



FOOD SYSTEMS

COLORADO STATE UNIVERSITY

Colorado Producers During COVID-19:

A closer look at

Kalcevic Farms

Bennett, CO

kalcevicfarmsinc.business.site/

The COVID-19 pandemic has brought on many unexpected challenges to producers and food supply chains across Colorado. This fact sheet series provides an in-depth look at changes and adaptations experienced by commodity groups and individual producers.

Kalcevic Farms is a multigenerational farm in eastern Colorado raising winter wheat, milo, corn millet, sunflowers and about 200 head of cattle. The farm was originally started near the Boulder Turnpike in 1898, and moved to Bennett in 1952. In 1983, the family bought a second location in Lindon (Washington County). They market to grain facilities such as Ardent Mills in Denver, and Cargill in Byers. From there, finished flour goes to buyers like Papa John's Pizza, Panera Bread and Mile Hi Bakery. The bakery in-turn sells to McDonald's, TGI Friday's and Wendy's. Flour and other products from Kalcevic Farms are shipped from Colorado throughout the rest of the U.S. and overseas.



Photos courtesy of Kalcevic Farms

COVID-19 Impact

Initially the farm owners were very concerned about the impacts of COVID-19 on their operation, but as they had a chance to do more research they started to feel better, said office manager and safety director Danell Kalcevic. “Social distancing has been very doable, with employees spread across locations, and with fewer guests visiting the farm. We have increased our sanitation of tools, equipment and common spaces, and luckily we had adequate PPE on hand before the pandemic started.” Employees have required more time to increase cleaning across the farm. The farm also created ‘safety bags’ for their semi drivers to protect them during wheat hauling. These bags include a mask, rubber gloves, their own pen and a letter from the Department of Agriculture stating that the driver is an essential worker.

Kalcevic explained that for smaller-scale producers they could more easily pivot their markets by setting up online sales platforms and exploring other direct channels, but that doesn’t work for larger scale operations.

“At our farm we have such a large supply that we ship it by the semi-load,” Kalcevic said. “We aren’t in that direct or wholesale type of market, where someone buys a five-pound bag of flour from us. That only happens once it’s at the store.”

In May, Ardent Mills and Cargill had issues with freight trains, and there were numerous shutdowns at the elevator to which Kalcevic Farms hauls their grain, due to a lack of workers. This caused a backup, with 20,000 bushels from last year sitting idle in a bin with this year’s crop being weeks away from harvest. Although it took a month longer than usual, in June Kalcevic reported that the trains began running again, and they could haul the balance of their wheat and milo. Kalcevic explained that inputs are still being produced, and backups in the processing sector create a bottleneck effect for getting finished products to consumers.

To increase the profitability of their operation and satisfy growing demand by buyers such as Ardent Mills for organic wheat, in 2019 the farm started transitioning some of its acreage to organic production. However, due to the pandemic and challenges getting USDA inspectors out to the farm, it isn't clear when their certification will be finalized. If they cannot get their organic inspection finalized, they will likely need to sell the wheat as conventional, which will result in lost revenue for the operation.

Kalcevic is also part of a boxed beef business venture with Christensen Ranch that ships meat across the country. In April, the farm had 1,500 head that were supposed to go to slaughter, but the meat processing plant was closed.

Every extra day they feed the cattle is a direct financial loss for the business, and more importantly, Kalcevic was worried that these cattle would have to be slaughtered without a market. As of June 2020, the cattle were still being held and fed.

Looking towards the future...

Kalcevic said resources that would benefit the farm include more employee safety training, and not just regarding the virus. Although they have safety and protocol meetings every week, training opportunities surrounding advanced software technology and operating new farm equipment would be helpful.

“It’s refreshing to see a higher sense of cleanliness and order on the farm,” Kalcevic said. “To me this has been like a worldwide reset button. People are realizing it’s okay to eat at home, and that you don’t have to have everyone in a business office downtown.”

Current supply chains have helped the United States food supply remain safe and affordable. Kalcevic would like consumers to understand the time required to grow crops and animals, with most processes spanning three to four years. With an interruption like those mentioned in the wheat and beef supply chains, there will be crops sitting idle, animals unable to be slaughtered, employees not being paid, and plans coming to a stop that were set in motion years ago.

Kalcevic wants consumers to understand the multiple steps it takes to get food to them, and that farmers are at the ground level, working hard to keep the flow of food going.

“We are very fortunate that we have been able to run hard and keep going,” Kalcevic said. “It is so hard to see the struggles and social unrest. I am hopeful that the country can get back to work so people are not under such duress.”

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