

The Outlook



February 24, 2021

February 2021 Freeze – Product Advisory

The recent prolonged freezing conditions in and around Texas have affected the yield of many fresh produce crops, particularly in the Rio Grande Valley growing region. The impact to cost, quality and availability of these products will be felt over the next several months. Damage is still being assessed, however at this time we can make the following projections:

Short-term Impact

Logistics: Hazardous driving conditions have slowed some cross-country freight routes, and border crossings from Mexico. This could result in potential late deliveries of certain fresh produce items to distribution centers, and potential (but less likely) product shortages for foodservice customers over the next week. PRO*ACT account managers and distributor representatives are at your service to provide up-to-date information on any potential shortages and solutions.

Quality/Shelf Life: Certain products held up in transit, as described above, may have a shorter shelf life when received by foodservice customers over the next week. We recommend that **Avocados, Berries** and **Leafy Greens** be received and monitored more closely for quality during this time.

Seasonal Impact

Grapefruit and Spanish Onions: Texas acreage of these crops are initially being projected to be 50% of a typical yield. Both come into season in mid-March and represent a sizable in-season portion of the total crop acreage in the U.S. This will almost certainly mean higher pricing and quality issues on what product remains available, from March through August. Optimal sizes and grades of product during this time are yet to be determined.

Cauliflower, Broccoli, Cabbage, Celery, Chard, Carrots and Bok Choy: These crops are projected to be close to a total loss in Texas. This will severely impact those customers wanting to buy Texas-local products in spring and summer 2021. However, the percentage of in-season product grown in Texas vs. other regions is fairly small, and while this raises the chance of price and quality issues during the season, major disruptions are unlikely.

What We're Doing to Help

The PRO*ACT team will work with our key suppliers to help you minimize these and other impacts as the situation evolves. We will keep you updated regularly with current conditions and the best options available to you. That includes recommendations of alternatives, ideal products, pack sizes and grades for the impacted products.

Please be sure to read The Source weekly for this up-to-date market insight, and follow our social channels for alerts. For additional information specific to your individual business, your PRO*ACT representative is always at your service.

