Business & AgLife B

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Businesses respond to COVID-19 'In Their Own Words'

Local business owners say they don't know about federal programs to help them

By Phil Wright
EO Media Group

LA GRANDE — Several local businesses responding to a statewide survey reported laying off or reducing hours for most or all of their employees due to restrictions to curb the spread of COVID-19. The businesses also shared recovering could take anywhere from four to 30 weeks.

The responses are part of the Oregon State Chamber of Commerce's "In Their Own Words" effort to collect unfiltered and real feedback from local businesses to help policymakers understand what's happening to local businesses and adopt policies that help with recovery, according to the announcement from the Union County Chamber of Commerce.

Roughly 200 businesses and nonprofits across Oregon in the span of two days responded to the survey, according to the local chamber, to convey how the COVID-19 crisis has adversely affected their operations.

Eight businesses in Union County responded, including a retail flooring sales and installation company that also operates in Enterprise and Baker City.

These local businesses shared their challenges accessing federal stimulus dollars, negative effects to their workforce and issues they anticipate in reopening when Gov. Kate Brown lifts the "Stay Home, Stay Safe" executive order.

The survey asks businesses multiple questions, including what industry they are in, how many employees they have and what percentage of employees are now on furlough or laid off.

The survey also asks business owners how long they expect to take to recover and for feedback on related topics, such as what information they need from government agencies at all levels to help in recovery and what industries would be important to focus on first.

The survey results provide the responses without naming the businesses but include business type and places of operation.

One La Grande restaurant/catering business reported it had 25 workers on March 1, and now 80% are not working. The establishment also estimated it would take 20 weeks to recover and gave this response to a question asking for suggestions on

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'Great Potato Drive' is win-win

Joseph farmer provides 500 pounds of spuds a week to help local food banks

By Bill Bradshaw
EO Media Group

Photo by Bill Bradshaw/EO Media Group

Organic farmer Patrick Thiel shows a red-skinned Valery potato in October 2019 at his farm near Joseph. The Valery is one of many he grows there and markets to high-end Portland restaurants, as well as sells at local farmers markets. Thiel has been able to keep his workers employed during the COVID-19 pandemic because of the willingness of the local community to buy his produce and with a Paycheck Protection Program loan.

ENTERPRISE — Wallowa County residents — and others — are continuing to fill the local food bank coffers as Community Connection strives to help feed those in need with donations of food and money to buy it.

Monday, a local couple gave a $500 check to Rich Wandschneider, president of the Rotary Club of Wallowa County, to purchase more potatoes for the Great Potato Drive that benefits the food bank said Randi Jandt, Rotary spokesperson. This is the sixth week the club has purchased potatoes for the food bank for a total of 3,000 pounds.

"So we have another week for the food bank," Jandt said.

She said in addition to locals, donations have come from as far away as Reno, Nevada and Portland.

"People have donated as much as $200 that way," she said.

Jandt said she recently checked in with the La Grande hub of the Oregon Food Bank, from which the local branch receives food, and asked if the regional hub still needed Wallowa County potatoes.

"They are able to use every potato," she was told.

In addition to helping Wallowa County, the regional hub puts the potatoes in supplies it sends for food boxes and Meals on Wheels to 18 other regional food pantries, Jandt said.

The local farm that has benefited from the potato drive is the organic Prairie Creek Farm owned by Patrick Thiel of Joseph. He still has potatoes in storage from last year's crop.

Jandt said she checked with other county farms but has found none with produce to spare.

"They're not quite producing enough," she said. "It's still early in the season."

Thiel said he has been providing about 500 pounds of potatoes a week to the food bank.

He said he has Anoushka yellow, Reba round white, Huckleberry Gold, All-Blue and Spartan Splash varieties the Rotary Club buys at $1 a pound for the food bank. The Hurricane Creek Grange in Joseph also has been buying Thiel's spuds to donate, he said.

Although that's far below what he would normally sell to the 35 high-end Portland-area restaurants that were the mainstays of his market before the pandemic — only two of them still take his spuds — it's enough to keep him going and, along with a Paycheck Protection Program loan, to keep a couple workers employed.

He said he had to lay off his workers for about three weeks, but was able to reemploy them and purchase some seed after taking out a loan on his tractor while waiting for the PPP loan to come through.

In the meantime, some of his crop is rotting in the warehouse.

"I've probably lost $25,000 to $30,000 of my crop because of the shutdown from not being able to market them in a timely fashion," Thiel said.

But, he said, being cut off from his usual market is providing new opportunities.

"It's kind of creating a new system by doing more local marketing," he said.

He's also working to get more of his crop into local retail sales.

"I've worked on trying to get more markets, but that takes time," he said. "Under the circumstances, everybody's markets are disrupted."

Farming is never an easy profession, he noted, adding there always are problems with markets, equipment and financing a producer must face. But he acknowledged the support of the community.

"Efforts by Randi Jandt, the Hurricane Creek Grange and the Rotary have kept me going … but business expenses don't stop," he said.

Thiel recognized how Wallowa County comes together as a community to take care of its own.

"I just think the community is amazing, the kindness and sacrifice for others in people who live here," he said. "It's been wonderful to see."

Observer file photo

Trevor Knowles, center, competes in steer wrestling at the Chief Joseph Days Rodeo in 2017. The rodeo's board of directors remains hopeful the event will proceed as usual in late July in spite of the COVID-19 pandemic.

Chief Joseph Days aims to ride this year

Rodeo generates 18-25% of the total tourism revenue in Wallowa County

By Ellen Morris Bishop
EO Media Group

JOSEPH — Chief Joseph Days has been celebrated on the last full weekend of July for the past 74 years. If the rodeo's board of directors has its way, this year will mark 75.

"The community and our sponsors have supported us generously through all the years," said director Terry Jones. "They count on Chief Joseph Days economically. It's a mutual relationship. Especially this year, we want to support our sponsors and the community."

Jones said the Chief Joseph Days board will make a final decision in late June on whether to hold the 75th rodeo this

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New draft guidelines posted for reopening hair salons, restaurants

By Dick Hughes
For the Oregon Capital Bureau

SALEM — Hair, nail, massage, tattoo and similar salons might reopen with strict requirements to keep apart and follow extensive hygiene procedures, according to COVID-19 draft guidelines posted Tuesday on Gov. Kate Brown's website.

Draft guidelines for restaurants and bars also have been updated to delete the suggestion that they collect patron information for potential use by public health officials in tracing who came in contact with an infected individual.

That had drawn strong opposition from eating and drinking establishments.

"The idea of patrons having to sign their name or address if they're coming to eat at the restaurant is very much opposed by the restaurateurs," Umatilla County Commissioner George

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Coronavirus outbreak causes cattle, beef prices to diverge

By Carol Ryan Dumas
Capital Press

SALEM — Cattle producers and lawmakers have been calling on the administration to expand its investigation of the wide disparity between rising beef prices and falling cattle prices amid the coronavirus pandemic.

Some producers also urge a restructuring of the meatpacking industry, breaking up the largest companies and requiring them to purchase more cattle through cash trade.

"An investigation into packers for whatever reason probably isn't a bad idea," said Derrell Peel, an extension livestock marketing specialist at Oklahoma State University.

Given four meatpackers account for more than 80% of the nation's cattle slaughter and processing, it's always good to have oversight, he said. That's reason for worry about market power above and beyond supply and demand, he said.

"We are careful of that in this country," he said.

However, they've been investigated by government and researched by economists for years, and no one's found any undue influence on cattle prices, he said.

A large gap has emerged between wholesale beef prices and fed cattle prices since the coronavirus outbreak, but it's the way the market works, he said.

"There's nothing in these prices that surprise me as an economist," he said.

Fed cattle prices are derived from the value above them on the supply chain. Coronavirus has caused a lot of extra costs in processing and shipping, which have driven fed cattle prices down and wholesale beef prices up, he said.

Processors are closed or running at reduced capacity, yet all their expenses remain. They are still paying employees — even if they're not working — and paying bonuses to those who are. They're also spending extra money making workers safer. Because of these added expenses, the cost per unit of beef product is much higher, he said.

Just looking at the margin between cattle and wholesale beef prices, people think processors are making "ungodly" profits — but those margins are basically meaningless right now, he said.

"They're not making as much money as everybody else thinks they are," he said.

The choice boxed beef price on Friday was $377.45 per hundredweight, the highest it's ever been, but normally 80% of beef sold is priced four to six weeks earlier. Beef production last week was only 60% of normal, and most was already priced, he said.

There wasn't much extra beef available that wasn't forward priced and everybody was scrambling to get it, which bid up prices, he said.

"Negotiated boxed beef prices represented only a small amount of trade. The boxed beef revenue is not nearly as high as the boxed beef price would tell you," he said.

He also cautions producers about wanting to break up the four big packers — Cargill, JBS, National Beef and Tyson. They got that way because of economics, and cost efficiencies allow them to pay more for cattle, he said.

Research has shown their little bit of market power can push cattle prices down a little. But because of the cost efficiencies they have, they wind up paying more for cattle. Cattle prices would be lower if the big packers were dismantled, he said.

EO Media Group file photo

Cattle graze west of Eden, Idaho. A livestock expert says breaking up the four biggest beef processors would ultimately result in lower cattle prices.