Western Minnesota region (Bureau of Economic Analysis, 2006)

141,154 residents receive $4.4 billion of income annually. The two largest sources of personal income are capital income (interest, rent or dividend income) and transfer payments (from government programs), which account for over 40% of all income. Residents pay $120 million per year in taxes.

The region's farms (Agricultural Census, 2002)

- 8,291 farms. This is 10% of Minnesota farms.
- 2,224 (27%) of these are 1,000 acres or more in size.
- 1,808 (22%) farms are less than 50 acres.
- Average farm size is 435 acres, larger than the state average of 340 acres.
- The region has 3.6 million acres of land in farms.
- This accounts for 13% of Minnesota's farmland.
- 2.8 million acres of harvested cropland.
- 280 farms (3.4%) have a total of 81,000 acres of irrigated land.
- This is 18% of Minnesota's irrigated acreage.
- Average value of land and buildings per farm is $551,000. This is slightly more than the state average of $517,000.
- Of the 3.2 million acres of cropland in the region, 2.8 million (88%) is harvested crop land, including 41,472 acres of pastureland.
- 265,000 acres were idled or planted to cover crops in 2002, neither harvested nor grazed.
- 196,000 acres were set aside under conservation or wetland reserve programs in 2002.
- On 19,000 acres, crops failed or were abandoned.
- The region has 63,000 acres of rural woodland.
- 183,000 acres of land are devoted to house lots, roads, and ponds, or are considered “waste” land.
Sales:

- $1.1 billion of crops and livestock sold (2002).
- $680 million of crops sold (62% of sales).
- $414 million of livestock and products sold (38% of sales).
- 4,861 farms sold crops in 2002 — an 11% decline in the number of farms selling crops, from 5,491 in 1997.
- Crop sales rose 9% from $625 million in 1997 to $680 million in 2002.
- 4,501 farms (54)% sold grain, for total sales of $560 million (82% of crop sales).
- The number of farms/ranches selling livestock, poultry and related products fell 22% from 1997 to 2002 (3,120 to 2,422), while sales of livestock products rose 3%.
- 3,688 (44%) of the region's farms sold less than $10,000 of farm products in 2002, selling a total of $3.7 million — 0.3% of the region's farm sales.
- 2,407 farms (29%) sold more than $100,000 of products, with total sales of $991 million, or 91% of the region's farm sales.
- 31% of region farms (2,600 of 8,291) reported net losses in 2002.

Cattle & Dairy:

- 1,186 ranches and farms hold an inventory of 169,000 cattle.
- 1,637 farms sold 102,000 cattle in 2002, for total sales of $65 million.
- This was a decline in sales of 2% from the $67 million sold in 1997 by 2,296 farms and ranches (the number of farms and ranches decreased 29%).
- Dairy sales fell 22% from $74 million in 1997 to $58 million in 2002.
- The number of farms selling milk or dairy products fell 39% from 741 to 449 over the same period.
- 469 farms raise 32,000 milk cows.
- 1,138 farms sold $53 million of forage crops in 2002 (hay, etc.).

Other livestock & animal products:

- 457 farms hold an inventory of 512,000 hogs and pigs.
- The region's farmers sold $1.3 million hogs and pigs.
- Hog and pig sales increased 9% from $101 million in 1997 to $109 million in 2002.
- The number of farms selling hogs and pigs fell 27%, from 704 to 511, over the same period.
- 202 farms hold an inventory of 17,000 sheep and lambs.
- The number of farms selling poultry and products rose 22% (138 to 168), while sales rose 27% ($129 million to $163 million), from 1997 to 2002.
- 68 poultry farms hold an inventory of 148,000 birds.
- 133 farms sell eggs from an inventory of 3,778 laying hens.
Livestock sales in Western Minnesota, 2002

- Hogs & Pigs 26%
- Cattle & Calves 16%
- Milk & Dairy 14%
- Other 4%
- Poultry & Eggs 40%

Grains & Edible Beans, etc.
- 3,851 farms raised 171 million bushels of corn on 1.1 million acres.
- 4,071 farms produced 52 million bushels of soybeans on 1.2 million acres.
- 1,531 wheat producers used 192,000 acres to raise 7.9 million bushels of wheat.
- 448,000 hundredweight of edible dry beans were raised by 103 farms on 21,000 acres.
- 1.5 tons of sugarbeets were produced on 73,000 acres by 229 farms.
- 456 farms raised 954,000 bushels of oats on 15,674 acres.
- 57 farms raised 211,000 bushels of barley on 4,330 acres.
- Four farms produced 2,788 bushels of grain sorghum on 56 acres.
- Four farms raised 474,000 pounds of sunflower seed on 338 acres.
Bushels of grain produced in Western Minnesota, 2002

- Corn: 75%
- Soybeans: 22%
- Wheat: 3%
- Grain Sorghum: 0%
- Barley: 0%
- Oats: 0%
Vegetables & Melons (some farmers state that Ag Census data does not fully represent vegetable production):

- 97 farms sold $7.2 million of vegetables on at least 7,816 acres (data for some counties was suppressed by USDA).
- 93% of this acreage was devoted to vegetables for processing, with only 52 acres for sale as fresh product.
- Kandiyohi and Pope Counties have most of this vegetable production.
- Nine farms raised three acres of potatoes, with a total yield of 45 cwt.

The following vegetables are raised commercially in the region:

<table>
<thead>
<tr>
<th>Product</th>
<th># farms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asparagus</td>
<td>7</td>
</tr>
<tr>
<td>Beans, Lima</td>
<td>4</td>
</tr>
<tr>
<td>Beans, Snap</td>
<td>3</td>
</tr>
<tr>
<td>Beets</td>
<td>6</td>
</tr>
<tr>
<td>Cabbage, Head</td>
<td>2</td>
</tr>
<tr>
<td>Cantaloupes</td>
<td>2</td>
</tr>
<tr>
<td>Carrots</td>
<td>4</td>
</tr>
<tr>
<td>Corn, sweet</td>
<td>57</td>
</tr>
<tr>
<td>Cucumbers &amp; Pickles</td>
<td>4</td>
</tr>
<tr>
<td>Garlic</td>
<td>1</td>
</tr>
<tr>
<td>Lettuce</td>
<td>3</td>
</tr>
<tr>
<td>Onions, Dry</td>
<td>5</td>
</tr>
<tr>
<td>Onions, Green</td>
<td>27</td>
</tr>
<tr>
<td>Peas, Green</td>
<td>22</td>
</tr>
<tr>
<td>Peas, Snow &amp; Sugar</td>
<td>2</td>
</tr>
<tr>
<td>Peppers, Bell</td>
<td>6</td>
</tr>
<tr>
<td>Peppers, Chili</td>
<td>3</td>
</tr>
<tr>
<td>Pumpkins</td>
<td>19</td>
</tr>
<tr>
<td>Radishes</td>
<td>3</td>
</tr>
<tr>
<td>Rhubarb</td>
<td>3</td>
</tr>
<tr>
<td>Squash</td>
<td>13</td>
</tr>
<tr>
<td>Tomatoes</td>
<td>8</td>
</tr>
<tr>
<td>Turnip Greens</td>
<td>1</td>
</tr>
<tr>
<td>Turnips</td>
<td>2</td>
</tr>
<tr>
<td>Vegetables, Other</td>
<td>1</td>
</tr>
<tr>
<td>Watermelons</td>
<td>1</td>
</tr>
</tbody>
</table>
Fruits (some farmers state that Ag Census data does not fully represent fruit production):

- The region has 32 farms with a total of 77 acres of orchards.
- The number of farms selling fruit and nuts increased 61% from 23 to 37, while sales rose 440% from $25,000 to $135,000, from 1997 to 2002.

Farms selling fruits, nuts and berries in Western Minnesota:

<table>
<thead>
<tr>
<th>Product</th>
<th># farms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apples</td>
<td>27</td>
</tr>
<tr>
<td>Apricots</td>
<td>1</td>
</tr>
<tr>
<td>Blackberries</td>
<td>1</td>
</tr>
<tr>
<td>Blueberries</td>
<td>1</td>
</tr>
<tr>
<td>Cherries, sweet</td>
<td>1</td>
</tr>
<tr>
<td>Cherries, tart</td>
<td>3</td>
</tr>
<tr>
<td>Grapes</td>
<td>9</td>
</tr>
<tr>
<td>Hazelnuts (Filberts)</td>
<td>1</td>
</tr>
<tr>
<td>Other fruits</td>
<td>1</td>
</tr>
<tr>
<td>Peaches</td>
<td>1</td>
</tr>
<tr>
<td>Pears</td>
<td>4</td>
</tr>
<tr>
<td>Plums</td>
<td>7</td>
</tr>
<tr>
<td>Raspberries</td>
<td>9</td>
</tr>
<tr>
<td>Strawberries</td>
<td>7</td>
</tr>
</tbody>
</table>

Nursery and Greenhouse plants

- 29 farms sold $309,000 of nursery and greenhouse crops.
- 14 farms sold $56,000 Christmas trees.

Direct and organic sales:

- 227 farms sell $704,000 of food directly to consumers. This is a 19% rise in the number of farms (191 in 1997) selling direct, and a 22% increase in direct sales, from $577,000 in 1997 to 2002.
- Western Minnesota farmers sell 6% of the state’s direct sales.
- 19 region farms sold $332,000 of organic foods raised on 362 acres.
- This amounts to 4% of Minnesota’s organic sales.
County and State Highlights (Agricultural Census 2002)

Big Stone County
- Much agricultural data for Big Stone County is not reported by USDA to protect confidentiality.
- Agricultural sales in 2002 amount to $58 million from 446 farms.
- Hog and pig sales total $7 million.
- Cattle and calf sales total $2 million.
- Ranks 8th in Minnesota for bee colonies.
- Acreage devoted to corn and soybeans totals 184,000.
- 35,000 acres are planted to wheat.

Chippewa County
- Agricultural sales total $103 million.
- Ranks 8th in Minnesota for forage crop sales, with $22 million.
- Ranks 8th in state — and 16th in U.S. — for sugar beet acreage, with 29,000 acres.
- Grain sales total $65 million.
- Hog and pig sales total $7 million.
- Cattle and calf sales total $3.7 million.
- Poultry and egg sales total $3 million.
- Dairy sales total $1 million.

Douglas County
- Agricultural sales total $53 million.
- Grain sales total $23 million.
- Milk and dairy sales total $12 million.
- Cattle and calf sales total $6.8 million.
- Sales of hogs and pigs total $2.5 million.
- Forage crop sales total $1.7 million.
- Ranks 2nd in Minnesota — and 5th in U.S. — for elk production.
- 105,000 acres are devoted to corn and soybean production.
- 25,000 acres are devoted to forage crops.
- Wheat is raised on 17,000 acres.

Grant County
- Agricultural sales total $69 million.
- Grain sales total $54 million.
- $8.7 million of forage crops are sold.
- Hog and pig sales total $3 million.
- Cattle and calf sales total $1.6 million.
- Milk and dairy sales total $1.3 million.
- Ranks 3rd in Minnesota for sheep and goat sales, with $654,000, and an inventory of 3,436.
- Corn and soybeans are planted on 187,000 acres.
- Wheat is raised on 43,000 acres.
- Ranks 19th in Minnesota for sugar beet acreage, with 11,000 acres.
Kandiyohi County
- Agricultural sales total $231 million, fourth largest in Minnesota.
- Ranks 2nd in Minnesota for sales of livestock and products, with $148 million.
- Grain sales total $68 million.
- Ranks first in state for poultry sales, with $107 million.
- Ranks second in Minnesota for aquaculture sales, with $1.2 million.
- Ranks 5th in state for sheep and goat sales, with 619,000 and an inventory of 4,372.
- Ranks ninth in Minnesota for sales of forage crops, with $12 million.
- Sales of hogs and pigs total $18 million.
- Milk and dairy sales total $12 million.
- Cattle and calf sales total $8 million.
- Ranks first in Minnesota, and 4th in U.S., for inventory of turkeys, with 2.2 million.
- Ranks seventh in state for broiler inventory, but the number of broiler hens is not reported by USDA.
- 253,000 acres are planted in corn and soybeans.
- Forage crops are raised on 21,000 acres.
- Ranks 9th in Minnesota for sugar beet acreage, with 14,000.
- Ranks ninth in state for dry edible bean acreage, with 5,000.

Lac Qui Parle County
- Agricultural sales total $113 million.
- Grain sales total $76 million — ranks 12th in state.
- Hog and pig sales total $22 million.
- Cattle and calf sales total $6 million.
- Milk and dairy sales total $3.5 million.
- $1.9 million of forage crops are sold.
- Ranks first in Minnesota for duck production.
- Ranks 12th in Minnesota for layer hen inventory.
- Inventory of hogs and pigs is 94,000.
- 319,000 acres are planted to corn and soybeans.
- Forage crops are raised on 15,000 acres.
- Wheat is raised on 12,000 acres.

Pope County
- Agricultural sales total $91 million.
- Grain sales total $45 million.
- Milk and dairy sales total $15 million.
- Cattle and calf sales total $11 million.
- Hog and pig sales total $8.6 million.
- $3.9 million of vegetables and potatoes are sold.
- Forage crop sales total $2.4 million.
- $2.4 million of poultry and products are sold.
- Ranks 6th in Minnesota for number of bee colonies, with 4,082.
- Corn and soybeans are raised on 186,000 acres.
- Forage crops are planted on 23,000 acres.
- 11,000 acres are devoted to wheat.
Swift County
- Agricultural sales total $158 million.
- Ranks fifth in state for poultry sales, with $48 million.
- Ranks 10th in Minnesota for grain sales, with $82 million.
- Cattle and calf sales total $9.2 million.
- Milk and dairy sales total $7.2 million.
- $5.7 million of hogs and pigs are sold.
- Ranks 2nd in Minnesota — and 8th in U.S. — for turkey inventory, with 1.5 million.
- Ranks 3rd in Minnesota for goat inventory.
- 306,000 acres are devoted to corn and soybeans.
- Wheat is planted on 8,800 acres.
- Forage crops are raised on 8,700 acres.
- Ranks 8th in Minnesota for acreage in dry edible beans, with 5,025.

Traverse County
- Agricultural sales total $80 million.
- Grain sales total $64 million.
- Cattle and calf sales total $4 million.
- Hog and pig sales total $3 million.
- Corn and soybeans are planted on 244,000 acres.
- 44,000 acres are planted in wheat.
- Ranks 11th in Minnesota for sugar beet acreage, with 10,000 acres.
- Forage crops are planted on 6,600 acres.

Yellow Medicine County
- Agricultural sales total $139 million.
- Ranks 9th in Minnesota for grain sales, with $82 million.
- $32 million of hogs and pigs sold.
- Cattle and calf sales total $12 million.
- Milk and dairy sales total $4 million.
- $4 million of forage crops are sold.
- Ranks 4th in Minnesota for soybean acreage.
- Ranks 8th in state for corn acreage.
- Corn and soybeans are planted on 348,000 acres.
- 13,000 acres are devoted to wheat.
- Forage crops are planted on 10,000 acres.

State of Minnesota
- Sixth largest farm state in U.S., ranked on value of agricultural products sold.
- Ranks 5th in crops sold.
- Ranks 7th in livestock sold.
- Third in nation for grain sales, with $3.5 billion.
- Ranks third in U.S. with $1.4 billion in sales of hogs and pigs.
- Ranks 4th in U.S. for sales of forage and hay with $471 million.
- Ranks 5th in nation for dairy sales, with $931 million.
- Ninth in U.S. for poultry sales, with $751 million.
- Ranks 9th in nation for Christmas tree sales, with $11.9 million.
Twelfth in nation for cattle and calf sales, with $873 million.
Holds largest inventory of turkeys in U.S. with 15.5 million.
Ranks 3rd in nation for inventory of hogs and pigs, with 6.4 million.
Ranks 9th in U.S. for laying chicken inventory with 11.9 million.
First in U.S. for acreage devoted to sugar beets, with 476,617.
Third in U.S. for soybean acreage, with 7 million.
Fourth in U.S. for corn acreage, with 6.6 million.
Ranks 7th in nation for wheat acreage, with 1.9 million.

Balance of Cash Receipts and Production Costs (BEA):
Western Minnesota farmers and ranchers sell $1.1 billion of food commodities per year (fifteen-year averages covering 1992-2006), spending $1.2 billion to raise them, for an average loss of $122 million each year.

Overall, farm producers have lost $1.8 billion in production costs since 1992. Cash flow from farm production has been negative each year since 1992, except for the year 1996. 31% of the region's farms and ranches reported net losses in 2002 (Ag Census). Western Minnesota farmers and ranchers earned $332 million less by selling commodities in 1969 than they earned in 2006 (in 2006 dollars).

Farmers and ranchers earn another $67 million per year of farm-related income — primarily custom work, and rental income (fifteen-year average for 1992-2006). Federal farm support payments average $139 million per year for the entire region, for the same years (BEA).

The region's consumers:
Western Minnesota Region consumers spend $334 million buying food each year, including $189 million for home use. Most all of this food is produced outside the region. Only $704,000 of food products (0.06% of farm cash receipts; one-tenth the national average) are sold by farmers directly to consumers.

Estimated change in net assets for all region households combined was a loss of $182 million in 2006 alone (BLS). This net loss is nearly enough to pay for all food eaten at home by the region’s consumers.

Farm and food economy summary:
Farmers lose $120 million each year producing food commodities, while spending $460 million buying inputs from external suppliers, for a total loss from farming of $580 million to the region.

Meanwhile, consumers spend more than $300 million buying food from outside. Thus, total loss to the region is $880 million of potential wealth each year. This loss amounts to 80% of the value of all food commodities produced in these 10 counties of Western Minnesota — or 2.6 times the value of all foods consumed in the region.
### Consumer markets

(Bureau of Labor Statistics data)

**Western Minnesota Region: markets for food eaten at home (2006):**

<table>
<thead>
<tr>
<th>Item</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meats, poultry, fish, and eggs</td>
<td>$ 43</td>
</tr>
<tr>
<td>Fruits &amp; vegetables</td>
<td>31</td>
</tr>
<tr>
<td>Cereals and bakery products</td>
<td>25</td>
</tr>
<tr>
<td>Dairy products</td>
<td>21</td>
</tr>
<tr>
<td>“Other,” incl. sweets, fats, &amp; oils</td>
<td>69</td>
</tr>
</tbody>
</table>

**State of Minnesota: markets for food eaten at home (2006):**

<table>
<thead>
<tr>
<th>Item</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meats, poultry, fish, and eggs</td>
<td>$ 1,399</td>
</tr>
<tr>
<td>Fruits &amp; vegetables</td>
<td>1,004</td>
</tr>
<tr>
<td>Cereals and bakery products</td>
<td>821</td>
</tr>
<tr>
<td>Dairy products</td>
<td>692</td>
</tr>
<tr>
<td>“Other,” incl. sweets, fats, &amp; oils</td>
<td>2,261</td>
</tr>
</tbody>
</table>

### Household expenses for energy in Western Minnesota

<table>
<thead>
<tr>
<th>Item</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>$ 61</td>
</tr>
<tr>
<td>Natural gas</td>
<td>45</td>
</tr>
<tr>
<td>Fuel oil</td>
<td>6</td>
</tr>
<tr>
<td>Gasoline</td>
<td>124</td>
</tr>
</tbody>
</table>
Top 25 products sold by Minnesota farmers, 2006

Source: USDA Economic Research Service

- All 80,000 farmers together sold $10 billion of crops and livestock in 2006.
- Of these sales, $5 billion in livestock sales, and $5 billion of crop sales.
- State farmers received $767 million in federal subsidies.

<table>
<thead>
<tr>
<th>Product</th>
<th>Sales (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corn</td>
<td>2,029</td>
</tr>
<tr>
<td>Hogs</td>
<td>1,751</td>
</tr>
<tr>
<td>Soybeans</td>
<td>1,676</td>
</tr>
<tr>
<td>Dairy products</td>
<td>1,074</td>
</tr>
<tr>
<td>Cattle and calves</td>
<td>926</td>
</tr>
<tr>
<td>Turkeys</td>
<td>569</td>
</tr>
<tr>
<td>Sugar beets</td>
<td>411</td>
</tr>
<tr>
<td>Wheat</td>
<td>301</td>
</tr>
<tr>
<td>Greenhouse/nursery</td>
<td>200</td>
</tr>
<tr>
<td>Hay</td>
<td>136</td>
</tr>
<tr>
<td>Potatoes</td>
<td>108</td>
</tr>
<tr>
<td>Chicken eggs</td>
<td>107</td>
</tr>
<tr>
<td>Broilers</td>
<td>87</td>
</tr>
<tr>
<td>Corn, sweet</td>
<td>65</td>
</tr>
<tr>
<td>Dry beans</td>
<td>49</td>
</tr>
<tr>
<td>Peas, green</td>
<td>40</td>
</tr>
<tr>
<td>Sunflowers</td>
<td>28</td>
</tr>
<tr>
<td>Sheep and lambs</td>
<td>13</td>
</tr>
<tr>
<td>Honey</td>
<td>9</td>
</tr>
<tr>
<td>Apples</td>
<td>9</td>
</tr>
<tr>
<td>Oats</td>
<td>9</td>
</tr>
<tr>
<td>Barley</td>
<td>7</td>
</tr>
<tr>
<td>Carrots</td>
<td>2</td>
</tr>
</tbody>
</table>

Note: Snap beans and rye are also listed among the top 25 farm products in Minnesota, but sales data have been withheld by ERS to preserve confidentiality.

Source: USDA Economic Research Service
Key data sources:

Bureau of Economic Analysis data on farm production balance
http://www.bea.doc.gov/bea/regional/reis/

Food consumption estimates from Bureau of Labor Statistics Consumer Expenditure Survey
http://www.bls.gov/cex/home.htm

U.S. Census of Agriculture
http://www.nass.usda.gov/census/

USDA/Economic Research Service food consumption data:
http://www.ers.usda.gov/data/foodconsumption/

USDA/ Economic Research Service farm income data:
http://ers.usda.gov/Data/FarmIncome/finfidmu.htm

For more information:

To see results from Finding Food in Farm Country studies in other regions of the U.S.:
http://www.crcworks.org/locales.html

To read the original Finding Food in Farm Country study from Southeast Minnesota (written for the Experiment in Rural Cooperation):

To view a PowerPoint presented in March, 2008, by Ken Meter at Rep. Collin Peterson’s (D-MN) Minnesota agricultural forum, called the “Home Grown Economy”:
http://www.crcworks.org/crcppts/petersonkm08.pdf

To get a brief list of essential food facts, many of which are cited in the presentation above,
http://www.crcworks.org/foodmarkets.pdf

To link to further analysis of farm and food economies in the U.S.:
http://www.crcworks.org/econ.html

Contact Ken Meter at Crossroads Resource Center
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(612) 869-8664