Nurseries blindsided by virus lockdown

The nursery industry, hit hard by the pandemic, offers drive-thru and delivery

By SIERRA DAWN MCCLAIN
Capital Press

SALEM — For nurseries and garden centers across the U.S., April and May are make-or-break months, when 60% to 70% of their income for the entire year is made in a roughly six-week period.

This spring, however, COVID-19 has taken the bloom off the nation's nursery industry.

"The timing could not be worse," said Jeff Stone, executive director of the Oregon Association of Nurseries.

Stone said OAN worked "exceptionally hard" with Oregon Gov. Kate Brown to keep nurseries operating.

After cattle, nurseries ranked as Oregon's second-largest agricultural sector in 2019. Treated as an essential service, nurseries are running "Gardening Isn't Canceled" campaigns, and industry leaders say most nurseries have switched to preorders, drive-thrus and delivery setups.

But the virus is disrupting plant sales.

Customers aren't buying as many ornamentals and flowers, events that typically buy loads of florals are canceled and the public is avoiding retail outlets. And the industry is dependent on national and international markets that are on hold.

"This is unprecedented," said Mark Bigej, chief operations officer for Al's Garden & Home, a third-generation Oregon nursery business with three growing facilities, four garden stores and more than 200 employees. "There have been recessions before, but the onset was slower. You could see them coming. This was so sudden and extreme. We're scrambling."

Bigej said customers utilizing curbside pickup are ordering edibles like vegetable starts and berry plants, along with annual flowers "for some brightness and happiness in this hard time." But the virus has halved Bigej's sales.

At Egan Gardens in Keizer, Ore., owner Ellen Egan is surrounded by flowers that were destined for now-canceled events: about 8,000 geraniums, 1,200 ivy geranium baskets, 2,000 assorted annuals and 500 mixed flower baskets now have no buyers. Egan estimated fundraisers alone make up 20% of her spring sales.

It's too late to cancel the orders she placed last fall from growers, Egan said. Now, every day, she dumps tray after tray of plant starts.

"It's awful," she said. "Our sales are destroyed. And all these plants here need homes."

The most reliable sales come from commercial landscapers, said Egan: apartment complexes, car dealerships, city parks. But Egan estimates orders from landscapers will drop next year, as many businesses close permanently and others tighten budgets.

Nursery leaders say the "big four" industry sectors — growers, greenhouse operators, retailers and landscapers — have all been hit differently. But the industry is intertwined; when one suffers, many suffer.

Oregon's $1 billion nursery industry ships about 75% of its stock out of state, said Jim Simnitt, OAN president. When nurseries close in other states or countries, or when markets are significantly disrupted as in New York, it sends ripple effects through the industry, he explained.

The industry continues to ship nursery stock between states, but the number of plants is down, according to Aron Asbell, an agent with Gulick Freight Service Logistics, a freight broker.

"I'm still super busy because of logistical hurdles and orders that keep changing," said Asbell. "But my volume is definitely down."

Beyond economics, Stone said he's concerned for the health of aging nursery owners.

"They're not sideline people," he said. "They get in and do whatever's needed. They're like the people braving checkout lines: heroes."


Sierra Dawn McClain/Capital Press

Mark Bigej, left, a third-generation nursery manager, with his father, Jack Bigej. Fallout from the COVID-19 virus has caused many orders to be canceled during what is normally the busiest time of the year for nurseries.

COVID-19 hitting dairy industry in waves

By CAROL RYAN DUMAS
Capital Press

The closure of restaurants and other foodservice outlets is taking a toll on dairy farmers and processors, with the damage coming in phases.

"The first phase, when people knew they'd be staying at home, wasn't so bad. Pizza orders surged and people went to grocery stores to stock up on all the milk, butter and cheese they could get their hands on," Matt Gould, editor and analyst with the Dairy Market Analyst, told Capital Press.

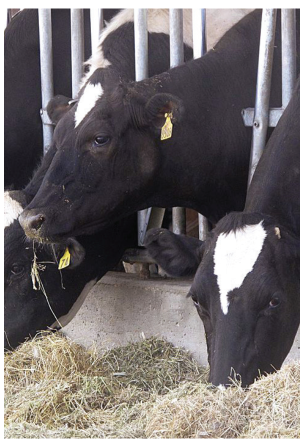
That made up for the loss in foodservice sales, he said.

But a week ago, fluid milk bottlers started getting their first order cancellations as retailers realized they had over ordered. The anticipated dumping of milk began a little over a week ago and became more severe this week.

Retail sales of all dairy products are moderating, and demand for dairy at grocery stores is no longer enough to outweigh lost sales in foodservice, he said.

Milk dumping is taking place all over the country — "east to west and north to south," he said.

"It certainly seems to be in the hundreds of truckloads a day," he said.


Capital Press File

Some dairies across the nation are dumping milk in response to the dramatic decline in demand for milk and cheese.

Foodservice closures are hurting cheese sales. Consumers eat more cheese when they go out to eat — think cheese dips, mozzarella sticks and parmesan on pasta dishes, he said.

"It's resulted in some pretty severe demand disruptions," he said.

The entire country changed habits at the same time, and the move was violent. That led to reduced schedules at plants servicing the foodservice industry, he said.

Before coronavirus, 46% of cheese sales were at retail, 16% were for pizza and 38% were for foodservice and other channels.

In the coming weeks, retail sales will grow only about 20%, pizza sales might be up slightly, and other foodservice sales are down 80% to 90%, he said.

He expects domestic cheese consumption to be down 21% in April. That's a decrease of 214 million pounds and equivalent to 2.1 billion pounds of milk, which means the U.S. will have an excess of 1,100 tankers of milk a day, he said.

The industry has moved to the next phase in the situation, with dairy cooperatives asking producers to reduce milk production and figuring out the cost share for dumped milk, he said.

"It's some pretty serious financial challenges going on," he said.

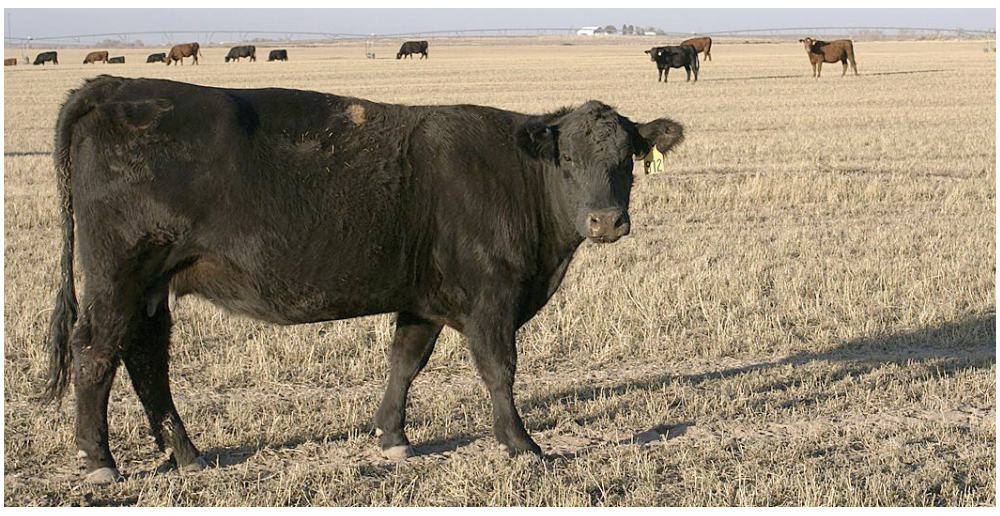
If the dairy farm sector and cheese processors suffer large financial damages, it'll take a long time to recover, he said.

Officials in Washington, D.C., are being lobbied hard for such things as assistance for exports, government purchases, direct payments to dairy farmers and reimbursement for dumped milk, he said.

It would cost $300 million a month to compensate dairy farmers for dumped milk, he said.

The $2 trillion stimulus package can go a long way in helping, but the government hasn't announced any decisions yet.

It's a near certainty USDA is going to intervene, but no one knows yet details, he said.


Carol Ryan Dumas/Capital Press File

Beef cattle graze near Hollister, Idaho. The COVID-19 outbreak and the resulting precipitous drop in demand have put cattle prices on a roller coaster.

COVID-19 turns cattle markets inside out

By CAROL RYAN DUMAS
Capital Press

The coronavirus pandemic has taken cattle markets on a roller coaster ride for the past two months, with prices moving sharply — both up and down — for feeder and fed cattle.

The June futures contract for live fed cattle, which was $112 per hundredweight in February, closed at $80 on Monday. It increased the allowed amount on Tuesday to $84.

Cash prices have been volatile as well, Michael Nepveux, American Farm Bureau Federation economist, said.

The five-market price for fed cattle went from $124 in late January and early February to a low of $108 in March. It rebounded to $119 then dropped to $111 last week, he said.

The same uncertainty has infected feeder cattle markets. Futures contracts were steady until a steep selloff in March. Prices pushed back up and then saw another selloff, he said.

The May feeder futures contract went from $144 in mid-February to $108 in mid-March. It rebounded to $129 in late March and has dropped again to $108.

Cash feeder prices have also been volatile. Prices on 500-600 pound steers at the Oklahoma City auction, which were as high as $171 in late January, dropped to $134 in March and have rebounded to $155, he said.

Now there's a lot of concern over keeping packing plants open. There have been several reports of temporary closures due to infected workers and workers staying home to care for their children or who fear infection, he said.

There have also been reports of plants running at reduced capacity due to a lack of workers or keeping a safe distance between workers, he said.

"You're likely to see some more price declines on the fed side — and maybe by extension on feeders, depending on how long this goes on," he said.

That could be awhile, according to John Nalivka, owner of Sterling Marketing in Vale, Ore.

It might be the end of this year or into next year before things return to more normal conditions, he said.

Coronavirus has changed everything and caused a great deal of uncertainty on the demand side of the equation, he said.

On top of that, domestic beef, pork and poultry supplies this year will be the highest per capita since 2007, and those industries have become heavily dependent on exports. He's concerned about demand after the pandemic has subsided, he said.

"Hopefully we don't have too much of a glitch on the other side," he said.

Restaurants are an important part of the demand structure, and closures have shaken things up, he said.

"Demand doesn't just come back … it's going to take some time," he said.

The U.S. came into the pandemic with a pretty strong economy. But everything is shut down now with people staying home, he said.

"We basically kicked the U.S. economy in the teeth," he said.

The economy could come back strong, but people have to get back to work for that to happen, he said.

Right now, it's critical to keep packing plants open and buying cattle. If there's anything that would destroy markets, it's plant closures, he said.

LEGAL

NOTICE OF PUBLIC BUDGET HEARING – CHANGE OF LOCATION

Notice is hereby given that a public hearing will be held pursuant to ORS 576.416 (5), on Monday, May 4, 2020, at 8:00 a.m., via a Zoom meeting, upon a proposed budget for operation of the Oregon Blueberry Commission during the fiscal year July 1, 2020 through June 30, 2021. At this hearing any producer of Oregon Blueberries has a right to be heard with respect to the proposed budget, a copy of which is available for public inspection, under reasonable circumstances, in the office of each County Extension Agent in Oregon. For further information, contact the Oregon Blueberry Commission business office, P.O. Box 3366, Salem, Oregon 97302, telephone 503-364-2944. The meeting location is accessible to persons with disabilities. Please make any requests for an interpreter for the hearing impaired or for other accommodation for persons with disabilities at least 48 hours before the meeting by contacting the Commission office at 503-364-2944. S182697-1

LEGAL

NOTICE OF PUBLIC BUDGET HEARING – CHANGE OF LOCATION

Notice is hereby given that a public hearing will be held pursuant to ORS 576.416 (5), on Wednesday, May 6, 2020, at 7:00 a.m., via a Zoom meeting, upon a proposed budget for operation of the Clover Commission during the fiscal year July 1, 2020 through June 30, 2021. At this hearing any producer of Oregon grown Clover seed has a right to be heard with respect to the proposed budget, a copy of which is available for public inspection, under reasonable circumstances, in the office of each County Extension Agent in Oregon. For further information, contact the Clover Commission business office, P.O. Box 3366, Salem, Oregon 97302, telephone 503-364-2944. The meeting location is accessible to persons with disabilities. Please make any requests for an interpreter for the hearing impaired or for other accommodation for persons with disabilities at least 48 hours before the meeting by contacting the Commission office at 503-364-2944. S182698-1

LEGAL

NOTICE OF PUBLIC BUDGET HEARING

Notice is hereby given that a public hearing will be held pursuant to ORS 576.416 (5), on Monday, May 11, 2020, at 8:00 a.m., via a Zoom meeting, upon a proposed budget for operation of the Fine Fescue Commission during the fiscal year July 1, 2020 through June 30, 2021. At this hearing any producer of Oregon-grown Fine Fescue or Highland Bentgrass seed has a right to be heard with respect to the proposed budget, a copy of which is available for public inspection, under reasonable circumstances, in the office of each County Extension Agent in Oregon. For further information, contact the Fine Fescue Commission business office, P.O. Box 3366, Salem, Oregon 97302, telephone 503-364-2944. The meeting location is accessible to persons with disabilities. Please make any requests for an interpreter for the hearing impaired or for other accommodation for persons with disabilities at least 48 hours before the meeting by contacting the Commission office at 503-364-2944. S182699-1

LEGAL

PURSUANT TO ORS CHAPTER 87

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 04/13/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2018 HYUNDAI ELANTRA 4D
VIN = 5NPD74LFOJH330729
Amount due on lien $1,315.00
Reputed owner(s)
GREGORY RUCILEZ & SHEILA ARMENDARIZ
MECHANICS BANK
S179861-1

LEGAL

PURSUANT TO ORS CHAPTER 87

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 04/06/2020. The sale will be held at 10:00am by
PEMCO INSURANCE
2885 NATIONAL WAY WOODBURN, OR
2014 SUBARU BRZ 4D
VIN= JF1ZCAC12E9605557
Amount due on lien $1,315.00
Reputed owner(s)
STEVEN TOLLESON & MEGAN WAGUESPACK
WELLS FARGO AUTO
S179866-1

LEGAL

PURSUANT TO ORS CHAPTER 87

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 04/06/2020. The sale will be held at 10:00am by
FARMERS INSURANCE EXCHANGE
2885 NATIONAL WAY WOODBURN, OR
2005 FORD F350 CW
VIN = IFTWW31PX5EA30509
Amount due on lien $1,375.00
Reputed owner(s)
LORRAINE J WHEELER
UNITED FINANCE COMPANY
S179864-1

LEGAL

PURSUANT TO ORS CHAPTER 87

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 04/06/2020. The sale will be held at 10:00am by
METROPOLITAN P&C
2885 NATIONAL WAY WOODBURN, OR
2014 BMW 320 4DR
VIN = WBA3C3C58EP661297
Amount due on lien $1,375.00
Reputed owner(s)
STEPHANIE A ELOFF
BMW BANK OF NORTH AMERICA
S179863-1

LEGAL

PURSUANT TO ORS CHAPTER 87

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 04/06/2020. The sale will be held at 10:00am by
AMICA MUTUAL INS CO
2885 NATIONAL WAY WOODBURN, OR
2016 HYUNDAI SON 4D
VIN = 5NPE24AF4GH345894
Amount due on lien $1,375.00
Reputed owner(s)
KYLIA TAYLOR MERRELL
JP MORGAN CHASE BANK
S179862-1

LEGAL

PURSUANT TO ORS CHAPTER 87

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 04/20/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2017 SUBARU OUTBACK 4DR
VIN = 4S4BSANC9H3337381
Amount due on lien $1,515.00
Reputed owner(s)
MICHAEL J SOMMERS
WELLS FARGO AUTO
S182371-1

LEGAL

PURSUANT TO ORS CHAPTER 87

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 04/20/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2016 LEXUS RX 4DR
VIN = JTJBZMCA0G2002997
Amount due on lien $1,515.00
Reputed owner(s)
IULIU & MARINA SZABO
TOYOTA LEASE TRUS
S182369-1

LEGAL

PURSUANT TO ORS CHAPTER 87

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 04/06/2020. The sale will be held at 10:00am by
AIG PROPERTY CASUALTY COMPANY
2885 NATIONAL WAY WOODBURN, OR
2018 KW TK
VIN = 1KXYP49X8JJ198770
Amount due on lien $1,375.00
Reputed owner(s)
TW TRANSPORT INC
BMO HARRIS BANK/WIL HUNT LLC
S179869-1

LEGAL

PURSUANT TO ORS CHAPTER 87

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 04/06/2020. The sale will be held at 10:00am by
ALLSTATE INSURANCE CO (WEST)
2885 NATIONAL WAY WOODBURN, OR
2014 HONDA CIVIC 2DR
VIN = 2HGFG3B88EH503130
Amount due on lien $1,295.00
Reputed owner(s)
DONN R & CONNIE Y WESTRICK
CLACKAMAS FEDERAL C.U.
S179868-1