Farmers look to find new markets during pandemic

Thousands of Minnesota farms grow food that supply schools, restaurants and families with everything from meat to vegetables to flour. The coronavirus pandemic has turned many of those markets upside down, creating opportunity for some — and challenges for others.

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MOORHEAD, Minn. -- When the coronavirus pandemic shut down schools in Minnesota last month, Ben Doherty saw a key market disappear overnight.
Open Hands was left with more than 9,000 pounds of carrots. So they offered 25-pound bags for sale on Facebook — and sold them all.

“We figure it was over 250 households that either came directly to the farm or organized a drop site in the (Twin) Cities,” Doherty said. “It was a pretty exciting moment for us, and that’s still kind of keeping us going, assuming that there’s going to continue to be steady interest throughout the summer.”

Thousands of Minnesota farms like Open Hands grow food that supply schools, restaurants and families with everything from meat to vegetables to flour. The coronavirus pandemic has turned many of those markets upside down, creating opportunity for some — and challenges for others.

Doherty and Johnson grow a wide variety of vegetables, herbs, fruits and flowers on about 20 acres. In addition to school districts, they sell to restaurants and direct to consumers through Community Supported Agriculture shares.

They hope to expand their CSA program by about 30 percent this year.
And then there are the carrots: They grow about 100,000 pounds of them each year. Doherty said they know they can’t move that volume without the big orders that schools and restaurants bring.

He knows the conventional wisdom is that you don’t plant a crop unless you have a market.

But right now, they’re planting lettuce that’s usually sold to schools, which are closed at least until early May.

“All those uncertainties are weighing heavily on us as we’re planting,” Doherty said. “We decided to go ahead and plant. But you know, in addition to the usual uncertainties of farming, we’ve got a much bigger market uncertainty now, too.”

**Shifting the model — but only so far**

Anna Racer and her husband, Pete Skold, are planting, too. They grow vegetables on about 5 acres near Webster, just south of the Twin Cities. They also raise hogs and sell pork.

Last week they started moving lettuce, beets, cucumbers and other cool-season crops into plastic-covered hoop houses, where the soil warms quickly, giving the plants a head start on the growing season.
Their Waxwing Farm sells to restaurants and direct to consumers, through a CSA.

The restaurant market has largely disappeared for now, but more people are signing up for weekly deliveries of produce through the farm’s CSA.

“We’ve had six to 10 people sign up in a day,” said Racer.

Last year, they delivered 100 boxes of produce a week. This year, they hope to increase to 130.

“That, in turn, obviously helps us, because we’re getting money right up front now,” she said. When people subscribe to a CSA, they pay for the full season before it begins. “We’re feeling a little bit more financial security moving into a season of having more employees (working) here and especially not knowing how restaurant sales will go.”

Racer and Skold are trying to strike a balance by selling more of what they grow through CSA shares, but not committing to CSAs so heavily that they can’t supply their restaurant customers if and when they reopen.

“We have some really great relationships with a couple of accounts in the Cities and we want to make sure that we’re getting them food they may need, but it’s a little bit of a gamble right now,” said Racer.

Doubting Thomas Farms near Moorhead took a gamble when nearly half of their markets disappeared overnight.

Noreen Thomas and her family grow organic grains and sell flour and rolled oats. Thomas said many of their customers were restaurants and other companies like bakeries that bought in bulk.
"As consumers were running out of flour in the stores, they started to make that jump right to the farm, where can they get that direct," Thomas said. "We’re hearing from people we’ve never heard from before — [in] California or [on] the East Coast. It’s been very robust. We don’t know how long that’s going to last."

The farm had to shut down online sales temporarily, after orders overwhelmed the small operation.

Selling directly to consumers is more labor-intensive than selling in bulk. Instead of delivering large totes to commercial customers, there’s much more time spent packaging and shipping when the grains are going to people’s houses. Those extra sales help, but Thomas said they haven’t made up for losing larger customers.

**Adjusting to the overwhelming response**

Many larger operations in Minnesota have also been overwhelmed by consumer demand.

"It’s been pretty crazy-busy here," said Aaron Purvis, who works with Natural Way Mills, an organic milling operation near Middle River in northwest Minnesota. "We’ve had to stop orders on our website so we can keep up with our other distributors, bakeries and producers that have doubled their orders, as well."

The 40-year-old business distributes flours, grains and legumes across the country. Business had been steadily growing, until it exploded in late March.

"We have been just overrun," said Purvis. "We've had to limit some items like beans, rice, baking yeast, of all things, so that some people didn't become hoarders at the cost of others going without."

The company also had to limit walk-in orders, to prevent people from congregating in the small storefront at the mill.

Purvis said they’re considering adding a second shift in an effort to catch up.

Some food producers don’t have the option to ramp up production, as demand for their products grows.

"It’s not like you can produce a chicken overnight or beef overnight," said Linda Noble of Farm on Wheels near Kenyon in southern Minnesota. "Beef is almost a three-year planning process to increase the cow herd and raise calves."

Noble, her husband, Mike, and son Dillon raise grass-fed beef, lamb, pork, chickens, ducks, geese and turkeys. They primarily sell their meat at the downtown St. Paul farmers market.

Business has been about 20 percent higher than usual these past couple of weeks, said Noble.

They’re taking precautions to encourage social distancing at the market and avoid close interaction. Noble said she was relieved their business is considered essential under the state's stay-at-home order.

"It would have been very much devastating to us and our customers if we weren’t allowed to stay open," she said. “This is a good part of our income.”

Farmers markets across the state are scrambling to develop new protocols so they can operate safely amid Minnesota's efforts to blunt the impacts of COVID-19. The Minnesota Department of Agriculture recently released guidance for the nearly 300 local markets it tracks across the state.

Kathy Zeman, executive director of the Minnesota Farmers Market Association, said several farmers markets are exploring online options.
Another option is controlling access to markets to ensure social distancing and changing payment methods to limit personal interaction.

Farmers who grow flowers are taking a big hit because so many public events are being canceled — and the market for those perishable products has almost disappeared, said Zeman.

It's still early in the season, so Zeman said there is time for markets to fine-tune new ways of doing business.

**Matching producers with new markets**

The Minnesota Department of Agriculture is also offering resources to help farmers find new customers.

Regional marketing specialist Helen Schnoes is working on one project to connect farmers with grocery stores or other regional sellers.

"The agency is gathering information with the Minnesota Grocers Association to help identify those farmers who are in an immediate crunch, who had a committed buyer who can no longer take that product, and then have the Grocers Association see if there was some matchmaking they could do," said Schnoes.

She is quick to point out there are many organizations trying to create new connections during this time of market upheaval.

"Obviously, there's a ton of creativity and ingenuity in our farming community right now," she said. "This is just one of many initiatives that are responding to the need to find viable markets."

Zeman said she hopes the pandemic will be a moment when people who are now searching out local food will recognize the value of the more than 4,000 local food operations in Minnesota.

"We've got farmers out here growing food, and they've been doing it for decades," she said. "In the COVID-19 pandemic, we've discovered these farmers. We need to pay attention to these local farmers from now until forever because this isn't the last crisis we will ever have."