

Tom Kovacevich III

President/COO

T. M. Kovacevich—Philadelphia, Inc.

Q: What items are currently selling and not selling on the market?

A: What has changed for us is that certain items have really picked up in sales while some have lagged. I believe the consumers have a new list in hand, is being directed by their additional home cooking, heightened food safety concerns and a special focus on shelf life.



Responses from John Vena Inc. were supplied by the following:

Q: What items are currently selling and not selling on the market?

Kelsey Rose: When

closure first started to take effect, demand for microgreens, edible flowers, and baby vegetables basically disappeared. It's been very difficult for our microgreen suppliers to react and keep production going. But we are starting to see demand bounce back in a very small way as restaurants find their rhythm with take-out.

Tom Allen: Almost all pricey items have been affected at least somewhat. Customers aren't interested in products that are \$2-3 per pound and don't have a strong retail market. For example, Thai guava and baby pineapples are struggling to move.

Emily Kohlhas: Despite the challenges facing small businesses, we have seen independent retailers continue to come into the market and shop. They have taken a hit as consumers flock to box stores in panic-buying mode, but from what we can see, small shop owners are staying open to be there for their communities.

On the foodservice side, restaurants and institutions are still operating at what volumes they can via delivery and take-away. While volumes are off and demand is unpredictable, we haven't seen a total collapse in any one sector.

Q: What new buying outlets are being explored/reached?

Dan Vena: We are packing a limited line of mixed cases of produce intended for consumers. We're working with a couple of local retail customers rather than trying to market them directly. It's a small program for now, but we are committed to helping our



Tom Allen,
Buyer & Account
Manager



Jose Flores,
Buyer & Account
Manager



Emily Kohlhas,
Director of
Marketing



Kelsey Rose,
Customer
Support Team
Leader



Dan Vena,
Director of Sales
& Buying



John Vena,
President

retailers expand their offerings and facilitate contact-less shopping.

Q: Are prices going up on all or some items? Any items where prices have fallen?

Jose Flores: In the ethnic markets, demand for items associated with health tonics and teas has been very high. The increased demand combined with supply issues that existed pre-COVID-19 have driven lemongrass, ginger, garlic, turmeric, and Aloe Vera prices up through the roof.

Most other markets have seen a lot of volatility, but it's been hard to link that to the effects of COVID-19 or predict how they will change from week to week.

Q: Are more companies trying to consign items?

Tom Allen: The growers that were always willing to consign are still sending product open. But those that never did still aren't. It just depends on the shipper, regardless of the current circumstances.

Q: Is the market rejecting or accepting more products that do not meet grade?

Dan Vena: Our customers really haven't changed their standards for quality. They can't really afford to; they still need as much shelf life as possible, especially now. Certainly, our receiving practices and standards are the same; we continue to work with our shippers and to accommodate them as well as we can.

Q: Are suppliers trying to "dump" more items than usual?

Jose Flores: Most shippers these days do at least some business with chain stores. They

Q: How hard is it to get transportation to and from your market?

A: This has not been an issue at all.

Q: How are credit terms being changed in these volatile times.

A: We have stepped up our accounts receivable review, we are reaching out and having more conversations with customers under stress, and we are doing our best to respect the difficulty so many are experiencing.

Q: If you could make one wish to help your market overall, what would it be?

A: I would like to see more of the merchants realize the future is in delivery and take on the burden of managing a trucking department. This would offer more service from our market and help those operators grow their business.

may have seen some business decline on the foodservice side, but the boom in retail has helped them stay relatively stable, so not many shippers have felt the need to consign or dump on the market.

Q: How is the market able to help producers of foodservice items looking for new markets?

Dan Vena: We've been focused on supporting our foodservice distributors as their customers make the switch to take-out and delivery where possible. Demand went stone cold for a couple of weeks, but foodservice customers are slowly coming back.

Volume is radically reduced, but we have maintained some foodservice business for our growers. There are still restaurants and institutions out there supporting their communities, and they need product as much as any retailer.

Q: If you could make one wish to help your market overall, what would it be?

John Vena: I sincerely hope that the merchants and management of the Philadelphia Wholesale Produce Market, as well as the entire supply chain, pay attention to the lessons from these difficult days.

In our industry, we have learned so much about food safety and risk management. Fighting this crisis is, in some ways, an extension of those best practices. Our supply chains are long and complicated, and the risk of this virus or something like it will always be with us. We must plan for and do the things that keep our workers and customers healthy and safe at all times, not just in times of crisis.