDA appointments until next year and it is not feasible to hold hogs over that long.”

Specialty Seed Industry:

Oregon’s vegetable specialty seed producers were considerably affected by COVID-19. A deluge of orders created 4-6 week backlogs that is still in effect today, which affected access to markets. Some Oregon seed companies sold out completely and were scrambling to fill orders, all at the beginning of the busy planting season, which created a hardship for these farmers, many of whom were making do with a skeleton team because of the virus. Please see the *New York Times* article that I submitted to the record, [Panic Buying Comes for the Seeds](#), which states “vegetables are driving [the rush for seeds].” Oregon is one of the world’s top five vegetable specialty seed producing regions **in the world** and now that there is a renewed understanding about how important resilient local food systems are, the state needs to get serious about protecting and growing our vegetable specialty seed industry.

Issues with CARES Act Funding:

As I am sure that this Committee has heard, the roll out of the federal stimulus package was less than ideal. Many vegetable farmers in Oregon will not be eligible for the direct farmer payments because they are not harvesting these vegetable crops. Bottomline, small farmers are largely not getting the support they need from the federal stimulus packages, and the Oregon Legislature will need to address shortfalls, as well prioritize shoring up our local food systems as we weather this recession. As noted in [The Counter](#), “Congress handed \$23.5 billion in disaster relief to America’s farmers. Then it left the room.... They lumped million-acre commodity crop producers with 10-acre vegetable growers.” The big guys are cashing in; we’re persevering on our own.

FoFF is thrilled that the term ‘supply chain’ has made mainstream news, and more eaters are experiencing first hand the benefit of a democratic food system owned by people, not corporations. Oregon must act now to permanently secure its most productive, versatile, and resilient farmland. To achieve this goal, state and local governments must develop a comprehensive set of policies and programs that address not just land protection, but also farm viability and the transfer of land to the next generation.”

FoFF looks forward to continuing to work with this committee and is available to answer questions at anytime.

Thank you for your time and interest.

Shari Sirkin
Executive Director
Friends of Family Farmers