



**POTATO GROWERS OF CANADA**

**LES PRODUCTEURS UNIS DE POMMES DE TERRE DU CANADA**

**Market Update April 1,2020**

The Canadian Potato Market had been marching along at an excellent pace until the events of Covid-19 began changing the dynamics at the end of the second week of March.

Initially, the fresh side of the industry saw rapid sales increases as consumers began to stockpile potatoes for an extended period of time at home. Many packers were barely able to keep up with emptying store shelves.

Initially, sales of processed potatoes such as French fries saw an increase as well, as people frequented fast casual establishments and quick service restaurants. However, in recent days we have seen sales to food service drop off with the closure of seating areas in restaurants as governments promote stay at home isolations.

At press time, French fry manufacturers have been advising their growers that their future supply needs have been changing as we move further into the isolation and closure period. Some potatoes that had been earmarked for French fries will likely be channelled into the table market for fresh consumption.

Our fresh market has been in a good supply situation, relative to demand, as indicated by positive pricing. Given a shorter fresh supply last year, there is room to incorporate some product into this end market use.

UPGC is currently working with each province to determine the volume of potatoes that are likely to become available, so customers will be aware of the situation and the transition can occur without disrupting the market. UPGC also communicates frequently with the United Potato Growers of America, as the same processing companies operate plants on each side of the border, and similar events are happening there.

One part of our industry positively affected by the Covid-19 pandemic has been the chip industry. Sales have been good as consumers have continued to purchase their favorite “stay at home” snack and comfort food.