

# Worst of coronavirus panic buying over, says supply chain expert

*Rosa Saba*

In more than three decades in the produce business, Steve Bamford admits he's never seen anything quite like the buying frenzy prompted by COVID-19 going on right now.

"Buyers are ordering twice as much of some things as they normally would, and assuming they'll have too much. And then they're getting wiped out. I've never seen something like this," said Bamford, president of the Toronto Wholesale Produce Association, and a veteran wholesaler at the Ontario Food Terminal.

Roughly \$3 billion of wholesale produce pass through the terminal every year, making it the biggest fruit, vegetable and flower market in Canada, and the third biggest by sales in North America, after Los Angeles and New York. It supplies roughly 40 per cent of the produce in Ontario. The terminal brings together wholesalers, farmers, and retailers ranging from corner stores to smaller, independent chains such as Longo's and Rabba. (Larger chains, such as Loblaws, have their own distribution networks and typically don't use the terminal.)

Business has been booming since last week, Bamford added.

"There's been a 25 to 40 per cent lift over what we'd normally see. Stores need product because people keep cleaning them out," said Bamford.

Despite the buying frenzy, Bamford has a simple message: The supply of fresh fruits and vegetables hasn't been interrupted.

"We're not going to run out of food. If you go to a store and something's gone, it will be restocked by the next day. We may see some difficulty getting a few things from Italy and Spain, but that's about it," said Bamford.

Sylvain Charlebois, a professor in food distribution and policy at Dalhousie University, said he can't blame everyone for panicking; after all, this is the first global pandemic like this in most people's lifetime. But he said despite all the empty shelves, the supply chain can handle the demand — it's just hard for supermarkets to keep up with restocking.

"You can't really blame grocers for not being able to cope with such intense buying."

Charlebois thinks "the worst is gone now" when it comes to panic-buying.

In an open letter to customers Monday, Loblaws CEO Galen Weston had a similar message.

"Do not worry. We are not running out of food or essential supplies. Our supply chain and store teams are responding to the spikes in volume and quickly getting the

most important items back on the shelf,” he wrote, adding that some items including hand sanitizer might take longer, but will return.

While Charlebois agrees that customers don’t need to worry about running out of supplies, he did say that Canada’s neighbours to the South could change everything.

“The wild card is the United States,” he said, adding he doesn’t think they deal well with fear.

“It is probably the one thing that worries me a lot, just because of the fact that they’ve been late out of the gate to deal with this issue,” he said.

Charlebois said if the border closes to people, which he thinks is likely, the supply chain shouldn’t be hurt. But if it closes to trade and merchandise — which he does say is unlikely — that would be a problem.

“If something happens to that border ... the situation would be quite problematic.”

Charlebois is also watching the Canadian dollar slowly drop as the pandemic spread. He said this could cause grocery store prices to go up. However, declining oil prices could offset the extra costs for grocers in the long term, he said.

In his letter, Weston also nixed price-gouging worries and theories, promising not to raise prices “to take advantage of COVID-19.”

Bamford had a similar message for Canadian shoppers.

While the flow of produce hasn’t been hampered, Bamford says Canadians might see a few items rise slightly in price. It’s not, he stressed, because of any price gouging — or at least it shouldn’t be, he said.

“We’re paying more because the loonie’s gone down, and almost all suppliers get paid in U.S. dollars,” said Bamford, estimating wholesalers are paying between 5 and 10 per cent more for most items because of the loonie’s fall.

As for the safety of the produce, the terminal has upped the frequency of its cleaning and sanitization, and is also screening people at the front gate of the terminal. It’s also cutting the number of people who can be inside at any given time.

“We’re checking people at the gate, to find out if they’ve travelled anywhere. We haven’t started checking people’s temperatures yet, but we’re getting that implemented. We’re practising safe hygiene, and we’re limiting the number of people who can be in here at any one time,” said Bamford.

---

*[Rosa Saba](#) is a Calgary-based reporter for the Star. Follow her on Twitter: [@rosajsaba](#)*

*[Josh Rubin](#) is a Toronto-based business reporter. Follow him on Twitter: [@starbeer](#)*