Seedtime and Harvest During a Global Pandemic COVID-19 and the Impact on Agri-business

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Even farmers who give careful attention to their herds, fields and flocks and the weather know bountiful harvests are never guaranteed. COVID-19 is a serious threat to the U.S. agribusiness industry and will be a major test for food and labor supply chains. Understanding the CARES ACT, various SBA loan programs and the USDA, DOL and OSHA guidance concerning agricultural labor is essential to the survival of the U.S. farming industry. This program will provide direct, practical explanations of the rules of engagement that now control finance, labor and food supply.
Confirmed COVID-19 Cases in the U.S.

Number of confirmed COVID-19 cases, by U.S. state*

* as of April 28, 2020 2:30 AM EDT
Sources: Johns Hopkins University, CDC
Impact on Agribusiness
The COVID 19 Impact on Agribusiness

1. Uncertainty
2. Interrupted transportation
3. Border closures
4. Unstable labor supply
5. Government regulation and re-regulation
6. Liquidity constraints
So what should I know?
The H-2A program was only moderately impacted by COVID:

1. Border closures
2. H-2A visa processing at consulates abroad
3. Relaxed H-2A compliance re: wage guarantees
4. Increased H-2A laborers in-country
5. OSHA Updates
Does Immigration Suspension Apply to Ag?

- Ag overtime exemptions.
- Employment stability.
- H-2A workers are normally “tied” to their employer.
- Predictable wages.
Federal Relief Programs – Alphabet Soup

1. CARES ACT
2. PPP
3. ERTC
4. SBA
That’s Nice, But How Do I Protect My Farm from the Government?
President Trump Orders Meat Plants to Stay Open in Move Slammed by Union

Meat Plant Closures
U.S. processing plants shuttered due to the pandemic

- Cargill
- Conagra
- JBS
- Smithfield Foods
- Tyson Foods
- Other

Source: Bloomberg News
PLEASE DIRECT QUESTIONS TO DAVISB@PHELPS.COM