Online grocery services struggle to meet increased demand

Delivery services struggle to ramp up staff

By Kelvin Chan

Associated Press

LONDON — A pandemic forcing everyone to stay home could be the perfect moment for online grocery services. In practice, they've been struggling to keep up with a surge in orders, highlighting their limited ability to respond to an unprecedented onslaught of demand.

After panic buying left store shelves stripped of staples like pasta, canned goods and toilet paper, many shoppers quickly found online grocery delivery slots almost impossible to come by, too.

"It's kind of becoming more challenging to put a meal together," said Paul Smyth, a software engineer who lives near Manchester, England, where the



Kirsty Wigglesworth/AP Photo

In this March 19 file photo, people stand in an aisle of empty shelves in a supermarket in London, amid panic-buying due to the coronavirus outbreak.

online groceries industry is particularly advanced. He's a longtime customer of British online-only supermarket Ocado but hasn't been able to land a slot since he received his last delivery two weeks ago.

The problem for many delivery

services is ramping up staff to pick goods in shops and deliver. But for Ocado, a cutting edge service that relies on warehouse robots, significantly increasing deliveries would mean a big investment in new machinery and warehouses too late to catch the spike in demand. Smyth said he's starting to run low on meat and frozen goods, but wants to avoid going to a supermarket because he worries his asthma, diabetes and high blood pressure are risk factors if he catches the new coronavirus.

"I won't be panicking for another week, but if I've got to wait another two weeks for a delivery slot it's going to be very close to the bone."

The coronavirus crisis is giving the e-commerce industry a boost but troubles at Ocado and other online grocers highlight how hard it is for the industry to quickly scale up online delivery.

In the U.S., grocery shopping had only been slowly migrating online, making up 3% of the food retail market, according to a report last year by Deutsche Bank.

As the crisis hit, delivery orders surged as millions of Americans stayed home. During the week of March 2, even before some cities and states imposed "stay at home" orders, Instacart, Amazon, and Walmart grocery delivery sales all jumped by at least two-thirds from the year before, according to Earnest Research. Instacart, a platform that partners with more than 25,000 stores in North America, says orders in more recent weeks have surged 150%.

As a result, customers in hard-hit New York City are waiting days to schedule deliveries that usually take just hours.

In China, where the outbreak originated early this year, ubiquitous smartphone food apps helped millions get through months of strict lockdown. Even so, e-commerce giant Alibaba's supermarket chain Freshippo reportedly recruited laid off restaurant workers for temporary staff as more customers shifted to ordering by app and average basket sizes jumped in the first half of February.

EGGS

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patterned orbs for a community celebration.

Webb's Kickstarter has thus-far raised \$3,473 of the \$4,600 goal. But he has to raise the full amount by Friday to make sure he can fully resurrect his project.

"I'll do it no matter what happens with the Kickstarter drive," he said. "But it would be more fun for more people to have more eggs."

For Webb, Kickstarter provides a platform to sell his eggs and other glassworks, including vases, to earn the support he needs.

To date, Webb has laid more than 100 of his colorful, translucent glass eggs along the shelves of his shop. But right now most are not for sale. Instead, they are incubating for when the community can celebrate after overcoming the coronavirus.

Webb's eggs are fanciful and intricate. All of them are egg-shaped and egg-sized. They sell for \$50 each. Right now he is making a few available to those who want a special egg or two for a special person at Easter.

Webb's designs range from gleeful yellow swirls to provocative multicolored pinwheels to clear glass that encases realistic-looking flowers. He's become a connoisseur of morels and has a series of eggs inhabited by a morel mushroom that looks good enough to eat. "It's kind of a symbol of spring around here," he said of the glass-encased morels. "And we hunt them, just like we are going to be hunting the eggs. So it made sense to make morel-eggs for this event. It's kind of like you are finding two things you would be looking for out in the woods or wherever I hide the eggs." Oregon Gov. Kate Brown's stay at home order led Webb to close his shop and ditch his classes. But he refuses to be glum. He's planning to offer video classes and is starting to do online marketing. And there's plenty of time for making new creations while 'playing with lava." "There's always opportunity out there," he said. "And if we let this get us down, we are down. I refuse to let go of optimism. We'll get through this." For now, Webb has no set date for the hunt. That will come after the state



Photos by Ellen Morris Bishop/EO Media Group Stirling Webb of Enterprise prepares what will be the interior of an egg by rolling the molten colored glass into a cylinder on a stainless steel table. Below, he shapes a stillred-hot glass egg. The interior colors of this egg will turn blue, but it's too hot to show the actual colors.



SHEEP

Continued from Page 1B due to the COVID-19 pan-

demic, according to court documents. Chapter 11 of the Bankruptcy Code protects a company from the threat of creditors' lawsuits while it reorganizes its finances.

A spokesman for Pendleton Woolen Mills said the company closed its mills in Pendleton and in Washougal, Washington, after an employee at the Washougal mill tested positive for COVID-19. The mills were scheduled to reopen April 3.

Prices paid to producers are rapidly falling. Fat lambs, which were selling for \$1.45 to \$1.50 a pound, are now as low as \$1.25 — "if you can find somebody who will buy them," Noh said.

Processing for the Easter holiday will end Friday, and he expects to see a sharp drop-off in both numbers and prices, he said. Thirty days ago, the industry was short 30,000 head in the lamb feedlot inventory. It was looking like slaughter would stay current with good demand, he said. But now things are

shaping up for a glut ahead and no markets, he said. The coronavirus out-

The coronavirus outbreak is more than a disruption, he said, it's wreaking havoc on all industries but even more on small industries such as the sheep business.

"It's such a small specialty market, we have a hard time moving our product as it is," he said.

Noh's flock just finished lambing, and he's apprehensive about the road ahead when it's time to sell his lambs for finishing in August.

"We're looking at very poor prices this fall," he said.

Right now, California sheep producers are bearing the brunt of the weak market. Lambs are ready for market, but they're having a hard time getting anyone to buy, he said.

Dave Johnson, vice president of marketing for Equity Cooperative Livestock Marketing Association, can attest to that. "Finding a home for sheep in this climate is pretty tough," he said.

He's been trying to auction a load of 375 lambs that have been grazing on alfalfa pasture in the Imperial Valley. They were born last May in the Mountain West and put on pasture in California in December. They're now ready for the feedlot, he said.

Up to 100,000 lambs are grazed in the Imperial Valley each winter and are ready for feedlots in February and March, sometimes the first part of April, he said.

He's tried to auction the one load of lambs the last couple of weeks, but there are no bidders and it's hard to get price discovery. Fortunately, it's an online sale and the lambs weren't trucked to an auction yard; they're still on pasture, he said.

But he has no idea when the virus will abate enough to get things back to normal. The lamb market is a niche market and might not come back as fast as other markets, he said.



relaxes social distancing and other rules.

"We'll be sure the whole community knows about it," he said. "It's something

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tangible to look forward to." For more information,

you can search www.kickstarter.com for Webb's project

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