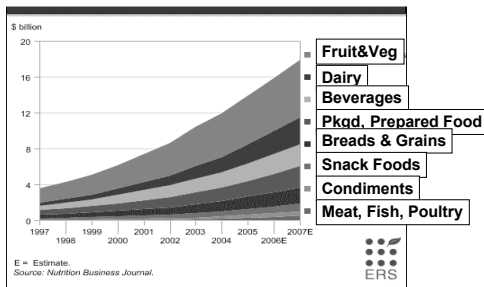


Video Conference:
Organic Markets and Certification

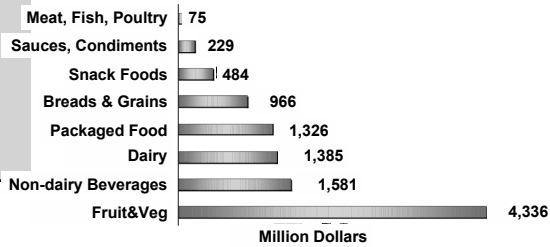
**Organic Production and Markets:
The National Picture**

Catherine Greene
Senior Agricultural Economist
Economic Research Service
United States Department of Agriculture
www.ers.usda.gov/briefing/organic

Fruits and Vegetables Accounted for 39%
of U.S. Organic Food Sales in 2005

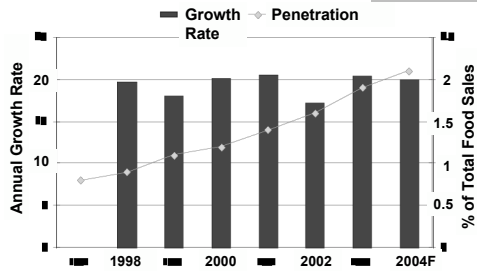


**U.S. Retail Sales of Organic Food Rise from
\$10.4 Billion in 2003 to \$17 Billion in 2007**



Source: OTA 2004 and 2007 Manufacturer Survey

U.S. Organic Food Growth and Penetration



Source: Organic Trade Association Manufacturer Survey 2004; Forecast Foreign Agricultural Service, USDA

Organic Food Channel Distribution, 2003

Channel	Sales (Billion)	Percent of Sales
Natural Foods	4.9	48
Mass Market	4.5	43
Other *	.9	9

*Includes farmers market, food service, export, internet

Source: Food Marketing Institute 2005

Organic Retail Price Premiums, 2005

Commodity	Premium
Milk, butter	50 – 100%
Fruit	0 – 50%
Vegetables	50 – 150%
Corn, soybeans	100 – 150%
Beef, chicken	100 – 150%

Source: Rodale Institute; Current prices, www.newfarm.org/opx

USDA-AMS Market News Prices,
Fruits and Vegetables

- AMS *Market News* publishes organic fruit and vegetable prices in some terminal markets (including Boston and San Francisco)
www.ams.usda.gov/fv/mncs/TERMVEG.HTM
- See an ERS analysis of farmgate and wholesale prices, 1999—2006
www.ers.usda.gov/data/OrganicPrices

USDA-AMS Market News Prices,
Organic Poultry and Eggs

- *Market News* began reporting organic poultry prices in the weekly in Jan. 2004,
www.ams.usda.gov/mnreports/aj_PY050.txt
- The report tracks prices paid to poultry or egg companies by the first receiver—such as a retailer, distributor, or manufacturer.

USDA-AMS Milk Marketing Order Statistics
Organic Fluid Milk Products

- In Jan. 2006, AMS began reporting sales (in volume) of organic fluid milk products
www.ams.usda.gov/dyfmos/mib/inareas/sbyprod.htm
- In July 2007, organic milk sales were 2.7% of total milk sales—up from 1.7% in Jan. 2006

USDA-AMS Market News Prices, Organic Grains

- In January 2007, *Market News* began biweekly reporting on organic grains.
- Upper Midwest:
www.ams.usda.gov/mnreports/nw_gr113.txt
- Eastern Cornbelt:
www.ams.usda.gov/mnreports/gx_gr120.txt

U.S. Organic Food Trade, 2002

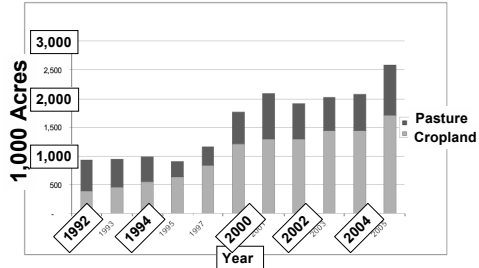
Imports	Exports
\$1.0 - \$1.5 billion	\$125 - \$250 million
Latin America – fats, oils, fruit, cocoa, fresh produce	Canada, \$75 - \$150 million
Asia – soybeans, frozen fruit/vegetables	Japan, EU, Taiwan South Korea, New Zealand
EU – pasta, olive oil, wine, and tomatoes	Import to export ratio 8:1

Source: USDA Foreign Agricultural Service (2005)

ERS Organic Activities: Tracking adoption of organic farming

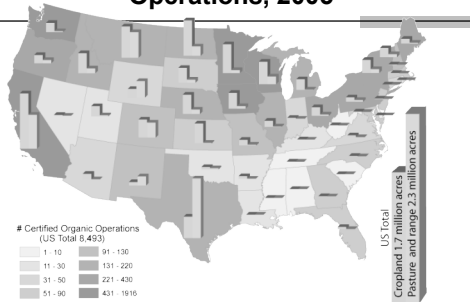
- ERS has tracked the adoption of certified organic farming systems in the U.S since the mid-1990s
- ERS collaborates with over 50 state and private certifiers, other USDA agencies, and several state offices of USDA's National Agricultural Statistics Service to make estimates
- Estimates available by commodity and state, 1997, 2001-2005, www.ers.usda.gov/Data/Organic

U.S. Certified Organic Cropland and Pasture, 1992 - 2005



1/ Excluding Alaska. Sources: 1992-94, USDA-AMS; 1995 Agrisystems International; 1997, 2000-05, USDA-ERS

U.S. Certified Organic Acreage and Operations, 2005



Source: USDA, Economic Research Service, based on information from USDA-accredited State and private organic certifiers.

U.S. Organic Adoption Rate Specialty Crops, 2005

Certified organic crop acreage accounts for:

- 1.6% U.S. tomato acreage
- 2.4% U.S. grape acreage
- 3.4% U.S. apple acreage
- 3.7% U.S. lettuce acreage
- 5.8% U.S. carrot acreage
- (5% all U.S. vegetables; 2.5% all U.S. fruit)

Source: USDA Economic Research Service

**U.S. Organic Adoption Rate
Field Crops, 2005**

Certified organic crop acreage accounts for:

- 0.2% U.S. corn acreage**
- 0.2% U.S. soybean acreage**
- 0.5% U.S. wheat acreage**
- 0.8% U.S. rice acreage**
- 3.1% U.S. dry pea-lentil acreage**

Source: USDA Economic Research Service

**U.S. certified organic pasture
and cropland, 2000 and 2005**

	<i>Operations</i>	<i>Cropland</i>	<i>Pasture</i>
2005	8,493	1,723,271	2,331,158
2000	6,592	1,218,905	557,167

Source: www.ers.usda.gov/data/organic

**Certified organic pasture and cropland,
Selected States, 2000 and 2005**

		<i>Operations</i>	<i>Cropland</i>	<i>Pasture</i>
■ Indiana	2005	43	4,253	903
	2000	73	5,347	270
■ Illinois	2005	131	24,682	1,694
	2000	95	18,603	865
■ Ohio	2005	284	34,502	5,219
	2000	262	35,469	4,744
■ Michigan	2005	164	43,105	1,414
	2000	143	30,502	846

Source: www.ers.usda.gov/data/organic

**ERS Organic Activities:
Expanding USDA's ARMS Producer Survey**

- ERS expanded the Agricultural Resources and Management Survey (ARMS) in 2005.
- Targeted samples of organic producers:
 - dairy in 2005
 - soybeans in 2006
 - apples in 2007
- Findings on organic costs and revenue, www.ers.usda.gov/briefing/organic

For more information

ERS Organic Briefing Room,
www.ers.usda.gov/briefing/organic

—provides links to all ERS organic
research reports, articles, and data
