



April 21, 2020

To: All Domestic Employees

From: Pandemic Working Group

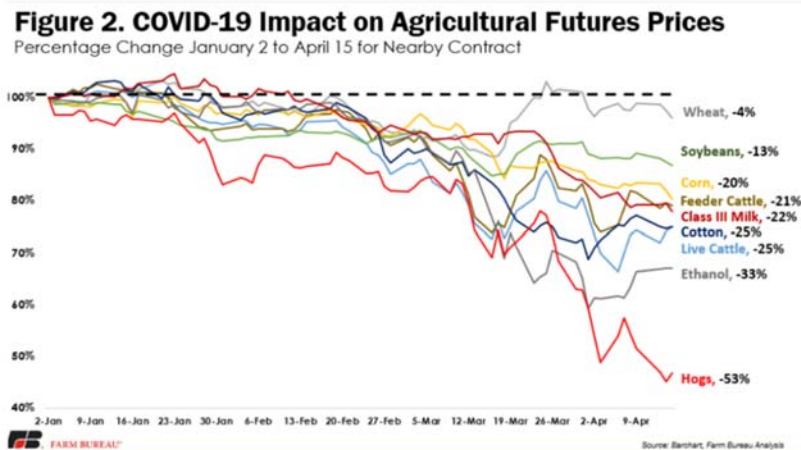
Re: **COVID-19: USDA Grower Support ~ Reopenings ~ CA Antibody Tests ~ Sitting Still**

USDA to Assist Growers & Ranchers. Courtesy of Ted Walter (Marketing – Newport Beach), last Friday USDA Secretary Sonny Perdue announced the Coronavirus Food Assistance Program (CFAP) to help ameliorate the pandemic's impact on the farm economy. As indicated below (from the Farm Bureau), the coronavirus has driven futures prices down severely across the ag sector.

Under CFAP, of the \$19 billion total, \$16 billion will be provided as direct payments to farmers and ranchers and \$3 billion will be used to purchase ag products for those in need. Among crop producers, \$3.9 billion will go to row crop farmers, \$2.1 billion to specialty crop farmers and \$500 million to others. Part of the direct payments will be to cover 85% of the price loss experienced between January

1 and April 15, and another tranche will be to cover 30% of the losses occurring during the following two quarters. Under the food purchase provisions, USDA will procure \$100 million each in dairy products, meat/poultry and fresh fruits and vegetables (all of US origin) monthly and work with local food and regional distributors to provide food boxes to community, faith-based and other nonprofits serving those in need.

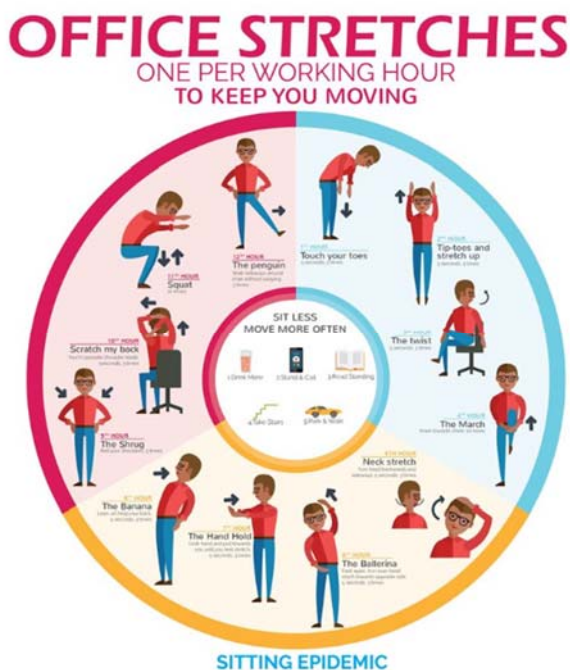
State Reopenings. True to the principle of federalism, after having imposed various COVID restrictions on differing timelines, the states are beginning to lift them, once again, variously. In general, most stay-at-home orders expire sometime over the next three weeks, and many governors have not committed to specifics yet. For example, Alabama's order expires on April 30, 2020, after which Governor Kay Ivey says that she will follow state task force recommendations, which will likely allow small retailers and restaurants to open with certain restrictions. However, four states have announced that they are relaxing restrictions this week. South Carolina opened public beaches, retail stores and bookstores yesterday. Texas reopened state parks yesterday



and, starting this Friday, certain retail stores may open on a curbside delivery basis. And, remarkably, Georgia is starting with reopening of gyms, beauty salons, manicures, pedicures and tattoo parlors on Friday (all of which one would have thought might be opened last), then, next week, will open movie theaters and dine-in restaurants. The governor of Georgia cautioned that these businesses will have to screen workers for fevers and respiratory symptoms, increase sanitation, provide PPE and require social distancing. Here in Newport Beach, we await tomorrow's expected announcement from Governor Gavin Newsom on plans to reopen California.

California Antibody Tests. Coronavirus antibody test results continue to stream into the public forum. Yesterday, the Los Angeles County Department of Public Health published preliminary results from its first round, involving drive-through testing at six sites in collaboration with USC. That study showed that, after adjusting for statistical margin of error, between 2.8% and 5.6% of the county's population – which translates to 221,000 to 442,000 persons – has had the coronavirus. This is 28 to 55 times higher than the approximately 8,000 then-confirmed infection cases. Lead investigator Neeraj Sood, a USC professor, stated that, "We might have to recalibrate disease prediction models and rethink public health strategies" based upon these findings. As reported in previous advisories, the trend among immunity studies is showing a lower risk of death than had been previously assumed. However, given the highly contagious nature of COVID and its potential effect, particularly on the vulnerable, study leads emphasize the importance of "continued vigorous prevention and control efforts," including wide-scale polymerase chain reaction (swab) tests to diagnose current infection.

Sit Much? With many of us working remotely and sitting for extended periods, it is useful to take a break from time to time and stretch. Courtesy of Suneet Ranganath, the chart to the left describes some ways we can counteract the effects of sedentary excess.



If you have any questions or comments on this advisory, please contact either kellyw@amvac.com or timd@amvac.com.