



Crossroads Resource Center

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Tools for Community Self-determination

U.S. Natural and Organic Foods Market Highlights:

Compiled by Ken Meter (2006)

Food markets

Total U.S. food consumption (2004): \$900 billion.¹

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

Commodity sales

Total farm commodity sales in U.S. (2002): \$200 billion.³

U.S. Government payments to commodity producers (2002): \$11 billion.⁴

Estimated value of food produced in gardens nationally for private use (1994): \$19 billion.⁵

Value of U.S. corn crop (2002): \$18 billion.⁶

Natural and organic food sales

Estimated sales of "natural" products (2003): \$43 billion.⁷

(excludes superstore chain sales. Includes food plus supplements, personal care items, etc.)

Estimated sales of "natural" foods (2003): \$18 billion.⁸

(included in total product sales listed above, excludes superstore chain sales.)

Estimated sale of "organic" foods (2002): \$10 billion.⁹

(excludes superstore chain sales.)

Current growth rate in organic sales (2002): 17%.¹⁰

Current growth rate in organic sales in Europe (2002), seen by some as indicator for future rates in U.S.: 7.8%.¹¹

Current growth rate for supermarket food sales (2003): 2-3%.¹²

Supermarket share of organic food sales (2003): 37%.¹³

Estimated total potential market for organic foods: \$15 to \$100 billion by 2030.¹⁴

Sources:

- ¹ Estimates of food consumption: USDA Economic Research Service estimates \$895 million, viewed December 5, 2005, at <http://ers.usda.gov/Briefing/CPIFoodAndExpenditures/Data/table1.htm>. Alternate estimate of \$610 million made using 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.
- 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 USDA/NASS Agriculture Census (2002). <http://www.nass.usda.gov/census/>.
- ⁴ Bureau of Economic Analysis, Regional Economic Accounts (2002). <http://www.bea.doc.gov/bea/regional/reis/>.
- ⁵ Dahlberg, K. A. (1994). "Localizing Local Food Systems." *Neighborhood Works*, February /March.
- ⁶ USDA/NASS Agriculture Census (2002). http://www.nass.usda.gov/Census_of_Agriculture/index.asp
- ⁷ Traynor Spencer, Marty and Patrick Rea (2004). "Natural Product Sales Top \$42 billion. *Natural Foods Merchandiser*, June, 1.
- ⁸ Traynor Spencer and Rea, 1.
- ⁹ *Natural Foods Merchandiser*, XXIII:6, 1. Retrieved from www.naturalfoodsmerchandiser.com/, November 10, 2004.
- ¹⁰ Marty Traynor-Spencer, *Natural Foods Merchandiser*, in Nov. 19, 2004, telephone conversation.
- ¹¹ *Natural Foods Merchandiser*, XXIV:9, 22. Retrieved from www.naturalfoodsmerchandiser.com/, November 10, 2004. Organic Monitor, the source of international data on organics, considers European rates as leading indicators of U.S. growth, and projects EU growth of 5-7 percent in upcoming years.
- ¹² Hansen, Nanette (2004). "Organic food sales see healthy growth; Mainstream food companies promote natural brands," MSNBC news report, December 3. Viewed at <http://www.msnbc.msn.com/id/6638417/> on January 2, 2005. Food Marketing Institute, using data from *Progressive Grocer*, lists a 10-year growth rate of 4.8 % from 1993-2003 for all supermarket items, including nonfood items. Viewed at www.fmi.org/facts_figs/keyfacts/decade.htm on January 2, 2005.
- ¹³ Hansen, Nanette (2004). "Organic food sales see healthy growth; Mainstream food companies promote natural brands," MSNBC news report, December 3. Viewed at <http://www.msnbc.msn.com/id/6638417/> on January 2, 2005.
- ¹⁴ Estimated by Ken Meter for Roots of Change, Vivid Picture Project, in November, 2004, drawing upon available market estimates, among them *Natural Foods Merchandiser* and MSNBC reports listed above; with Organic Trade Association (2004). "Industry Statistics and Projected Growth." (Using data from *Datamonitor*.) Viewed November 19, 2004 at <http://www.ota.com/organic/mt/business.html>. *Organic Monitor* (2003). "The Global Market for Organic Food & Drink." July. Viewed at www.organicmonitor.com/700140.htm. USDA Media Release No. 0453.02. "Veneman Marks Implementation of USDA National Organic Standards." Oct. 21, 2002. Viewed November 22, 2004 at <http://www.usda.gov/news/releases/2002/10/0453.htm>. Whole Foods corporation fact sheet, "What You Should Know About Organic Foods."

<http://www.whfoods.com/organics.php>. American Taste (2003). "Organics Update." <http://american-taste.bcentralhost.com/Organics%20EF03.htm>.