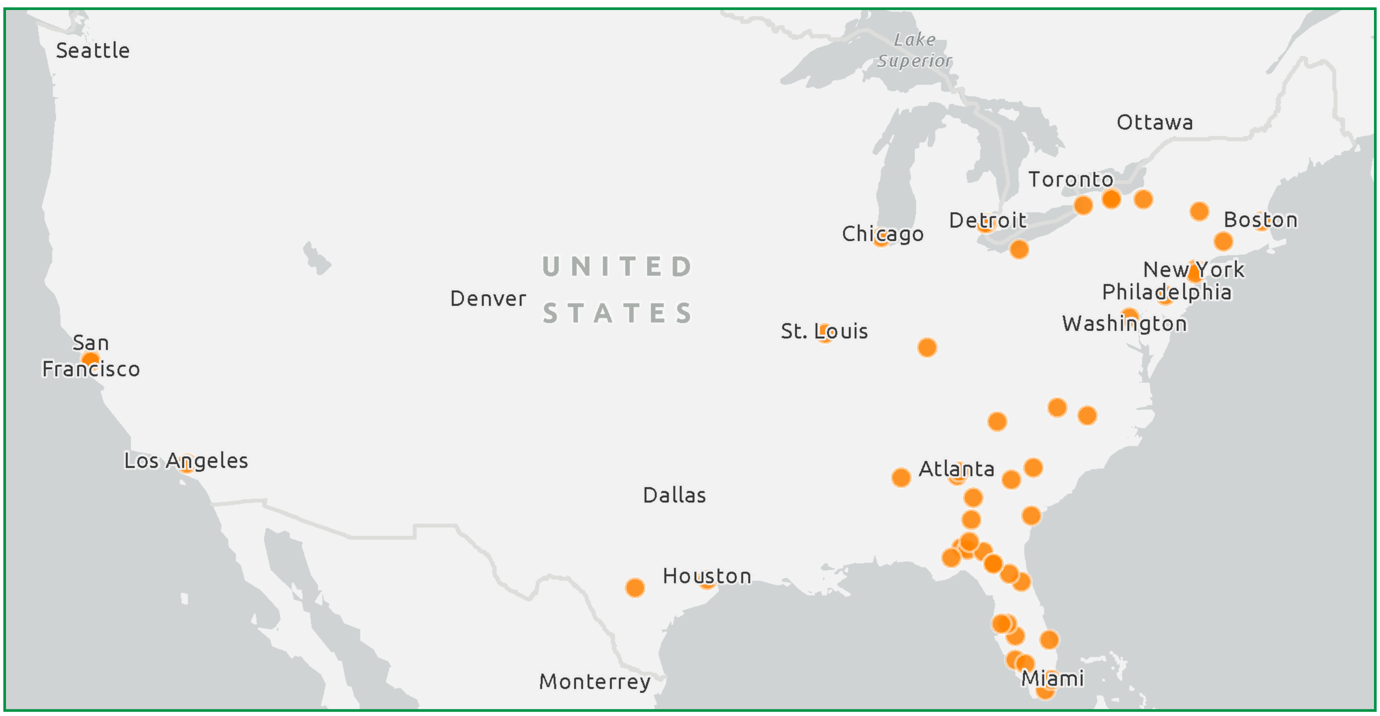
Wholesale Produce Market Infrastructure

In the Fall of 2023 Cornell University, with support from USDA AMS and the National Association of Produce Market Managers (NAPMM), conducted a survey to understand the current state of wholesale produce market infrastructure across the country. For this study, wholesale produce markets are defined as facilities where multiple fresh produce wholesalers, that primarily conduct business to business (b to b) transactions, are co-located. While business to consumer (retail sales) may occur at the markets they are not a large part of the volume of sales at the market. The research team identified 50 markets (map below) and received 20 usable survey responses.

Following this survey the research team conducted interviews with the wholesaler markets to learn more about these responses.

The full report can be found at www.dyson.cornell.edu/outreach/extension-bulletins/.

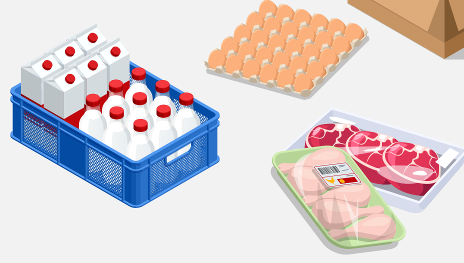
MAP OF IDENTIFIED WHOLESALE MARKETS IN U.S.



AVERAGE WHOLESALE MARKET MAKEUP

15 Wholesalers

4 Non-produce wholesalers

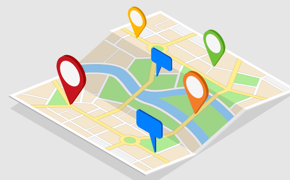


7 Retailers

INFRASTRUCTURE CONCERNS

Infrastructure issues make it challenging for businesses at wholesale produce markets to physically handle and manage produce efficiently.

LOADING



LOGISTICS

PACKING

DELIVERY

Many market buildings are deteriorating while their original design is not adapted to align with contemporary product flow and food safety best practices.

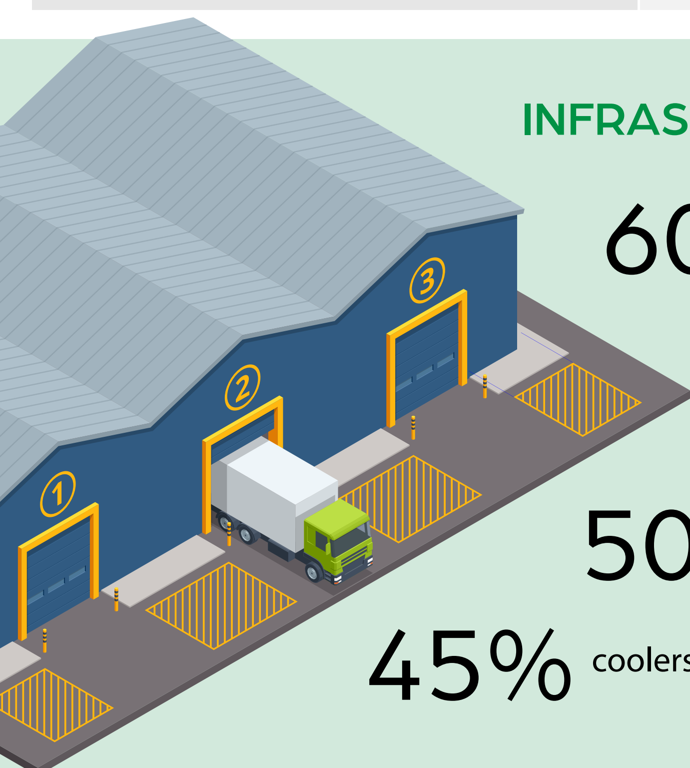
Respondent noted that inadequate infrastructure limits businesses' ability to get products into the mainstream marketing sources (such as grocery stores), due to their inability to comply with the modern food safety requirements.

IMPROVING AND EXPANDING MARKET BUILDINGS

60% of market managers indicated they want to conduct major physical improvements/renovations or expand their markets by adding buildings, other structures, or land.

Respondent indicated that as the cost of these improvements continues to rise, most markets struggle to fund these improvements.

Respondent stated there was a need to start planning to ensure ability to perform over the long term - either in current facility or elsewhere.



INFRASTRUCTURE IMPROVEMENT PRIORITIES

60% dock improvements, including levelers, additional space, quantity, and temperature-controlled docks.

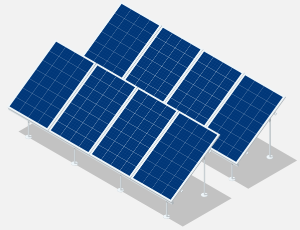
50% building improvements, such as exterior walls, roofs, flooring systems, and doors.

50% improvements to utilities, including adequate power, emergency backup power, and waste, sewers, and water treatment.

45% coolers and other controlled temperature zones.

EMERGING TECHNOLOGY PLANS

45% of market managers plan to have alternative energy sources (such as solar).



45%
of market managers plan to have electric trucks, EV charging, and related infrastructure.

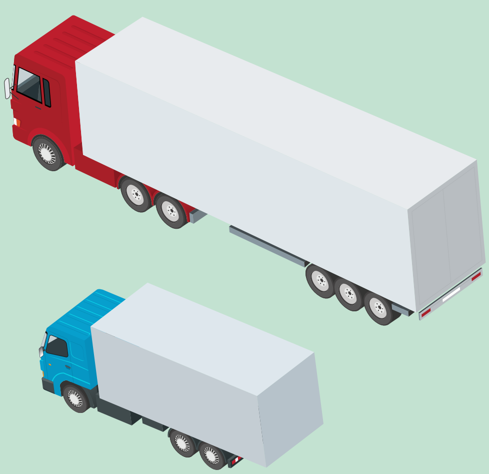
FOOD WASTE DISPOSAL

35% of market managers state that food waste disposal is a significant priority.

30% of market managers plan to have a food waste handling system in the next five years.

SHIPMENTS TO MARKET

100%
of markets receive shipments by semi-trucks and straight trucks.



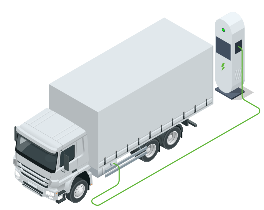
20%
of markets receive shipments by train.

TRANSPORTATION—RELATED CONCERNS OF MARKET MANAGERS

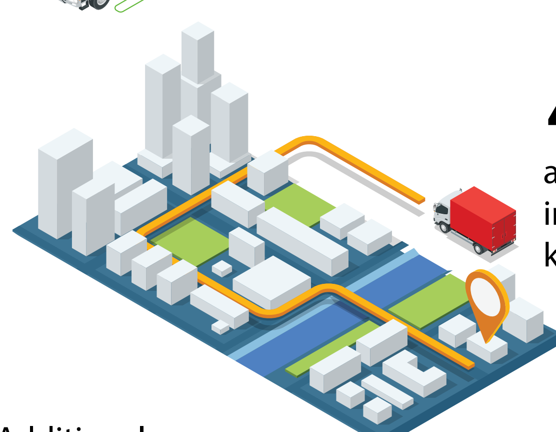
70%
are concerned about labor shortages in the freight industry.

60%
are concerned about high truck or rail shipping costs.

55%
are concerned about not enough space to grow market footprint.



50%
are concerned about expanding charging stations at the market to aid electric trucks.



45%
are concerned about poor infrastructure conditions of key routes to/from the market.

Additional concerns:

- Changes to existing highway routes/bridges
- Construction on highway routes
- Pressure from light manufacturing in areas near the market