Link: https://southernagtoday.org/2023/03/03/strongeconomies-of-scale-and-scope-in-fresh-produce-technologies-managing-markets-using-the-agtools-database-strong/

Economies of Scale and Scope in Fresh Produce Technologies: Managing Markets Using the AgTools Database

Kimberly L. Morgan, Extension Economist, Associate Professor, SW FL Research and Education Center, University of Florida/IFAS, 2685 SR 29N, Immokalee, FL 34142

Southeastern U.S farms growing perishable and seasonal food continue to achieve gains due to economies of scale and scope, largely dependent on management decisions made based on market information. Many produce farms have a corporate structure and grow vegetables nearly year-round on farms located throughout the US & abroad. Such operations have farms strategically located and 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. 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.

One such market-driven database is <u>AgTools</u>, an online database that provides data for the produce supply chain and perishable industry. A subscription-based service specific to each fruit or vegetable and informed by experienced producers and retail buyers, the AgTools engineers find and organize regularly updated relevant data current and historical. Commodity data with over 76 variables and 29 years of records such as market demands, labor trends, transportation costs, and more, are capturing data used by growers to make daily production and harvest decisions at the margin. Some of these variables include market price data, import data and trends, fuel and labor costs over time, current and optimal weather, measures of sustainability (food miles), up to the minute news specific to commodity, and a brand-new feature allowing buyers to see real-time growth stages of each crop and any reported disease issues unique to the production region (Tables 1 and 2).

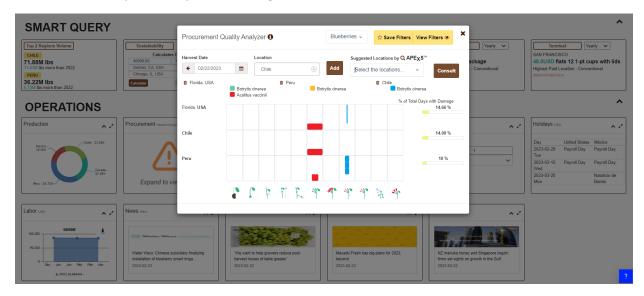


Table 1. Snapshot of AgTools Procurement Quality Analyzer query for blueberries, 22 February 2023, for Peru, Chile, and Florida, showing reported disease type and prevalence by stage of growth (eleven stages indicated from germination to harvest) specific to each growing region.

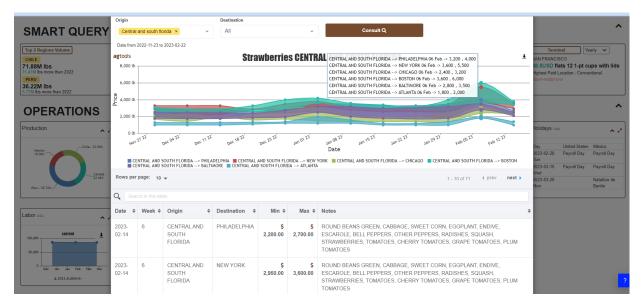


Table 2. Snapshot of AgTools Operations Freight Cost query for strawberries grown in Central and South Florida and shipped to six destinations (Philadelphia, New York, Chicago, Boston, Baltimore, Atlanta) over the time period 23 November 2022 through 22 February 2023 (Note: Highlighted 4 February 2023 data point for cost comparison).

For more information on AgTools, please contact Kim Morgan <u>kimorgan@ufl.edu</u>, or Martha Montoya, AgTools Chief Executive Officer, <u>martha@agtools.com</u>. Visit the AgTools blog to learn more about this database: <u>https://www.agtechtools.com/agtools-blog</u>