



April 28, 2020

As farms falter, USDA aims to buy more produce, dairy and meat

USDA is making plans for extra commodity purchases while farms are plowing under produce lost to a lack of demand. USDA's purchases would be passed to distributors and wholesalers, which would provide preapproved boxes of fresh produce, dairy and meat products to food banks and to community and faith-based organizations.

Florida crops hit hard by Covid-19 downturn

As restaurants, schools and food processors have closed, demand for fresh produce from Florida has cratered.

GREEN BEANS: Prices fell from \$16-18/box to \$6-8/box in one week. **ESTIMATED LOSSES BY CROP**
As much as \$50 million

CUCUMBERS: The entire crop could be plowed under. \$38 million

CABBAGE: Demand has dropped by almost 100 percent. \$24 million

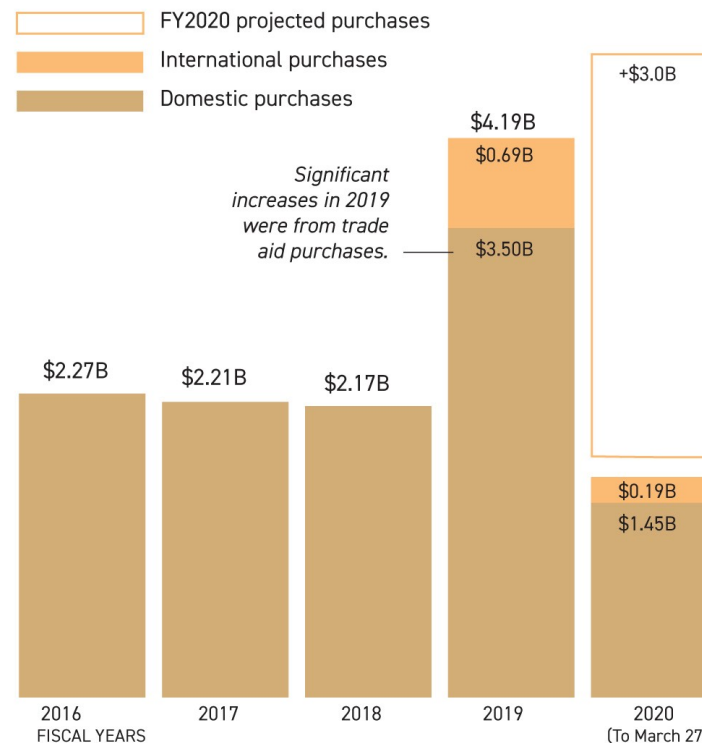
ZUCCHINI and SQUASH: Prices have dropped from \$28 per box to as low as \$3 per box. \$17 million for each crop

PEPPERS: About 20 percent of the crop is being plowed under. \$10 million

LETTUCE: About 75 percent of the crop is being plowed under. As much as \$7 million

Procurements by USDA's Agricultural Marketing Service

IN BILLIONS OF DOLLARS



Sources: USDA, Florida Department of Agriculture and Consumer Services



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A historical lack of fresh at USDA

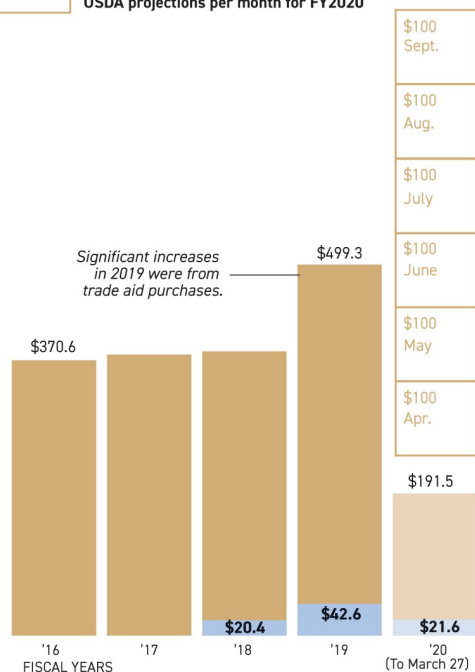
USDA says the agency will purchase \$100 million per month of fresh produce, meat and dairy for the remainder of fiscal 2020, but so far, no indications suggest purchasing has increased in the past 6 weeks.

USDA commodity purchases

IN MILLIONS OF DOLLARS

Dairy

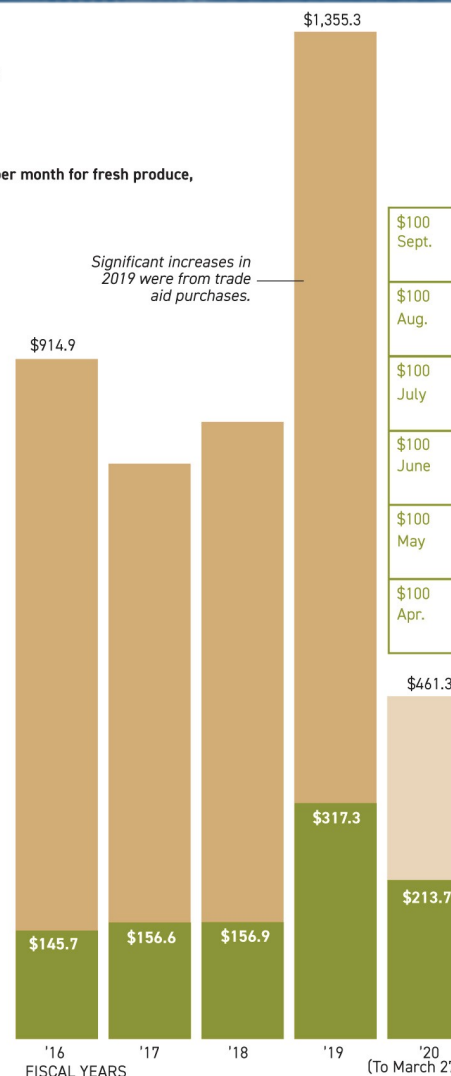
- Processed dairy
- Fresh fluid milk
- USDA projections per month for FY2020



Fruits and vegetables

- Processed
- Fresh produce[†]
- USDA projections per month for fresh produce, FY2020

[†]Includes fresh fruit, fresh potatoes and sweet potatoes, the DoD Fresh Fruit and Vegetable Program for supplying fresh produce to schools, and the Unprocessed Fruits and Vegetables pilot program for schools.



Sources: USDA, Florida Department of Agriculture and Consumer Services