Crossroads Resource Center

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Tools for Community Self-determination

U.S. Food Market Highlights:

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Food markets

Total U.S. food consumption (2004): $600-900 billion.[1]

Total retail food sales in U.S. (2003): $450 billion[2]

Estimated share of these sales that accrues to farmers (2003): $40 billion.[3]

Estimated retail food sales at Wal-Mart and Sam's Club: $80 billion.[4]

Percent of food industries that lack competitiveness (2002): 85%.[5]

Month in which it is estimated the U.S. will become a permanent food importer (2005): December.[6]

Employment

Total U.S. food retail employment (2003): 3.4 million.[7]

Retail sales per employee (2003): $127,000

Total U.S. farm proprietor and labor employment (2002): 3.0 million.[8]

Farm sales per worker (2002): $66,000

Commodity sales

Total farm commodity sales in U.S. (2002): $200 billion.[9]

U.S. Government payments to commodity producers (2002): $11 billion.[10]

Estimated value of food produced in gardens nationally for private use (1994): $19 billion.[11]

Value of U.S. corn crop (2002): $18 billion.[12]

Direct Sales

Food sold directly from farms to consumers (2002): $812 million.[13] (Many consider this USDA count low).

Average distance traveled by an item of food in the Midwest (2001): 1,500 miles.[14]

Energy use

Percent of U.S. energy consumption devoted to food production, processing and distribution (1976): 17%.[15]

Annual cost of this energy used in food system, at current consumption rates (2005): $139 billion.[16]

Natural and organic food sales

Estimated natural-foods-store market for Atkins-certified foods in U.S. (2004): $485 million.[17]

Estimated sales of "natural" products (2003): $43 billion.[18]
(excludes superstore chain sales. Includes food plus supplements, personal care items, etc.)

Estimated sales of "natural" foods (2003): $18 billion.[19]
(included in total product sales listed above, excludes superstore chain sales)

Estimated sale of "organic" foods (2005): $13.8 billion.[20]
(excludes superstore chain sales)

Current growth rate in organic sales (2002): 16%.[21]

Current growth rate in organic sales in Europe (2002), seen by some as indicator for future rates in U.S.: 7.8%.[22]

Current growth rate for supermarket food sales (2003): 2-3%[23]

Supermarket share of organic food sales (2003): 37%[24]

Estimated total potential market for organic foods: $15 to $100 billion by 2030.

School lunches

Percent of public school students in the U.S. whose families earn so little they qualify for free and reduced school lunch (2000). 50%.[25]

Percent of U.S. households that are "food insecure:" (that is, who are not sure at some point during they year from where their next meal may come (2000). 10%[26]

Health and weight concerns

Percent of U.S. adults who are overweight or obese (1998): 65%.[27]

Percent of elderly seeking medical care who are undernourished: (1996): 50%[28]

Percentage of deaths in the industrial world that are related to diet: (2000): 50%.[29]

Number of Americans who die from food poisoning each year (2001): 5,000.[30]

Number of obese people in the world (2006): 300 million[31]

Number of overweight people in the world (2006): 1 billion[32]

Number of hungry people in the world (2006): 600 million[33]

Number of U.S. coronary cases that could be prevented by eating 1% less fat (1999): 30,000 [34]

Number of gastrointestinal diseases treated each year in the U.S. (2001). 76 million (one for every four Americans).[35]

Annual medical costs of obesity in U.S. (2002): $118 billion. (this is 14% of what Americans pay for food each year.)[36]

Credit sources

Amount of money spent by U.S. farmers paying interest on farm debt (1913-2005): $1.366 trillion (in 2005 dollars).[37]

Amount of money directed to farmers by all federal programs (1933-2005): $775 billion (in 2005 dollars).[38]

Farmer interest payments (money flowing out of farm sector) less federal farm payments (money returned to farm sector) (1913-2005): $591 billion (in 2005 dollars).[39]

Ratio of the average size of a bank in the U.S. to what economists consider the most efficient size (2000). 1000 times larger.[40]

For further details, see also:

Meter, Ken (2003). *Food with the Farmer's Face on it: Emerging Community-Based Food Systems.* Media guide published by W. K. Kellogg Foundation. Available at http://www.wkkfweb.org/FSRDFullGuide.pdf.

Meter, Ken, and Jon Rosales (2001). *Finding Food in Farm Country.* University of Minnesota—Experiment in Rural Cooperation, in partnership with Community Design Center and Crossroads Resource Center. Available at http://www.crcworks.org/ff.pdf.

To see recent findings from this and other "Finding Food in Farm Country" studies, see http://www.crcworks.org/fffc.pdf.

To view related materials: http://www.crcworks.org/rural.html.

Sources:

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[2] Food Marketing Institute, which uses data from *Progressive Grocer.* Viewed at www.fmi.org/facts_figs/keyfacts/decade.htm on January 2, 2005.

[3] Stewart Smith calculates that overall, 9% of the retail value of food is received by the farmer. Smith, Stewart (1992). *Farming Activities and Family Farms: Getting the Concepts Right.* Presented to U.S. Congress Symposium, Agricultural Industrialization and Family Farms, October 21. Cited in Mamen, Katy, *et. al.*, *Ripe for Change.* International Society for Ecology and Culture, January; and in Halweil, Brian (2004). *Eat Here.* Norton. Food Marketing Institute uses a higher ERS estimate of $133 billion, a 19% return to farmers on $709 billion of total food sales, but this seems implausible since total farm sales are only $200 billion including all commodities. Moreover, much retail food is sourced abroad. Viewed at www.fmi.org/facts_figs/keyfacts/farm.htm on January 2, 2005.

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[7] Food Marketing Institute. Viewed at www.fmi.org/facts_figs/keyfacts/decade.htm on January 2, 2005.

[8] Bureau of Economic Analysis, Regional Economic Accounts (2002). http://www.bea.doc.gov/bea/regional/reis/.

[9] USDA/NASS Agriculture Census (2002). http://www.nass.usda.gov/census/.

[10] Bureau of Economic Analysis, Regional Economic Accounts (2002). http://www.bea.doc.gov/bea/regional/reis/.

[11] Dahlberg, K. A. (1994). "Localizing Local Food Systems." *Neighborhood Works*, February /March.

[12] USDA/NASS Agriculture Census (2002).

[13] USDA/NASS Agriculture Census (2002).

[14] Pirog, Rich; Timothy van Pelt, Kamyar Enshayan & Ellen Cook (2001). "Food, Fuel and Freeways: An Iowa perspective on how far food travels, fuel usage, and greenhouse gas emissions." Leopold Center for Sustainable Agriculture, Iowa State University, June. ERS energy study by Lasley, 1974.

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[16] Calculated from ratio determined by FEA study cited above, using current Department of Energy data for energy consumption ($694 billion in 2001 -- DOE Table 1.5 Energy Consumption, Expenditures, and Emissions Indicators, 1949-2004, http://www.eia.doe.gov/emeu/mer/consump.html, viewed Nov. 27, 2005). Bureau of Labor Statistics data on consumer expenditures for food, ftp://ftp.bls.gov/pub/special.requests/ce/standard/2004/region.txt, viewed February 7, 2006..

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