Retail Supply Chain Update
July 6, 2020

Perdue Farms anticipates rise in chicken prices

- Jim Perdue, chairman of Perdue Farms, said it is likely that chicken prices will increase later in 2020.
- Perdue also noted that the price of chicken is down from where it was at this time in 2019, but he does not expect the prices to stay where they are now.
- “Because there’s been about a 5% reduction in eggs being hatched, there is going to be, probably, due to supply and demand, an increase in market prices coming up this year,” said Perdue.

Smithfield Foods pushes to quash subpoena in investigation of COVID-19 outbreak at South Dakota plant

- Smithfield Foods is asking the courts to intervene in a federal investigation into the COVID-19 outbreak at its Sioux Falls plant in South Dakota.
- Officials for the United States Occupational Safety and Health Administration (OSHA) subpoenaed South Dakota state health officials last month, requiring them to turn over any test results, correspondence with Smithfield representatives, or photos of the plant.
- Smithfield responded by asking the U.S. District Court of South Dakota to quash OSHA’s subpoena, according to documents filed Thursday.
- Smithfield defended its request to the courts by saying OSHA’s investigation would damage how it and other companies work with government agencies in their response to the COVID-19 pandemic. Smithfield representatives say the company gave the South Dakota Department of Health information only because of an agreement that the information would be “adequately protected,” according to court records.

JBS poultry plant in Brazil allowed to reopen after coronavirus outbreak

- JBS has confirmed the resumption of slaughtering and processing activities at its plant in Passo Fundo, which is located about 614 miles southwest of Sao Paolo.
- According to court documents, judge Vania Maria Cunha Mattos understood that halting operations until an appeal is ruled could hurt economic activities.
- "[It would] disrupt the entire production chain, with unequivocal damage not only to jobs - direct and indirect - but also to tax collection and leave the population in general short of supplies," the court document said.
- Her decision comes after an appeals court in Rio Grande do Sul state overturned a lower labor court ruling allowing JBS to reopen the Passo Fundo chicken plant on 21 May after an initial closure on 24 April triggered by an outbreak of COVID-19.
A Thousand Pork Workers Tested Positive at JBS Plant in Brazil

- More than 1,000 workers at a JBS SA pork plant in Brazil, or a quarter of those tested, were infected with Covid-19, according to figures from the Labor Prosecutor's Office.
- Mass testing at JBS's Dourados plant in Mato Grosso do Sul state started on May 25, according to documents shared by prosecutors. Of 4,134 employees tested, 1,075 were positive through July 1.
- Mato Grosso do Sul is about 645 miles northwest of Sao Paolo.

FDA Adds 5 'Toxic' Hand Sanitizers to an Already Dangerous List, Now at 14

- The FDA has already warned people to not use nine certain hand sanitizers that are manufactured in Mexico, now it is listing five more sanitizers it considers "toxic," meaning they should not absorbed through the skin or digested.
- The FDA indicated it found methanol in all of the hand sanitizers listed.
- Information on the FDA website can be found here.
- The hand sanitizers on the list are:
  - Grupo Insoma's Hand sanitizer Gel Unscented 70% Alcohol
  - Soluciones Cosmeticas' Bersih Hand Sanitizer Gel Fragrance Free
  - Soluciones Cosmeticas' Antiseptic Alcohol 70% Topical Solution hand sanitizer. The FDA says agency testing found methanol
  - Transliquid Technologies' Mystic Shield Protection Topical Solution
  - Tropicosmeticos' Britz Hand Sanitizer Ethyl Alcohol 70%
  - All-Clean Hand Sanitizer (NDC: 74589-002-01)
  - Esk Biochem Hand Sanitizer (NDC: 74589-007-01)
  - CleanCare NoGerm Advanced Hand Sanitizer 75% Alcohol (NDC: 74589-008-04)
  - Lavar 70 Gel Hand Sanitizer (NDC: 74589-006-01)
  - The Good Gel Antibacterial Gel Hand Sanitizer (NDC: 74589-010-10)
  - CleanCare NoGerm Advanced Hand Sanitizer 80% Alcohol (NDC: 74589-005-03)
  - CleanCare NoGerm Advanced Hand Sanitizer 75% Alcohol (NDC: 74589-009-01)
  - CleanCare NoGerm Advanced Hand Sanitizer 80% Alcohol (NDC: 74589-003-01)
  - Saniderm Advanced Hand Sanitizer (NDC: 74589-001-01)

Instacart raises another $100 million

- Grocery delivery company Instacart has raised $100 million in new funding, on top of the $225 million it announced last month. This brings its valuation to $13.8 billion.
- T. Rowe Price provided the new funding. The earlier infusion was co-led by DST Global and General Catalyst, with D1 Capital also participating.
- Instacart has raised over $2.2 billion since its 2012 inception and says it's accessible to over 85% of U.S. households in all 50 states, and more than 70% of Canadian households.

Amazon delays Prime Day until October due to coronavirus

- Amazon gave third-party sellers a placeholder date of the week of Oct. 5 for Prime Day, but an exact date has not been announced.
• Amazon has been working to return its logistics operations to normal after it was hit with a wave of online orders at the height of the pandemic, which resulted in delivery delays and inventory shortages.

**Kroger to make emergency home collection COVID-19 test kits available to associates**

• Kroger Health, the healthcare division of The Kroger Co., on Wednesday announced the U.S. Food and Drug Administration (FDA) has granted Emergency Use Authorization for the COVID-19 Test Home Collection Kit.
• The testing solution combines the safety and convenience of at-home sample collection with the expert guidance of a telehealth consultation to help improve the quality of the collection process.
• Kroger Health’s COVID-19 Test Home Collection Kit will be available to frontline associates across Kroger's businesses, based on medical need, beginning this week.
• In partnership with Gravity Diagnostics, a full-service clinical laboratory located in Covington, Ky., Kroger Health plans to rapidly expand the availability of the home collection kits to other companies and organizations in the coming weeks, with a goal of processing up to 60,000 tests per week by the end of July.