

August 2023 Newsletter

Hello Colleagues and Friends,

Welcome to our monthly newsletter! This month's features are:

- The Market Corner article titled **Technological Changes and Shock-Resistant Shortened Food Supply Chains** by C-FARE Board Member, Kimberly L. Morgan
- New Direction features articles and papers titled:
 - [Nutrition Security: Building on Our Work to Date and Accelerating Progress](#)
 - [5 recommendations from Reimagine Rural for the 2023 Farm Bill and federal implementation](#)
 - [Decomposing USDA Ending Stocks Forecast Errors](#)

Keep reading to learn more,

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Market Corner

Technological Changes and Shock-Resistant Shortened Food Supply Chains

Challenges facing producers exist between and betwixt, such as decreasing access to farmland, retail pressure and market power, decrease in produce consumption trends, labor supply concerns, rising interest rates, and continued input supply disruptions resulting in higher prices due to global conflicts. Yet opportunities abound and offer ways to differentiate fresh and value-added produce market offerings, changing consumer focus towards selection of fresh produce with proven health benefits, or adoption of conservation-focused production, processing, and packaging practices.

Farms continue to get bigger and more economically efficient and achieve gains due to economies of scale and scope. Many produce operations have a corporate structure and have farms strategically located to follow the progression of seasons from south Florida to northern states to provide a year-round supply of produce as demanded by retail and foodservice buyers. However, we see small to medium size farmers are joining forces, and technology-driven tools offers benefit of savings in time and resources required to access market information. Given that market access and market share drive profitability, exciting new technologies are emerging that reduce the cost of KNOWING and empower the individuals making more informed decisions.

The goals of my research are to address the adoption of alternative production technologies, to inform management and mitigation of financial and human resource risks, and, to improve long-term profitability of the agribusiness sector through a better understanding of food-system channels. In my view, automation and mechanization offer profit-generating ways to build shock-resistant short food supply chains (SFSC). These SFSCs involve long-term commitments to building and maintaining cooperative relationships among economic agents with a shared vision to adapt to changes in consumption trends, environmental conditions, and the needs of

humanity. I welcome future research and education collaborations to delve deeper into this intersection of SFSCs and rapid tech advances, as I believe this will result in competitive advantages and improved resiliency of food supply chains across geographic and temporal spaces.

Kimberly L. Morgan, C-FARE Board Member and Professor at University of Florida

ICYMI

- C-FARE is hosting a webinar on Friday, Sept. 8 at 12 p.m. EDT titled on **Agricultural Commodities, Livestock, & Specialized Crop Prices: Trends and Turnarounds**. Register [here](#).
 - C-FARE's Webinar on "The Challenge of Providing Safe and Accessible Food for a Healthy Life" is now available on our [website](#) and through this [recording](#).
 - Check out our fourth episode of C-FARE's podcast [Get a Grip with FARE](#) featuring Peyton Ferrier and Steve Neff from the USDA Economists Group.
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New Directions

- **Nutrition Security: Building on Our Work to Date and Accelerating Progress.** Almost a year and a half ago, Secretary of Agriculture Tom Vilsack [outlined USDA's focus on nutrition security](#), which builds on food security by emphasizing the co-existence of food insecurity and diet-related diseases and disparities. Put simply, [nutrition security](#) means having consistent and equitable access to healthy, safe, affordable foods essential to optimal health and well-being. [Learn more here](#).
- **5 recommendations from Reimagine Rural for the 2023 Farm Bill and federal implementation.** The stories captured in the first season of the [Reimagine Rural podcast](#) offer [important lessons](#) at a pivotal policy moment for equitable rural development in the U.S. The current Congress is negotiating a [new Farm Bill](#), the legislation agreed upon every five years that sets agricultural subsidies and authorizes the rural development programs managed by USDA (United States Department of Agriculture). [Read more here](#).
- **Decomposing USDA Ending Stocks Forecast Errors.** The USDA publishes monthly ending stocks projections, providing an estimate of the end-of-marketing-year inventory of a particular commodity. By comparing these projections of balance-sheet variables against their realized values from marketing years 1992/3 to 2019/20, we decompose ending stocks forecast errors into errors of the other supply and demand components. [Learn more here](#).