



10-2010

Horticulture

Timothy A. Woods

University of Kentucky, tim.woods@uky.edu

Right click to open a feedback form in a new tab to let us know how this document benefits you.

Follow this and additional works at: https://uknowledge.uky.edu/agecon_present



Part of the [Agricultural Economics Commons](#), and the [Horticulture Commons](#)

Repository Citation

Woods, Timothy A., "Horticulture" (2010). *Agricultural Economics Presentations*. 4.
https://uknowledge.uky.edu/agecon_present/4

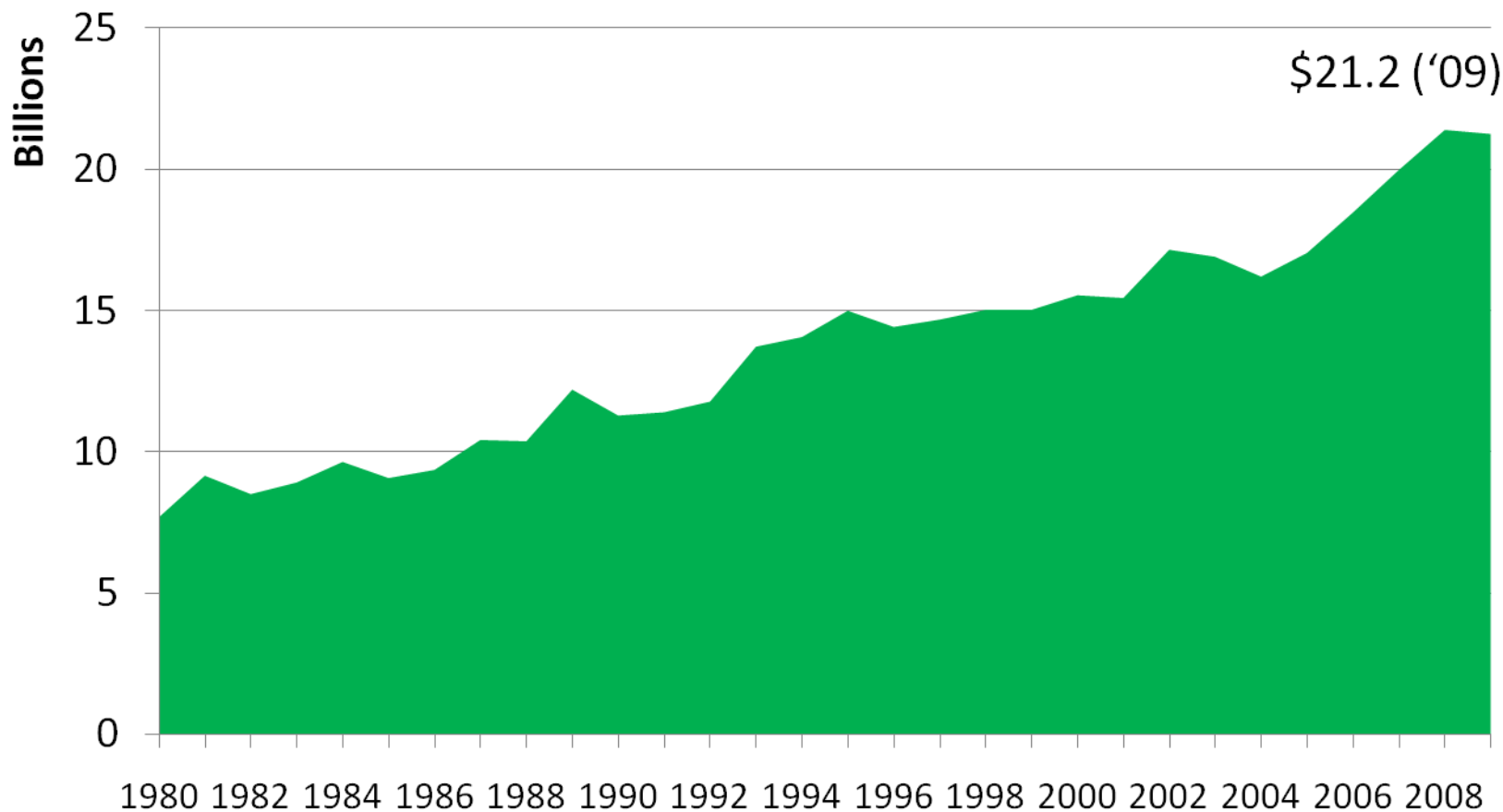
This Presentation is brought to you for free and open access by the Agricultural Economics at UKnowledge. It has been accepted for inclusion in Agricultural Economics Presentations by an authorized administrator of UKnowledge. For more information, please contact UKnowledge@lsv.uky.edu.


Horticulture

Tim Woods

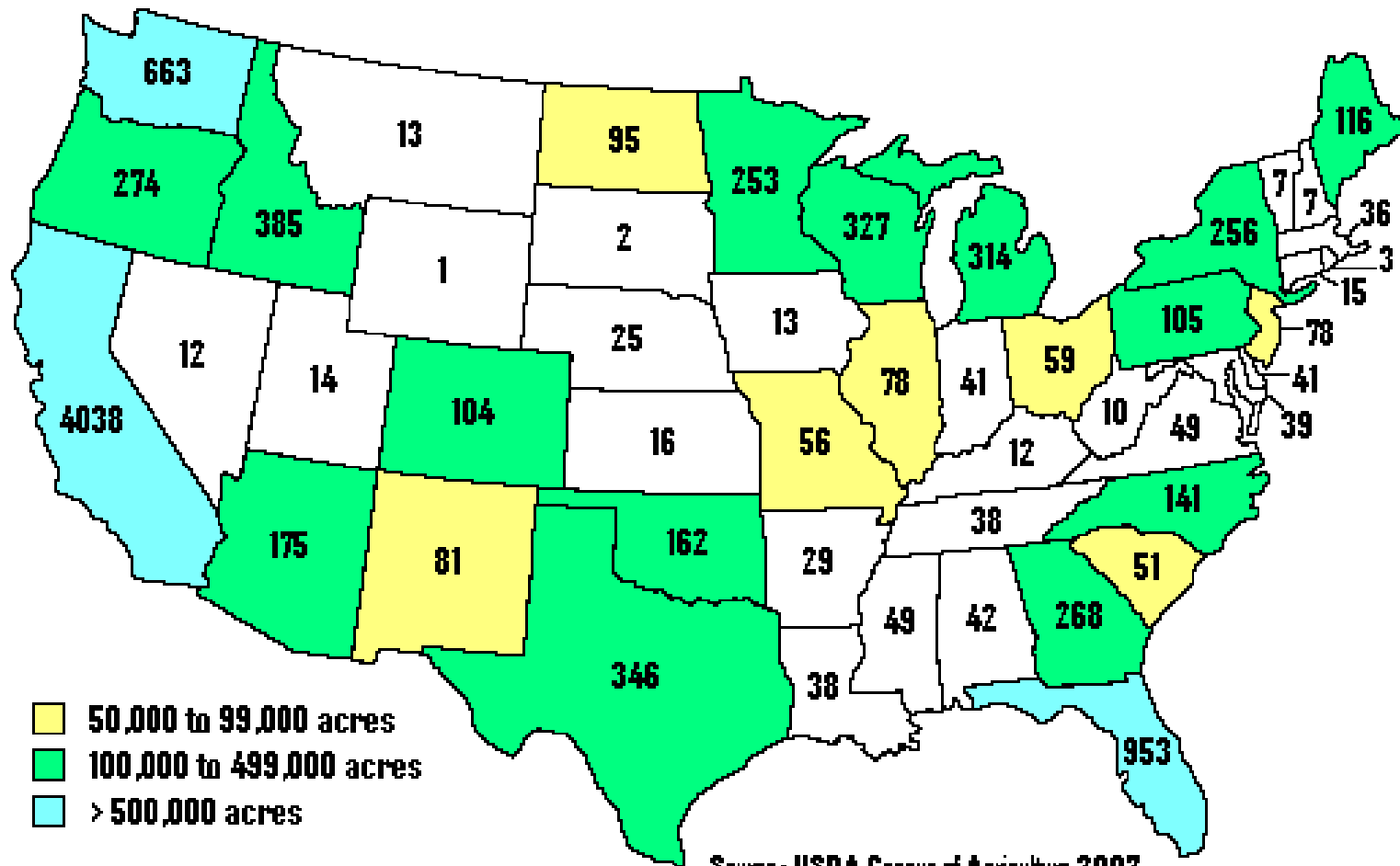


U.S. Produce Farm Cash Receipts



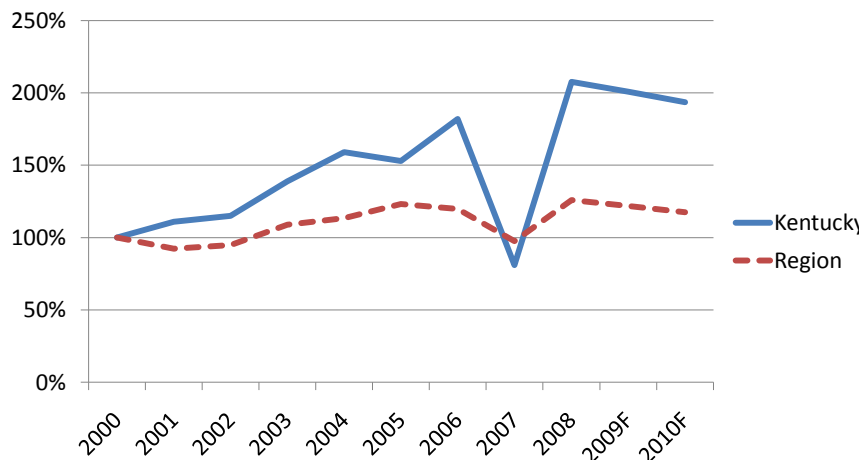
Source: Vegetable & Melons Situation and Outlook, ERS, 2010 

Produce Acres in U.S.

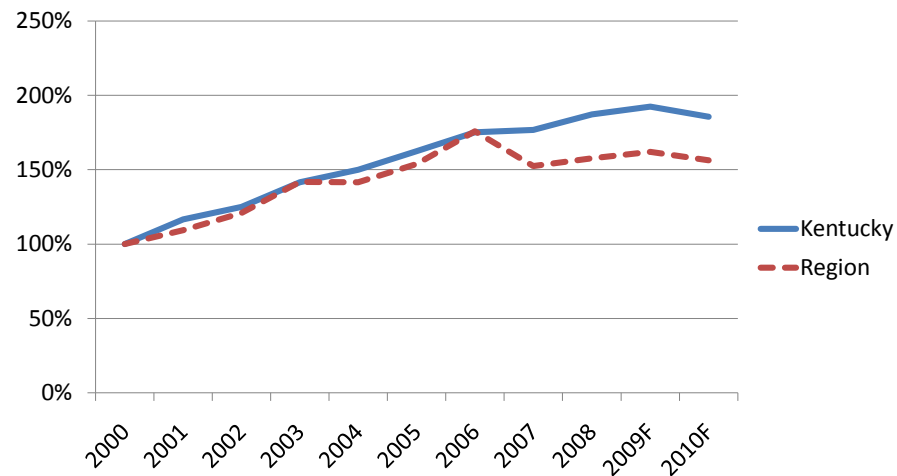


Source: USDA Census of Agriculture 2007

**Figure 1. Comparative Tree Fruit and Nut Sales:
2000-2010**

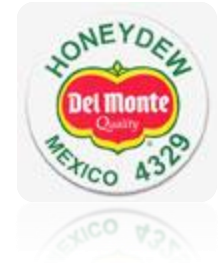


**Figure 2. Comparative Vegetable Sales:
2000-2010**




Source: Adapted from ERS data, regional sales includes WV, VA, OH, IN, IL, AR, TN

Percent Vegetables Imported to U.S. Markets



Item	1985	1995	2005	2009e
Broccoli	0.6	3.7	7.4	10.7
Bell Peppers	23.7	19.1	27.1	52.0
Tomatoes	24.0	30.5	37.9	43.6
Cucumbers	36.3	38.3	49.5	54.6
Squash	19.2	29.7	41.4	46.7
Cantaloupe	12.2	25.6	34.1	34.3
All Fresh	9.1	12.5	16.1	21.7

Kentucky Produce Marketing Channels: Farms Selling More Than 10% into One Channel (2003 and 2009)

---Markets---	2003	2009
Farmers' markets	52%	52%
On-farm markets	50%	41%
Cooperatives	15%	2%
Non co-op wholesale	17%	15%
Internet		2%
Direct to grocery	21%	15%
Direct to restaurant	12%	8%
Auction	9%	19% 
CSA	3%	4%

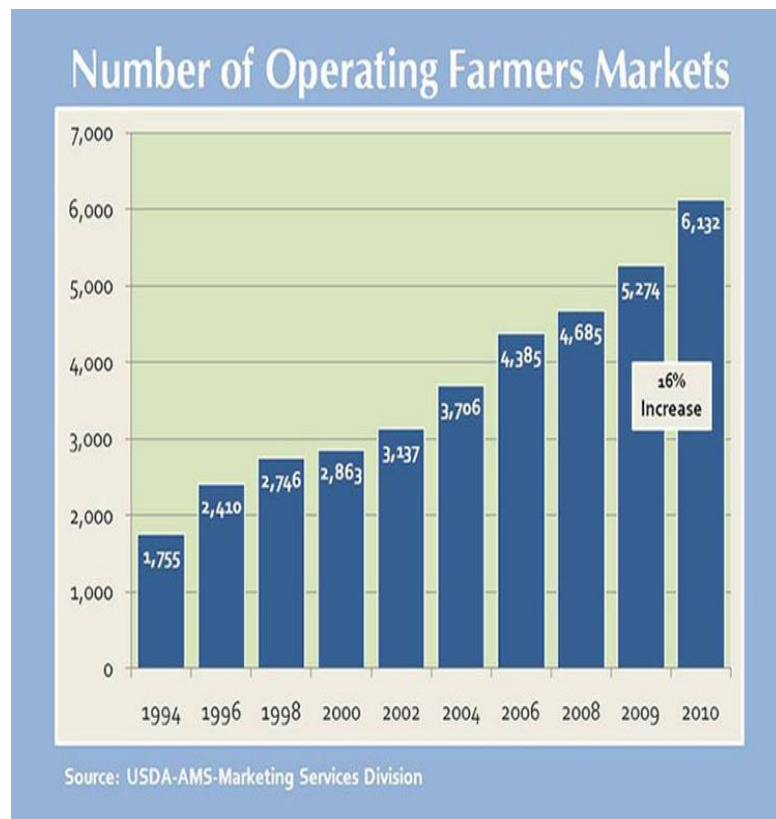
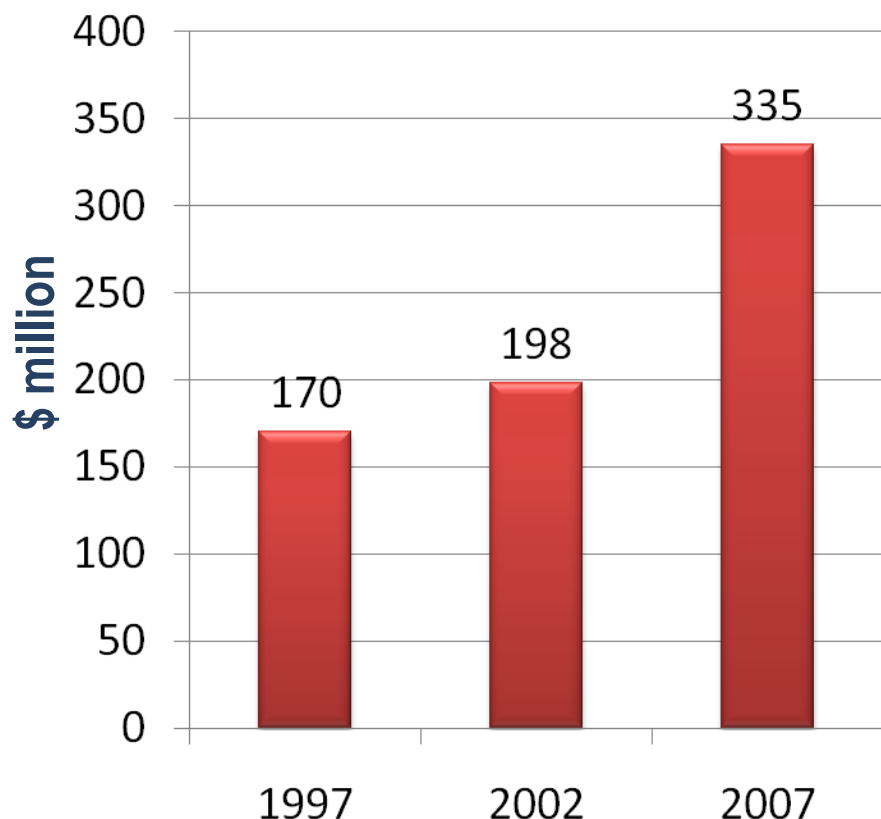
Source: Kentucky Produce Marketing and Planting Intentions Survey, 2004, 2010

Produce Auctions

- Five auctions active in KY
- 350 vendors selling in 2008, 700+ in 2010
- Growing in KY, OH, MO, PA
- Regional information on “wholesale” prices
- Buyers primarily resellers
- Attracting order buyers from larger markets
- Price reports help buyers and sellers



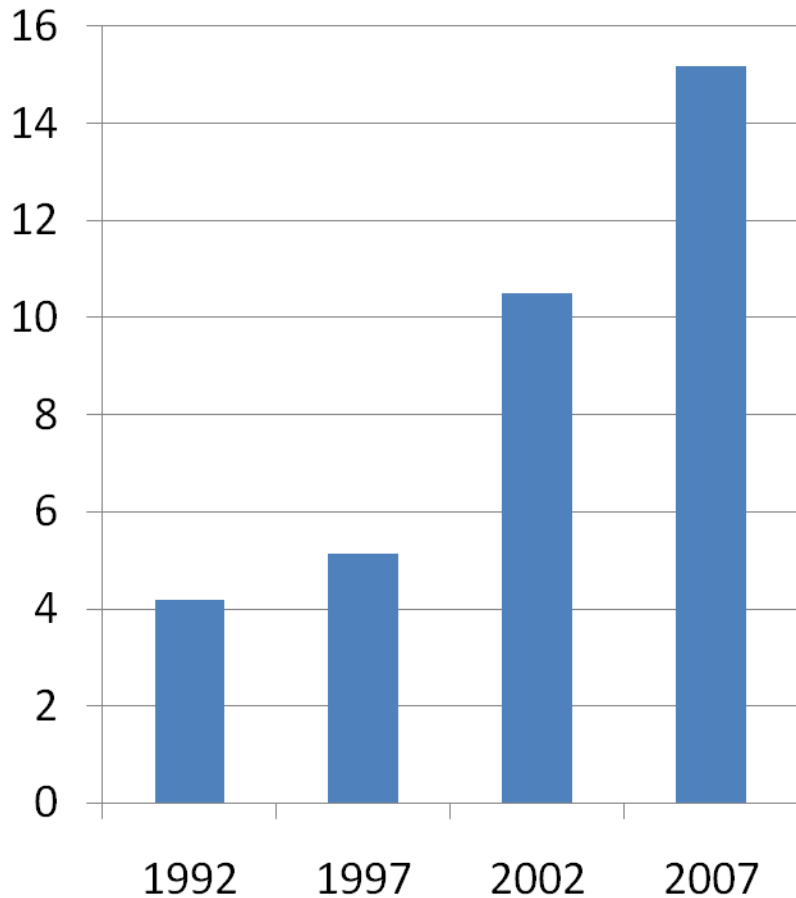
U.S. Farm Markets and Direct Market Sales Vegetables & Melons



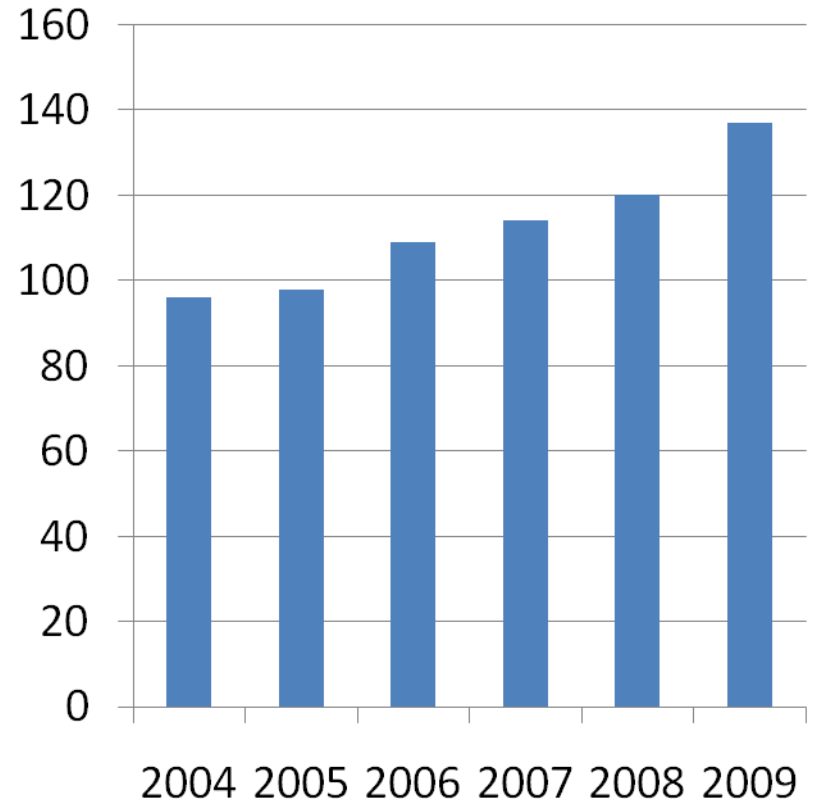
Source: Census of Agriculture, various years; USDA-AMS 2010

Kentucky Direct Market Sales

Million \$



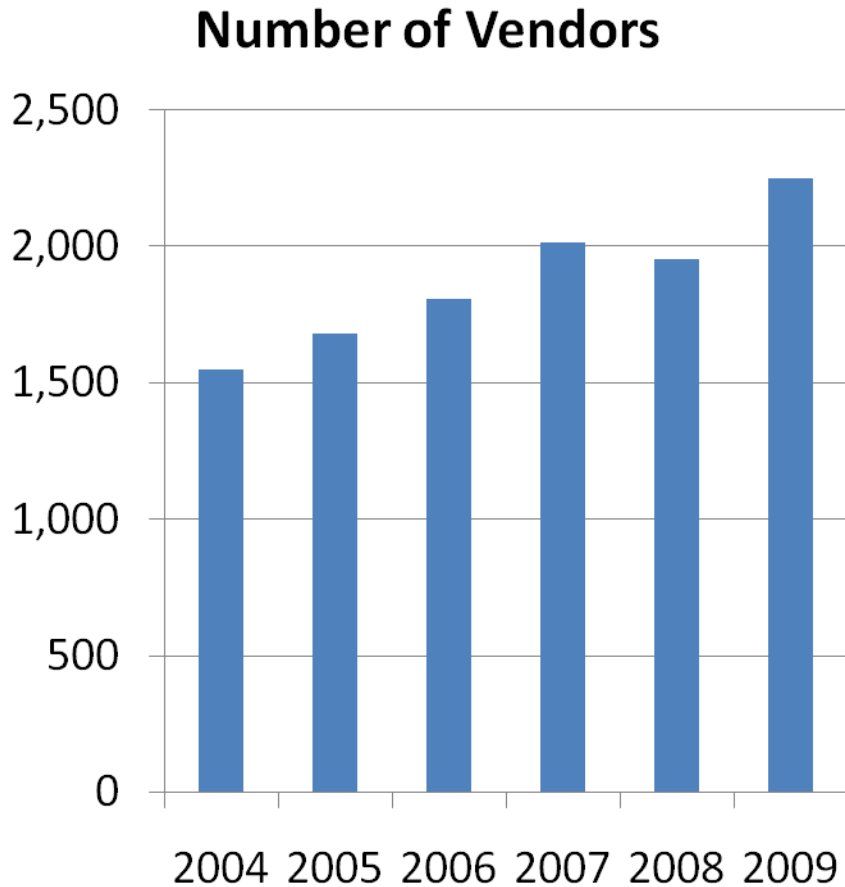
Number of Farm Markets



Source: Census of Agriculture, various years

Source: KDA and UK estimates

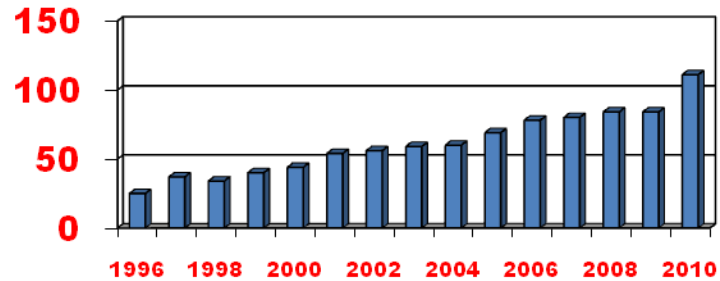
Kentucky Farm Markets



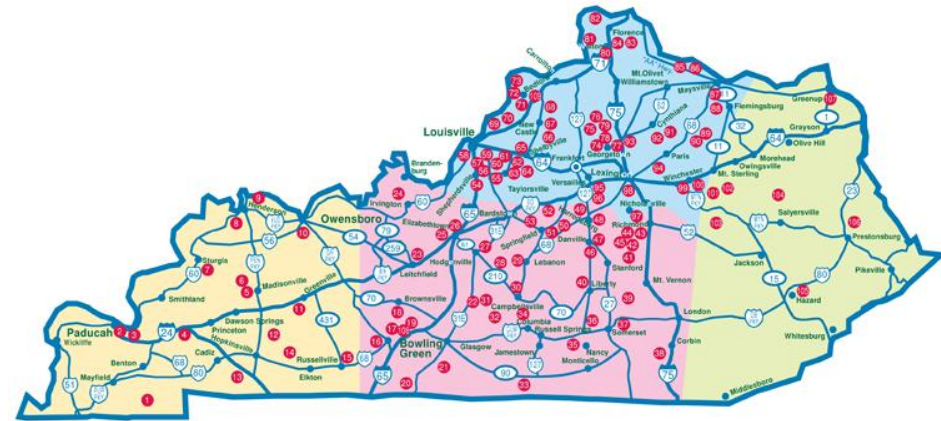
Source: KDA and UK

On-Farm Retail Markets

Certified Markets in KY



2010 – 107 registered markets

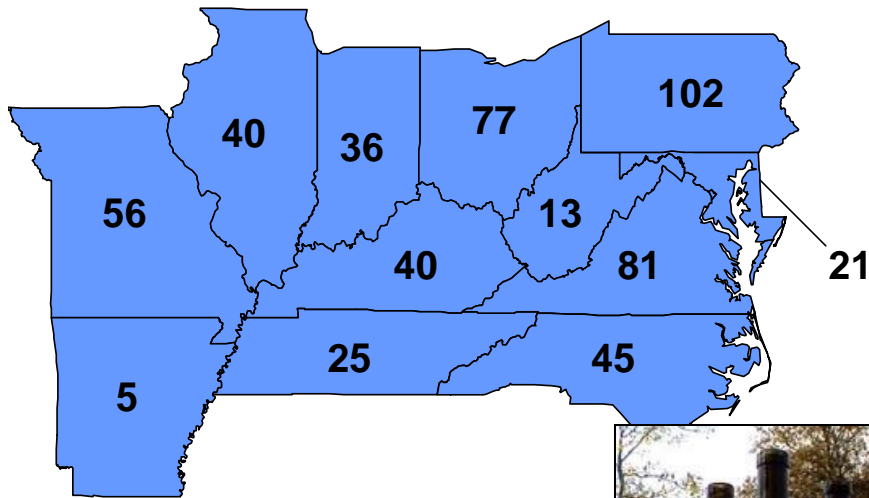


Kentucky CSA's



- 35 CSAs in 2009, 41 in 2010
- Average share size: 60
- Most fairly new
 - 74% started since 2002
- Most offer ½ shares (\$275)
- Full share average \$508
- Only a few offer shareholder work discounts

Number of Wineries 2008



State	1993	2003	2006	2008
KY	0	4	31	40
TN	7	15	21	25
AR	2	4	4	5
MO	10	22	56	56
IL	7	23	63	40
OH	7	26	76	77
VA	6	25	107	81
WV	1	2	14	13
PA	16	31	104	102
MD	5	5	12	21
NC	3	16	54	45
IN	5	17	30*	36

**Continues to increase:
KY 2010: 66 Wineries**



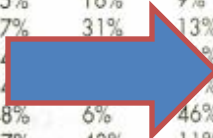
Source: State Departments of Agriculture and weekendwinery.com



NRA's ranked hot produce

The National Restaurant Association surveyed 1,282 members and ranked 194 food items as hot, passé or perennial favorites. Here is how they ranked:

Veggies	Item	Hot	Passé	Favorite
1	Locally grown	81%	5%	14%
2	Organics	75%	16%	9%
3	Micro-veg	57%	31%	13%
4	Chili peppers	54%	25%	21%
5	Exotic mushrooms	54%	15%	31%
6	Fresh herbs	48%	6%	46%
7	Edamame	47%	43%	11%
8	Specialty greens	38%	35%	27%
9	Root vegetables	35%	31%	34%
10	Potatoes	35%	23%	42%



The National Restaurant Association surveyed 1,282 members and ranked 194 food items as hot, passé or perennial favorites. Here is how they ranked:

Veggies	Item	Hot	Passé	Favorite
1	Locally grown	81%	5%	14%
2	Organics	75%	16%	9%
3	Micro-veg	57%	31%	13%
4	Chili peppers	54%	25%	21%
5	Exotic mushrooms	54%	15%	31%
6	Fresh herbs	48%	6%	46%

Fruit	Item	Hot	Passé	Favorite
1	Pomegranates	62%	18%	20%
2	Dragon fruit	52%	38%	10%
3	Figs	46%	29%	25%
4	Passion fruit	45%	38%	17%
5	Prickly pear	41%	48%	11%
6	Lychee	41%	47%	13%
7	Persimmons	40%	44%	16%
8	Mango	40%	30%	30%
9	Guava	39%	45%	16%
10	Papaya	34%	40%	26%



► For a complete look at the list, go to www.restaurant.org/pdfs/research/200711chefsurvey.pdf

Source: National Restaurant Association



Sales to Restaurants

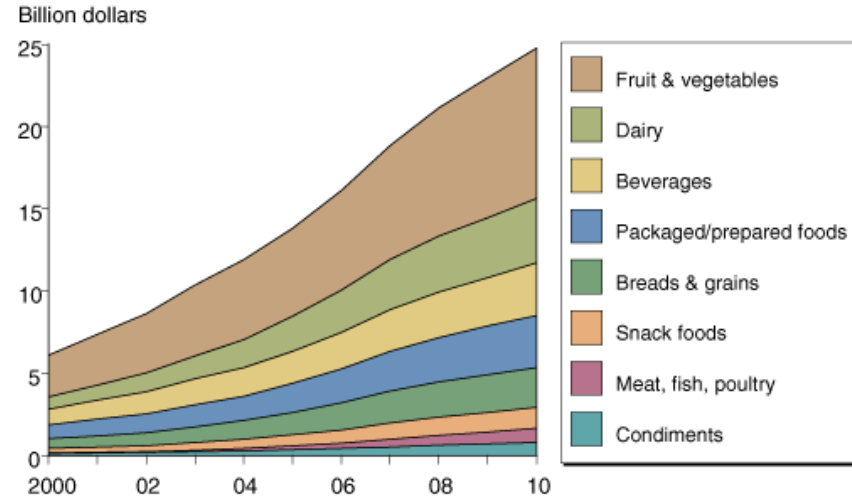
- Rapid growth in KDA Restaurant Rewards program
- 2008: 35 institutions
- 2010: 100+



Organic Produce?

- **Broader interest in organic food**
- **20% annual growth for last 10 years**
 - \$14 B 2005
 - \$21 B 2008
 - \$24.8 B in 2009
- **Organic food sales channels (08/10):**
 - 47%/54% Conventional Supermarkets
 - 44%/40% Natural Food Stores
 - 9%/6% Direct Marketed
- **Fresh produce accounts for 42%/38% of all organic food sales**
- **1/3 of organic produce sold under contract**
- **Trend towards larger growers & direct to retailer sales**
- **Still tiny in KY: 111 farms (all products)**

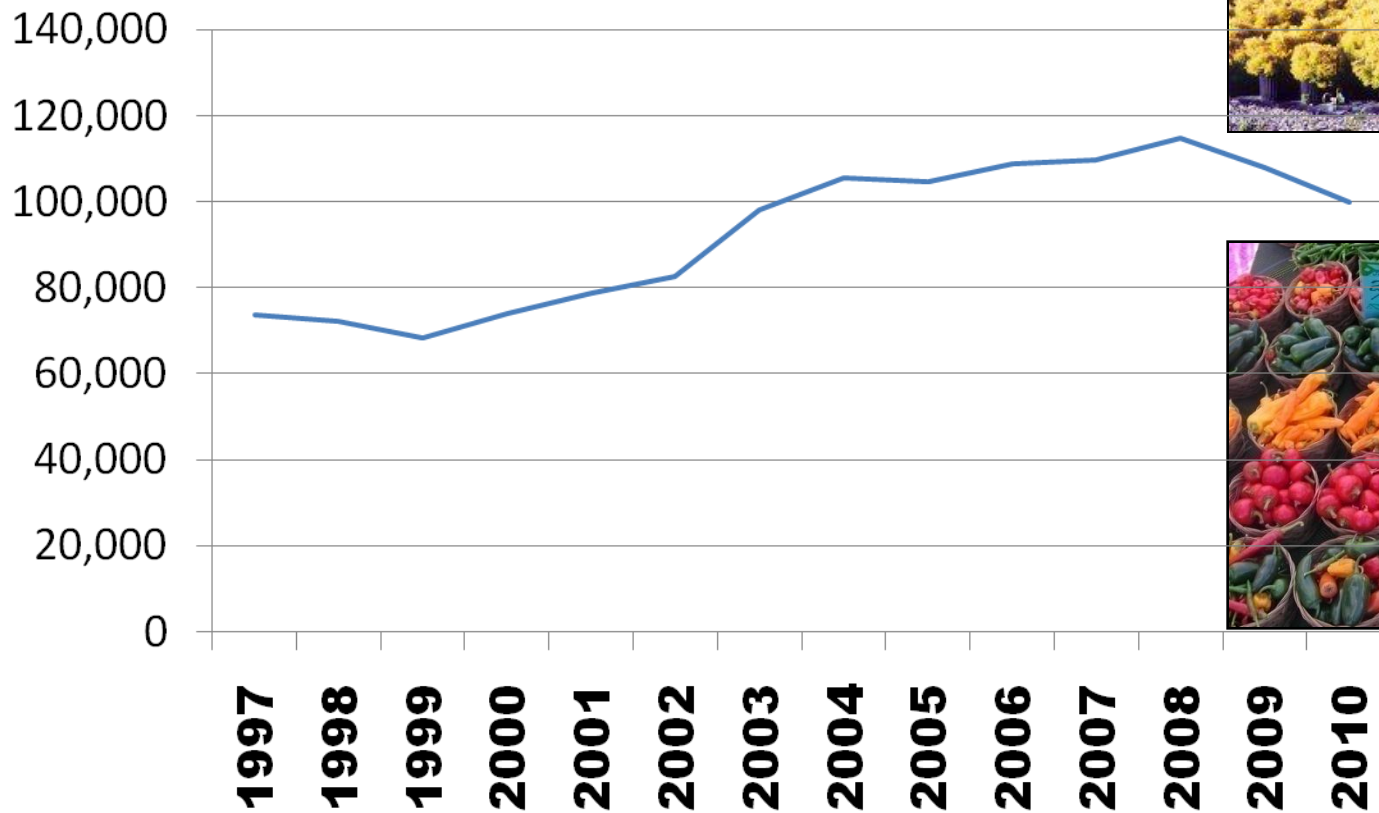
U.S. organic food sales estimated to reach nearly \$25 billion in 2010



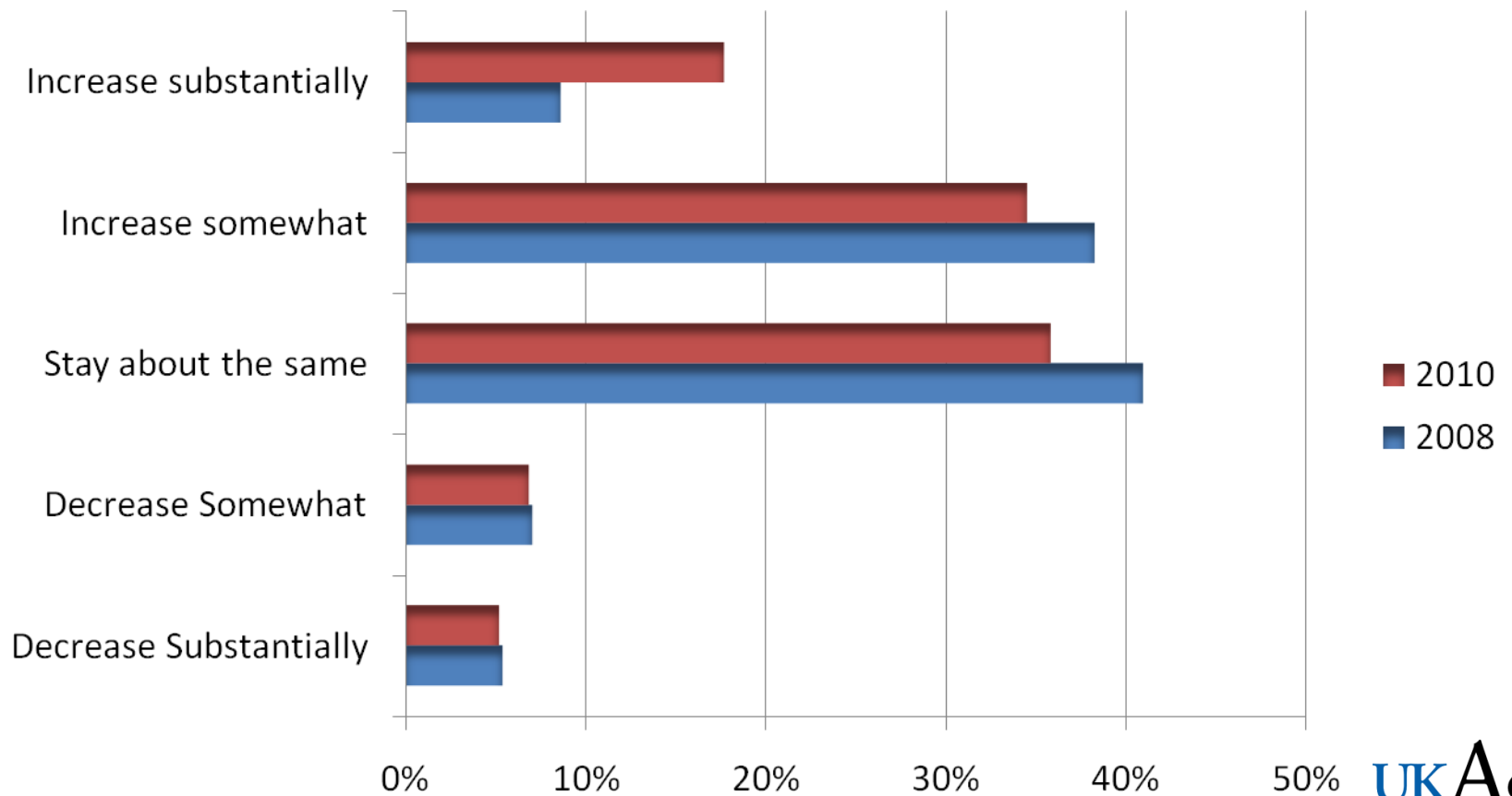
Source: USDA, Economic Research Service using data from the *Nutrition Business Journal*.

Sources: Dimitri & Greene, 2002; USDA ERS-Oberholtzer, Dimitri & Greene, 2005; Organic Trade Assoc., 2004; Tondel & Woods, 2006; Greene et al 2009; Greene et al, 2010, Food Facts – Organic Trade Assoc. June, 2010.

Value of KY Hort Crops Total



Three Year Produce Outlook for Kentucky Producers



KY Produce Growers Looking Ahead to the Next 3 Years

Longer-Term Planning Outlook

