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Vegetables and Melons Outlook

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Per Capita Disappearance Declines in 2006

In 2006, per capita disappearance (net domestic use) of all vegetables, melons, potatoes, sweet potatoes, pulse crops, and mushrooms fell 3 percent to 428 pounds. Most of this reduction was due to lower use of head lettuce and processed tomatoes. Use of fresh-market vegetables (including melons, potatoes, sweet potatoes, and mushrooms) totaled about 222 pounds, down 1 percent from a year earlier. Fresh use rose for crops such as asparagus, snap beans, cabbage, cauliflower, bell peppers, garlic, and romaine and leaf lettuce but fell for crops like head lettuce, spinach, celery, onions, pumpkins, and tomatoes.

Excluding asparagus, onions, and melons, fresh-market area for harvest for 11 selected vegetables was forecast to decline 3 percent to 200,700 acres this spring (largely April-June). Prospective area is down for most crops, with the greatest percentage declines for snap beans, carrots, and celery. Given reduced area and assuming normal weather, U.S. spring-season grower/shipper prices for commercial fresh-market vegetables are expected to average about a tenth above the low levels of a year earlier.

Spring melon acreage is expected to decline 2 percent from a year ago, with cantaloup down 4 percent and watermelon 1 percent lower. Cantaloup area is expected to be down 800 acres in Georgia, while Florida watermelon growers harvest 700 fewer acres.

Contract acreage for the five leading processing vegetables (tomatoes, sweet corn, snap beans, green peas, and cucumbers) is expected to remain about the same as a year earlier at 1.2 million acres. Assuming yields remain near the average of the previous three seasons, total 2007 production of 11 selected processing vegetables could rise, with most of the gain coming from California processing tomatoes as yields recover from last year's lows.

Potato prices in the Pacific Northwest (particularly Washington and Oregon) in 2006/07 have been significantly higher than prices a season ago. Processors and shippers in the region have experienced strong demand from both domestic and foreign markets (including Canada, Mexico, and Japan). The competitive exchange rate of the U.S. dollar has been a key factor in helping to move U.S. potatoes and potato products abroad.

Early indications point to an 8-percent decline in dry bean acreage this spring from last year's 1.63 million acres. The primary impetus for lower expected dry bean area was broad price strength for most competing field crops fueled in large part by corn demand from a burgeoning ethanol industry. Similarly, despite relatively attractive prices, combined prospective area for dry peas, Austrian winter peas, small chickpeas, and lentils was down 9 percent this spring from last year's 1.42 million acres.

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The next release is
June 21, 2007

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World Agricultural
Outlook Board

Industry Overview

All vegetables and melons: In 2006, per capita disappearance (also known as net domestic use, a proxy for consumption) of all vegetables, melons, potatoes, sweet potatoes, pulse crops, and mushrooms fell 3 percent to 428 pounds. Most of this reduction was due to lower head lettuce and processed tomato disappearance. In 2007, increased supplies of tomatoes and potatoes are expected to be the primary forces pushing vegetable use up modestly from year-earlier levels.

Fresh vegetables: On a per person basis, domestic disappearance for consumption of fresh-market vegetables (excluding melons, potatoes, sweet potatoes, pulses, and mushrooms) fell 2 percent to 145 pounds. Fresh use rose for crops like asparagus, snap beans, cabbage, cauliflower, bell peppers, garlic, and romaine and leaf lettuce and dropped for head lettuce, spinach, celery, onions, pumpkins, and tomatoes. In 2007, fresh vegetable use is expected to rise slightly from that of a year earlier.

Melons: Estimated disappearance of all melons totaled a record high 8.2 billion pounds in 2006—the second consecutive annual gain. On a per capita basis, domestic disappearance of the top 3 melon crops increased 6 percent from a year earlier to 27.3 pounds, driven largely by a 13-percent gain in watermelon use.

Processing vegetables: Per capita disappearance of processing vegetables (excluding potatoes, sweet potatoes, and mushrooms) dropped 7 percent to 117 pounds in 2006 as a 10-percent decline in use of canning vegetables outweighed gains in use of vegetables for freezing and dehydrating. The outlook for 2007 indicates a recovery in the use of processing vegetables led by increased use of canning tomatoes and pickling cucumbers.

Potatoes: According to preliminary estimates, per capita disappearance of potatoes fell 1 percent in calendar 2006 to 124 pounds, with both fresh-market and processing potatoes registering declines. An increase in per capita use is expected in 2007 due partly to the influence of a modestly larger 2006 crop.

Sweet potatoes: Despite strong export demand, the larger 2006 crop pushed domestic disappearance of sweet potatoes for all uses up 3 percent to 4.6 pounds per person. A slight decline is expected in per capita use in 2007 as lower acreage pulls production down, while exports continue to expand.

Dry edible beans: Per capita use of dry beans increased 4 percent in 2006 to 6.4 pounds—the second consecutive annual increase after reversing a string of five consecutive annual declines last year. Little change is currently expected in net domestic dry bean use in 2007, with supplies remaining tight and prices high.

Dry peas and lentils: Per capita disappearance of dry peas (excluding chickpeas) and lentils for domestic human food is estimated at 0.8 pound, about the same as the previous year. Annual export demand and all other uses (such as livestock feed) are each larger than estimated domestic food use.

Mushrooms: For the 2006/07 season, disappearance of all mushrooms on a fresh-weight basis is expected to total 1.2 billion pounds. On a per capita basis, use of all mushrooms is projected to rise 3 percent from year-earlier levels to 4.0 pounds, with small increases expected for both fresh-market and processing uses.

Processing sweet corn: During 2004-06, per capita disappearance of sweet corn used for processing averaged 17.6 pounds annually, down 13 percent from 1994-96. Over this same time frame, per capita use of sweet corn for canning declined 19 percent to 8.4 pounds, while freezing use fell 7 percent to 9.3 pounds.

Table 1--U.S. vegetable industry at a glance, 2004-07

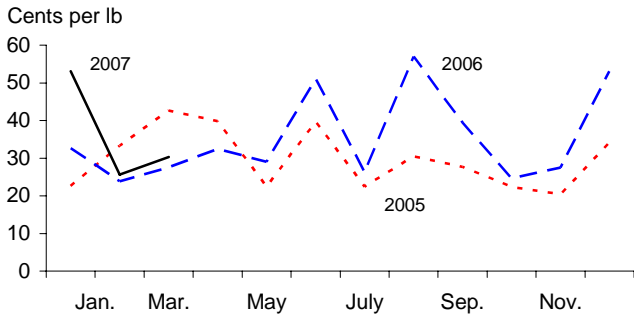
Item	Unit	2004	2005	2006	2007 1/
<i>Area harvested</i>	1,000 ac.	6,547	7,149	7,281	7,002
<i>Vegetables:</i>					
Fresh & melons	1,000 ac.	1,917	1,916	1,913	1,918
Processing	1,000 ac.	1,287	1,270	1,250	1,270
Potatoes	1,000 ac.	1,167	1,087	1,116	1,120
Dry beans	1,000 ac.	1,219	1,534	1,538	1,400
Other 2/	1,000 ac.	957	1,321	1,404	1,294
<i>Production</i>	Mil. cw t	1,347	1,300	1,301	1,331
<i>Vegetables:</i>					
Fresh & melons	Mil. cw t	480	472	466	475
Processing	Mil. cw t	353	314	319	352
Potatoes	Mil. cw t	456	424	435	440
Dry beans	Mil. cw t	18	27	24	23
Other 2/	Mil. cw t	41	44	42	41
<i>Crop value</i>	\$ mil.	14,898	15,862	16,866	17,238
<i>Vegetables:</i>					
Fresh & melons	\$ mil.	9,152	9,829	10,159	10,800
Processing	\$ mil.	1,388	1,255	1,322	1,415
Potatoes	\$ mil.	2,575	2,991	3,226	3,200
Dry beans	\$ mil.	453	516	518	518
Mushrooms	\$ mil.	919	909	881	890
Other 2/	\$ mil.	412	405	409	415
<i>Unit value 3/</i>	\$/cw t	11.06	12.20	12.97	12.95
<i>Vegetables:</i>					
Fresh & melons	\$/cw t	19.09	20.82	21.78	22.75
Processing	\$/cw t	3.93	3.99	4.14	4.02
Potatoes	\$/cw t	5.66	7.06	7.42	7.27
Dry beans	\$/cw t	25.70	18.50	20.00	23.00
Other 2/	\$/cw t	10.15	9.25	9.81	10.06
<i>Trade</i>					
<i>Imports</i>	\$ mil.	6,212	6,603	7,273	7,750
<i>Vegetables:</i>					
Fresh & melons	\$ mil.	3,458	3,668	4,087	4,410
Processing 4/	\$ mil.	1,448	1,587	1,746	1,820
Potatoes & products	\$ mil.	791	787	856	910
Dry beans	\$ mil.	65	82	84	95
Other 5/	\$ mil.	449	479	499	515
<i>Exports</i>	\$ mil.	3,479	3,855	4,179	4,400
<i>Vegetables:</i>					
Fresh & melons	\$ mil.	1,364	1,515	1,625	1,705
Processing 4/	\$ mil.	794	828	861	890
Potatoes & products	\$ mil.	745	841	951	1,035
Dry beans	\$ mil.	145	160	202	190
Other 5/	\$ mil.	432	511	541	580
<i>Per capita use</i>	Pounds	445	440	428	438
<i>Vegetables:</i>					
Fresh & melons	Pounds	172	173	172	173
Processing	Pounds	123	126	117	123
Potatoes & products	Pounds	135	126	124	126
Dry beans	Pounds	6	6	6	6
Other 2/	Pounds	9	9	10	9

1/ ERS forecasts. 2/ Includes sweet potatoes, dry peas, lentils, and mushrooms (except for crop value). 3/ Ratio of total value to total production. 4/ Includes canned, frozen, and dried. Excludes potatoes, pulses, and mushrooms. 5/ Other includes mushrooms, dry peas, lentils, sweet potatoes, and vegetable seed. All trade data are on a calendar-year basis.

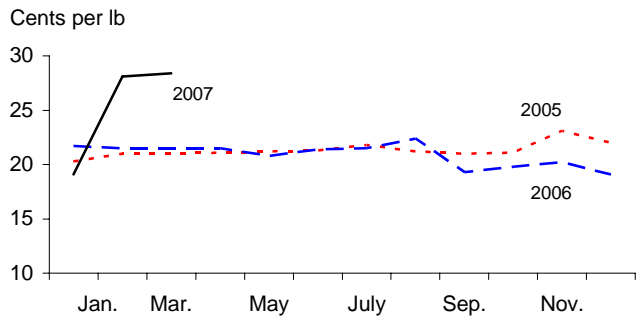
Sources: Derived by ERS from data of USDA, National Agricultural Statistics Service, *Crop Production, Acreage, Agricultural Prices, Crop Values, Mushrooms, and Potatoes*, and from U.S. trade data of the U.S. Dept. of Commerce, U.S. Census Bureau.

Figure 1
Point-of-first sale (farm) price for fresh-market vegetables

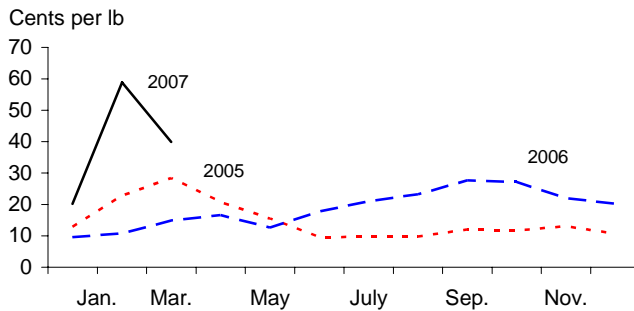
Broccoli



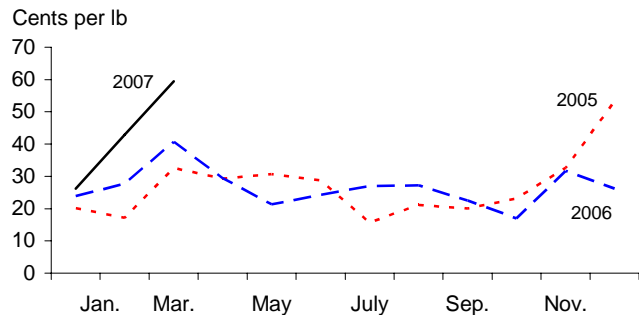
Carrots



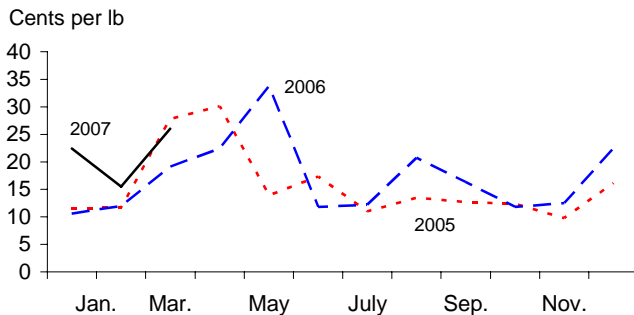
Celery



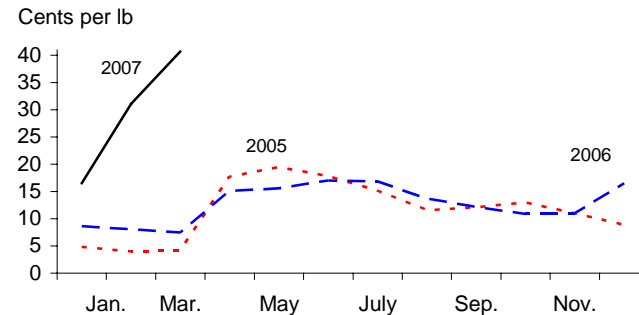
Cucumbers



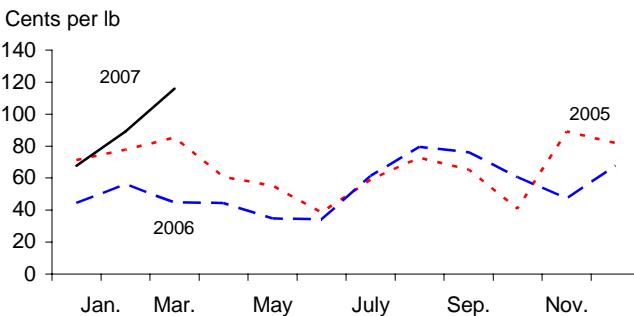
Head lettuce



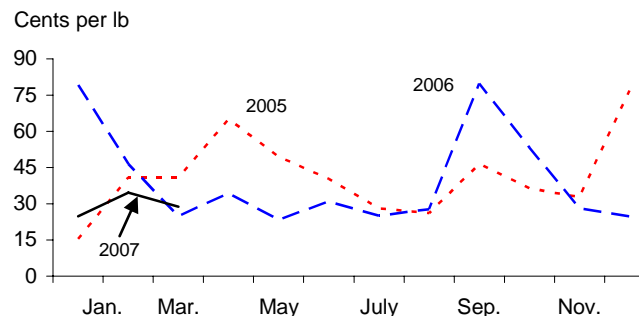
Onions



Snap beans



Tomatoes



Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Fresh-Market Vegetables

Spring Acreage Down

Excluding asparagus, onions, and melons, fresh-market area for harvest for 11 selected vegetables was forecast to decline 3 percent to 200,700 acres this spring (largely April-June). Prospective area is down for most crops with the greatest percentage declines for snap beans, carrots, and celery (table 2). California, which accounts for more than half of spring vegetable area, expects to harvest 3 percent fewer acres with much of this reduction due to sweet corn, carrots, and head lettuce. January freeze damage to early California plantings delayed the spring harvest for several crops, but subsequent growing weather has largely been favorable.

Florida, where spring vegetable growth was slowed by cold, wet February weather, is expected to harvest nearly one-third of spring area for the 11 selected crops. Florida's area is expected to drop 2 percent from a year ago due largely to lower area for snap beans (down 10 percent) and sweet corn (down 2 percent). Area for tomatoes, which annually accounts for about one-third of Florida's \$1.5 billion in vegetable cash receipts, is expected to fall about 2 percent to 17,200 acres, reflecting weak prices last spring. Florida, which accounts for the majority of the domestic cucumbers produced during the spring, is expected to harvest 11 percent more acreage, spurred by strong prices over the past several months.

Given reduced area, earlier freeze damage to some spring crops, and weather-damaged early-spring crops in Mexico, U.S. spring-season grower/shipper prices for commercial fresh vegetables are expected to average about a tenth above the lows of a year earlier. Grower/shipper prices this spring are expected to average higher for crops such as onions, tomatoes, and carrots.

Area for spring harvest of head lettuce (most of which comes from California) continues to drift lower. U.S. spring season head lettuce acreage is expected to be

Table 2--Spring-season fresh-market vegetable area 1/

Item	2004	2005	2006	2007 f	Change
					2006-07 2/
					--Acres--
					Percent
Snap beans	22,400	22,200	22,200	20,200	-9
Broccoli	33,500	33,000	34,500	35,000	1
Cabbage	8,200	7,700	7,000	6,700	-4
Carrots	19,300	19,100	18,600	17,400	-6
Cauliflower	8,500	9,800	9,500	9,000	-5
Celery	5,300	5,100	5,200	4,900	-6
Sweet corn	36,200	32,500	34,000	32,500	-4
Cucumbers	7,400	7,200	7,200	7,300	1
Head lettuce	43,850	34,600	33,300	32,300	-3
Bell pepper	7,600	8,000	7,600	7,400	-3
Tomatoes	29,000	27,500	28,500	28,000	-2
Subtotal	221,250	206,700	207,600	200,700	-3
Onions 2/	35,700	36,000	34,600	31,600	-9
Asparagus 2/ 3/	61,500	49,300	44,700	42,000	-6
Total	318,450	292,000	286,900	274,300	-4

f = Forecast area.

1/ Selected crops for harvest largely during April-June. Excludes melons. 2/ Harvested area except estimated area for harvest in 2007. 3/ Includes area destined for processing.

Source: USDA, National Agricultural Statistics Service, *Vegetables*.

Table 3--Selected fresh-market vegetable shipments 1/

Item	Annual 2006	February 2007	March		Change previous: 2/	
			2006	2007	Month	Year
			--1,000 cwt--		Percent	
Snap beans	3,332	266	313	318	20	2
Broccoli	9,783	926	997	768	-17	-23
Cabbage	13,049	1,235	1,616	1,400	13	-13
Cantaloup	27,378	1,004	1,751	1,395	39	-20
Carrots	10,897	530	1,058	676	28	-36
Cauliflower	4,219	351	438	261	-26	-40
Celery	16,770	1,218	1,595	1,368	12	-14
Chinese cabbage	1,181	149	146	171	15	17
Sweet corn	11,438	465	683	587	26	-14
Cucumbers	14,248	1,257	1,188	1,263	0	6
Greens	2,137	253	217	202	-20	-7
Head lettuce	36,880	2,748	3,017	2,791	2	-7
Romaine	14,521	1,274	2,599	1,367	7	-47
Onions, dry bulb	46,002	3,325	3,833	2,917	-12	-24
Onions, green	3,466	336	363	325	-3	-10
Peppers, bell	17,643	1,429	1,729	1,312	-8	-24
Peppers, chile	4,783	456	593	458	0	-23
Spinach	1,280	137	147	122	-11	-17
Squash	7,034	834	884	726	-13	-18
Tomato, round	29,048	2,310	3,088	2,433	5	-21
Tomato, roma	10,835	1,443	1,452	1,365	-5	-6
Tomato, ghouse 3/	9,819	752	766	790	5	3
Tomato, cherry 4/	4,182	408	460	393	-4	-15
Watermelon	40,443	728	1,541	1,090	50	-29
Selected total	340,368	23,834	30,474	24,498	3	-20

1/ All 2007 data are preliminary. Includes domestic and imported product. 2/ Change in March 2007. 3/ Includes all types of tomatoes produced under cover. 4/ Includes grape tomatoes.

Source: USDA, Agricultural Marketing Service, Market News.

Table 4--Fresh vegetables: Consumer and producer price indexes

Item	2006		2007		Change previous:	
	March	Feb.	March	Month	Year	Year
				-- Index --		-- Percent --
Consumer Price Indexes (1982/84=100)						
Fresh vegetables	279.7	308.6	302.4	-2.0	8.1	
Potatoes	264.6	269.9	276.0	2.2	4.3	
Tomatoes, all	311.5	317.2	291.9	-8.0	-6.3	
Lettuce, all	254.2	294.7	287.6	-2.4	13.1	
Other vegetables	285.8	328.6	324.9	-1.1	13.7	
Producer Price Indexes (1982=100)						
Fresh vegetables (excl. potatoes)	137.6	190.3	222.4	16.9	61.6	
Cabbage 1/	223.0	236.3	223.8	-5.3	0.4	
Eggplant 1/	375.0	278.9	344.9	23.7	-8.0	
Greens 1/	131.8	138.6	139.2	0.4	5.6	
Lettuce	132.1	133.9	266.7	99.2	101.9	
Onions, green 1/	442.3	286.2	182.3	-36.3	-58.8	
Onions, dry bulb	110.3	257.3	434.0	68.7	293.5	
Peppers, green 1/	199.0	294.3	239.9	-18.5	20.6	
Radishes 1/	221.0	370.8	246.7	-33.5	11.6	
Spinach 1/	219.1	635.5	362.4	-43.0	65.4	
Squash 1/	157.6	273.7	238.3	-12.9	51.2	
Tomatoes	119.8	197.8	153.2	-22.5	27.9	

1/ Index base is December 1991=100.

Source: U.S. Dept. of Labor, Bureau of Labor Statistics (<http://www.bls.gov/data/home.htm>).

down 3 percent, despite relatively favorable open market producer prices both last spring and over the past several months. In the spring of 2006, non-contract head lettuce prices at the point of first sale (e.g., grower sales to shippers) averaged 22.6 cents per pound—up about a tenth from the strong prices of spring 2005. Aside from a market lull in February of 2007 (due partly to heavy winter weather across the country), open market head lettuce prices have averaged at least 22 cents per pound. Why is head lettuce area declining despite favorable prices? One explanation may be the changing structure of the lettuce market. Because a share of lettuce acreage is grown and harvested under contract with processors and other buyers, growers and shippers may now plant based mostly on contractual needs, with less speculative area planted. Also, recent uncertainty over labor availability may play a role for some shippers, while still others are perhaps being conservative this year due to concerns over lingering collateral damage to bagged salad demand following the spinach food safety situation last fall.

Winter weather in Florida began and ended with above-normal temperatures but featured a cold, wet February, which slowed growth and caused bloom drop for crops such as tomatoes and peppers, leading to periods of short supply and higher prices. California and Arizona endured a hard January freeze, which slowed growth and damaged crops such as artichokes, carrots, celery, cauliflower, and broccoli. Fresh-vegetable (excluding potatoes and melons) shipment volume was down 4 percent from a year earlier during the winter quarter (Jan.-Mar.). Reflecting the January freeze, winter shipment volume dropped most sharply for artichokes (down 66 percent), carrots (down 30 percent), and cauliflower (down 24 percent). Smaller supplies coupled with a demand-enhancing mild winter (except for a frigid, snowy February) in major population centers kept prices under upward pressure. As a result, winter-quarter farm prices (prices received at the point of first sale) for fresh-market vegetables surged 32 percent above those of a year earlier. Despite sharply higher grower prices for fresh-market vegetables and continued strong fresh potato prices, first-quarter retail prices for all fresh vegetables averaged 3 percent above the relatively high level of a year earlier. Fresh retail prices had risen 8 percent during the first quarter of 2006 due largely to a Florida freeze.

Table 5—U.S. quarterly f.o.b. shipping-point prices, 2006-07

Commodity	2006				2007			Change 1st Q 1/ Percent
	First	Second	Third	Fourth*	First	Second*	Third *	
	<i>Cents/pound</i>							
Asparagus	127.50	94.70	129.67	127.00	--	95.00	126.00	--
Broccoli	48.30	37.80	40.83	35.07	41.97	35.00	34.50	-13.1
Cantaloup	--	23.80	15.70	22.10	--	20.25	15.00	--
Carrots	21.57	21.23	21.07	19.70	25.83	24.00	20.50	19.7
Cauliflower	30.17	37.63	40.83	33.67	41.70	38.00	32.50	38.2
Celery	11.78	15.70	24.00	23.10	44.23	18.00	14.00	275.5
Sweet corn	34.67	21.40	23.23	18.53	26.80	19.75	21.50	-22.7
Cucumbers	30.77	25.35	25.57	24.97	44.20	23.00	22.50	43.6
Lettuce, head	13.90	22.63	16.40	15.57	20.83	18.50	15.25	49.9
Onions, dry bulb	8.04	15.90	14.23	13.47	32.77	30.00	13.00	307.6
Snap beans	48.30	37.80	72.30	58.43	90.57	43.00	63.00	87.5
Tomatoes, field	51.33	29.53	44.23	35.37	30.03	38.00	34.00	-41.5
All vegetables 2/	905	900	996	886	1,196	990	860	32.2

-- = not available. * = ERS forecast. 1/ Change in 1st-quarter 2007 over 1st-quarter 2006.

2/ Price index with base period of 1910-14 (the period when the index equaled 100).

Source: Derived by ERS from USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Pollination Services At Risk

Honeybee colonies, operated by beekeepers with five or more colonies, dropped to a record low 2.39 million in 2006. Colony numbers are expected to drop further in 2007 with the outbreak of colony collapse disorder (CCD) that left many colonies deserted in late 2006 for unknown reasons. Growers are concerned there will not be an adequate supply of pollination services for their crops.

Compared with fruits and tree nuts, a smaller share of the vegetable crops produced in the United States require commercial honey bee pollination services. By and large, vegetables belonging to the cucurbit family account for the majority of vegetables requiring bees for pollination. Supplemental pollination is required to assure commercial yields in these crops. Other than melons, the primary cucurbit crops include cucumbers (fresh market and processing), pumpkins, and squash. These crops accounted for 9 percent of the \$16.9 billion in farm cash receipts for vegetables and melons (excluding mushrooms) in 2005.

Although not widely done due to added costs, adding honey bee pollination services for crops such as eggplant, okra, peppers, and lima beans can improve yields. Also, in greenhouses, a lack of natural pollination is offset through the use of bumblebees to pollinate vegetables such as tomatoes, peppers, and cucumbers. Also, although bees may visit crops such as green beans and green peas, their presence does not affect crop yield. Most other vegetables are either self pollinated (e.g. tomatoes, green beans, and green peas), wind pollinated (e.g. sweet corn), or do not require pollination to produce the edible portion of the crop (e.g. leafy crops such as lettuce, cabbage, spinach, and root crops like carrots and table beets).

Storage Onion Area Down Slightly Despite Strong Prices

Area expected to be planted to summer storage onions is forecast to decline 1 percent in 2007. Storage onion area in California, most of which is earmarked for processing (largely for dehydrating), is expected to drop 3 percent to 32,200 acres. Excluding the California crop, area for U.S. storage onions is forecast down 1 percent from last year and about even with two years ago. Given normal weather and average yields this fall, production of storage onions outside of California is likely to be 1 to 3 percent higher than a year ago (yields averaged below trend in 2006). Although irrigation water is not expected to be a limiting input this season, uncertainty remains over labor availability for harvest and packing.

Storage onions, which are harvested in late summer and early fall and marketed into the following spring, account for about 70 percent of annual U.S. onion production. The top five storage onion States during 2004-06 were California, Washington, Oregon, Idaho, and Colorado. Despite intense interest in planting alternative crops such as field corn stemming from rising demand for ethanol (currently made from corn), storage onion acreage remained near year-earlier levels. This is likely because grower prices for fresh dry bulb onions (normally a relatively high-value crop) have been record-high over the past several months.

With a smaller crop last fall, import volume slowed by weather in Mexico and Peru, and good domestic and export demand, winter season fresh bulb onion prices averaged nearly four times the level of the previous winter—a vast improvement over the past 2 years. During the first quarter (Jan.-Mar.) of 2007, grower prices for fresh dry bulb onions averaged 32.8 cents per pound, up 308 percent from a year

earlier and 657 percent above the extreme lows reached 2 years ago. With storage supplies being exhausted earlier than normal this year, spring-season onion growers were handed a hot market. With average yields (which would be an improvement from a year ago), production this spring is expected to be about a tenth below that of last spring. As a result, grower prices for onions are expected to remain well above the 15.9 cents per pound average of last spring.

Per Capita Use Down in 2006, Steady in 2007

According to preliminary data, disappearance (also known as net domestic use, a proxy for consumption) of fresh-market vegetables (excluding potatoes, melons, sweet potatoes, dry pulses, and mushrooms, which are each analyzed by ERS as separate markets) fell nearly 1 percent to 43.5 billion pounds in 2006. On a per person basis, use of fresh vegetables dropped about 2 percent to 145 pounds (table 6). Including melons, per capita fresh use slipped 1 pound to about 172 pounds in 2006 and is projected to rise slightly in 2007. Including estimates for melons, fresh potatoes, sweet potatoes, and fresh mushrooms, per capita use of all fresh vegetables totaled 221.6 pounds in 2006, down 1 percent from a year earlier.

In 2006, net domestic use increased the most for cauliflower (up 21 percent), garlic (19 percent), snap beans (17 percent), and bell peppers (9 percent). Per capita use declined for items such as spinach (down 19 percent), head lettuce (11 percent), onions (6 percent), and celery (5 percent). In 2007, per capita fresh-vegetable use (excluding potatoes) is expected to rise slightly as higher use of spinach, tomatoes, romaine lettuce, and sweet corn outweighs potential reductions for cabbage, celery,

Table 6--Fresh-market vegetables: Per capita disappearance (net domestic use) 1/

Item	Average					
	1998-2002	2003	2004	2005	2006	2007f
	--Pounds/person--					
Head lettuce	23.24	22.20	21.22	21.03	18.73	18.38
Tomatoes 3/	19.21	19.45	19.95	20.16	19.84	20.38
Onions 2/	18.70	19.48	21.60	21.03	19.84	19.94
Carrots	9.15	8.82	8.82	8.77	8.72	8.82
Sweet corn	9.12	9.50	9.20	8.84	8.64	8.96
Cabbage	8.40	7.54	8.31	8.08	8.47	8.18
Other lettuce	8.04	11.05	9.73	10.60	10.99	11.16
Bell pepper	6.72	6.85	6.96	7.07	7.67	7.79
Cucumbers	6.49	6.16	6.45	6.32	6.40	6.40
Celery	6.39	6.26	6.22	5.91	5.63	5.75
Broccoli	5.57	5.47	5.56	5.63	5.67	5.77
Squash	4.33	4.43	4.47	4.73	5.11	4.94
Pumpkins	4.32	3.89	4.83	5.03	4.74	4.80
Garlic, all	2.60	2.82	2.56	2.43	2.88	2.93
Snap beans	1.96	1.97	1.88	1.81	2.12	1.97
Cauliflower	1.58	1.56	1.56	1.51	1.83	1.85
Spinach	1.16	1.77	2.02	2.49	2.01	2.20
Asparagus	0.89	1.04	1.12	1.11	1.14	1.24
Others 1/	2.14	4.70	4.81	4.84	4.54	4.63
Subtotal	140.01	144.96	147.27	147.39	144.97	146.09
Potatoes	46.48	46.80	45.76	42.35	42.03	43.62
Total	186.49	191.76	193.03	189.74	187.00	189.71

f = ERS forecast. 1/ Excludes melons, mushrooms, and sweet potatoes. 2/ Fresh-market dry bulb onions. 3/ Includes both domestic and imported hothouse tomatoes.

Source: Estimates developed by USDA, Economic Research Service.

artichokes, and head lettuce. Consumer interest in spinach continues to recover from last fall's food safety incident, with domestic shipments of fresh bunched spinach up 9 percent during the first quarter of 2007. As a result, per capita disappearance of fresh spinach is projected to recover a large portion of the ground lost a year ago.

Imports Up, Exports Down

During the first 2 months of 2007, the volume of fresh vegetable (excluding potatoes and melons) imports increased 2 percent from a year earlier (table 7). Import volume declined for fresh market tomatoes, peppers, and cucumbers due largely to the impact of cool, wet weather on Mexican crops. With the exception of greenhouse tomatoes (up 2 percent) and grape tomatoes (up 7 percent), volume declined across the board for fresh-market tomato types, including roma tomatoes (down 1 percent), round (traditional) tomatoes (down 19 percent), and cherry tomatoes (down 6 percent). The value of fresh-market vegetable imports declined 5 percent during January-February from last year's record high of nearly \$1 billion. Although the value of imports from Canada rose 50 percent to \$31 million, the value of fresh vegetable imports from Mexico fell 8 percent to \$790 million.

Because of the lingering effects of cold weather on early 2007 U.S. production, the January-February export volume of fresh-market vegetables declined 9 percent compared with the first 2 months of 2006 (table 7). The quantity of fresh vegetables shipped to Canada (down 4 percent) and Japan (down 73 percent) decreased, while volume shipped to Mexico was up 71 percent. Combined, these three nations accounted for 95 percent of U.S. fresh vegetable export volume (90 percent for all of 2006). During the first 2 months of 2007, U.S. export volume declined for such items as onions, lettuce, and carrots, and was partially offset by increased shipments of tomatoes, celery, and peppers.

Table 7--Selected fresh-market vegetable trade volume, 2005-07 1/

Item	2006	January - February			Change
	Annual	2005	2006	2007	2006-07
		--1,000 cwt--			Percent
Exports, fresh:					
Onions, dry bulb	6,585	1,638	1,198	960	-20
Lettuce, head	3,642	725	675	514	-24
Lettuce, other	4,616	976	830	753	-9
Broccoli	3,050	452	524	460	-12
Tomatoes	3,179	516	397	518	31
Other	15,385	2,556	2,662	2,485	-7
Total	36,457	6,863	6,286	5,691	-9
Imports, fresh:					
Tomatoes, all	21,877	4,301	5,938	5,528	-7
Cucumbers	9,742	2,711	2,512	2,496	-1
Onions, dry bulb	6,432	1,404	1,263	1,538	22
Peppers, sweet	7,161	1,801	2,276	1,921	-16
Peppers, chile	5,086	667	863	811	-6
Squash 2/	5,304	1,333	1,359	1,513	11
Asparagus, all	2,653	660	602	603	0
Other	21,660	4,037	4,101	4,842	18
Total	79,914	16,915	18,914	19,253	2

1/ Excludes melons, potatoes, mushrooms, dry pulses, and sweet potatoes. 2/ Excludes chayote.

Source: Prepared by ERS using data from U.S. Department of Commerce, U.S. Census Bureau.

Melons

Grower Earnings Per Acre Remain Relatively Strong

Area expected to be harvested in 2007 is down for spring-season (April-July) melons. Acreage is expected to be down 4 percent for cantaloup and 1 percent for watermelon, but up 2 percent for honeydew melons. The expected decrease in total spring melon area amounts to 2 percent, or 1,300 acres less than the 75,200 acres during spring 2006. The largest acreage reduction for cantaloup is expected to be in Georgia (800 fewer acres), while for watermelon it is in Florida (700 fewer acres). The downward trend exhibited in melon area over the past several years likely reflects both the impact of higher yields and expanding import volume. While imports during the summer remain low, increasing imports in the spring and fall compete with domestic production.

If average yield for the 2007 melon crop comes close to 2006's 262 cwt per acre, a modest reduction in harvested area will not significantly lower overall production. However, if fresh melon imports continue to grow at a two-digit pace (led by watermelons), prices may remain close to those of 2006, which were 5 percent lower on average than in 2005. Consequently, the value of domestic melon production will likely decline in 2007—just as it did in 2006 when it edged down 1 percent from \$873 million in 2005. Nevertheless, the production value per acre averaged close to \$3,400 in 2006—\$3,000 for watermelon and under \$4,000 for honeydew and cantaloup.

One of the natural risks to melon crops is the lack of honeybees for pollination. Honeybees and other animate pollinators are needed to pollinate at least a third of crops grown for food. Among the family of vine crops, cantaloup, watermelon, cucumbers, pumpkins, and other squashes require pollination by bees. The U.S. population of honeybee colonies has been decimated by the varroa (vampire) mite, and more recently, by an unknown agent now termed colony collapse disorder (CCD). If pollination is patchy or inadequate due to less extensive area coverage by the pollinators, crop yields cannot reach their potential.

Per Capita Disappearance Up in 2006

U.S. domestic disappearance (also known as net domestic use, which is a proxy for consumption) of melons exceeded 8.3 billion pounds for the first time in 2006, a 7-percent rise from a year earlier. Per capita disappearance of the top 3 melons

Table 8--Spring-season fresh-market melon area 1/

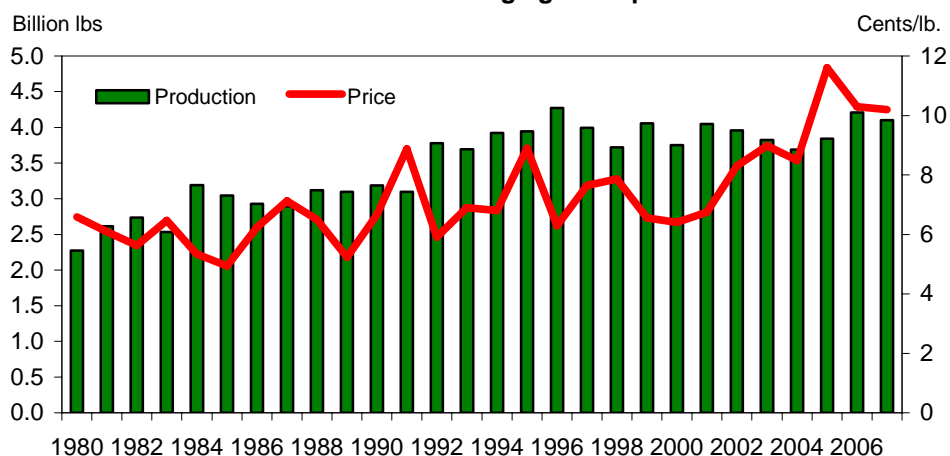
Item	2004	2005	2006	2007 f	Change
					2006-07 2/
					Percent
--Acres--					
Cantaloup	32,100	31,700	32,100	30,900	-4
Honeydew	4,700	4,100	4,100	4,200	2
Watermelon	43,000	40,400	39,000	38,800	-1
Total	79,800	76,200	75,200	73,900	-2

f = NASS forecast area for harvest.

1/ Selected crops for harvest largely during April-June.

Source: USDA, National Agricultural Statistics Service, *Vegetables*.

Figure 2

U.S. watermelon: Production and average grower price 1/

1/ Largely for the fresh market. Prices not adjusted for inflation.

Source: Prepared by ERS based largely on data from USDA, NASS, *Vegetables Summary*.

Table 9--U.S. melon crops: Per capita disappearance (net domestic use) 1/

Item	Average					
	1998-2002	2003	2004	2005	2006	2007 f
-- Pounds/person --						
Cantaloup	11.08	10.79	10.00	9.77	9.33	9.63
Honeydew	2.24	2.24	2.20	2.07	2.15	2.10
Watermelon	14.48	13.48	12.96	13.98	15.81	15.13
Top three melons	27.80	26.51	25.16	25.82	27.29	26.86

f = ERS forecast. 1/ Disappearance is a proxy estimate for calendar year consumption.

Source: Estimates developed by USDA, Economic Research Service.

climbed back to 27 pounds in 2006. This measure does not account for domestic production of miscellaneous melons such as Crenshaw and casaba due to lack of data. Per capita use of watermelon was almost 16 pounds in 2006, 9.3 pounds for cantaloup, and 2.2 pounds for honeydew. For other melons, ERS estimates suggest that melons such as casaba, Crenshaw, and other muskmelons account for another 1 pound per person of net domestic use. The import share of domestic disappearance of all melons is 27 percent (based on volume). In 2006, cantaloup imports accounted for the largest share of total domestic disappearance at 35 percent, compared with 18 percent for watermelon, and 29 percent for honeydew.

Although the wholesale value of U.S. melon production dipped slightly in 2006, the addition of \$353 million worth of imported melons raised the value of total U.S. melon supply to \$1.22 billion, a 3-percent gain. After netting out somewhat smaller exports, the domestic use value of melons reached a record \$1.1 billion in 2006. Accordingly, per capita use value (based on wholesale prices) climbed to \$3.68 from \$3.59 in 2005. The share of imports in domestic use value climbed to a peak of 32 percent in 2006, up from 25 percent in 2003.

A recent development that may be boosting consumption of watermelon is the marketing of watermelon juices. The California company that produces the juices also markets about a third of all U.S. watermelons by partnering with melon

growers. The new juice products include blends of watermelon juice with other fruit juices such as pomegranate, blackberry, and limeade. Likewise, other processed products made with various melons such as pre-cut fruit in sealed retail cups or for salad bars and frozen fruit salads have also helped boost melon demand throughout the year.

Rising Imports Compete With Spring and Fall Crops

Melon imports have been growing at double-digit rates since 2004. Watermelon imports, particularly of the seedless variety, have been leading the charge, jumping nearly 40 percent in value last year. Forty percent of the value of U.S. melon imports in 2006 came from watermelon and 39 percent was from cantaloup. The remaining 21 percent was from honeydew and other melon varieties. In addition, the U.S. imported more than \$23 million of melon seeds, largely watermelon. Since import unit values have been stable in the past 3 years, the sharp gains in import value of melons are accounted for by the average 10-percent jump in import volume in the past 2 years.

The unit price of imported watermelon was 17 cents per pound in 2005 and 2006, 3 cents higher than for cantaloup. The higher import cost for watermelon was due to more expensive seedless watermelon, which comprised 85 percent of the volume of total watermelon imports in 2006. Close to half of U.S. melon imports are supplied from Mexico, and the rest from Guatemala, Costa Rica, and Honduras. Cantaloups are largely supplied by the latter Central American countries, and watermelons largely come from Mexico. Other imported melon varieties, including honeydew, are generally shipped from Mexico and Guatemala.

U.S. melon exports are mostly shipped to Canada, and smaller amounts to Mexico and Japan. Exports in 2006 are down 11 percent, dipping below 550 million pounds for the first time since 1999. U.S. export earnings are only a third of the U.S. import bill, and export volume is only a quarter of import volume. Exports of melon seeds fetched \$26 million in 2006, almost as much as earnings from foreign sales of melons other than cantaloup and watermelon. A large portion of the \$14-million in imported watermelon seeds is for food (snack) use.

Table 10--U.S. fresh-market melons: Trade volume, January - February

Item	Annual 2006	January - February			Change 2006-07 Percent
		2005	2006	2007	
--1,000 cwt--					
<i>Exports:</i>					
Watermelon	2,969	67	55	50	-9
Cantaloups	1,464	38	25	20	-19
Honeydew & other	1,051	33	39	30	-23
Total	5,483	138	119	100	-16
<i>Imports:</i>					
Cantaloups	9,647	2,911	2,647	2,500	-6
Watermelon, all	8,305	963	1,094	1,100	1
Seedless	7,072	696	924	930	1
Honeydew & other	4,278	968	1,064	800	-25
Total	22,230	4,841	4,805	4,400	-8

Source: Prepared by ERS using data from U.S. Department of Commerce, U.S. Census Bureau.

Processing Vegetables

Canning Acreage Down, Freezing Up

Contract acreage for the five leading processing vegetables (tomatoes, sweet corn, snap beans, green peas, and cucumbers) is expected to remain steady with a year earlier at 1.2 million acres (table 10). Assuming yields remain near the average of the previous three seasons, total 2007 production of 11 selected processing vegetables could exceed by 1 million tons or more the 16.1 million short tons harvested in 2006. The majority of any gain in 2007 processing output will likely stem from an expected increase in California's tomato crop as yields return to trend levels.

Canneries, which account for two-thirds of all processing vegetable area, expect to contract for 1 percent more acreage than a year ago. Given average yields, contract production of the five leading canning vegetables could exceed that of 2006 by about one-tenth. Only tomatoes exceed sweet corn in terms of economic importance among canning vegetables. However, processors plan a 6-percent reduction in area devoted to canning sweet corn in 2007. Assuming average weather and yield (which reached a record high 7.48 tons per acre in 2006), output of sweet corn for canning could decline about a tenth to the lowest level since 1965. Although wholesale prices for canned corn in retail sizes (24-300) are running a little below year-earlier levels (averaging \$8.38 per case), the price for food service sizes of canned corn (cases containing six number 10 cans) is now averaging 5 to 10 percent above year-earlier levels (averaging \$13.13 per case).

Although snap bean area for canning is expected to slip 1 percent below a year earlier, average yields could help production rise slightly in 2007. Canning snap bean yields have declined the past 2 seasons since reaching a record high 4.1 tons per acre in 2004. Green pea canning acreage is expected to drop 15 percent to 76,700—the smallest planted area on record.

U.S. tomato processors have contracted for 12.5 million short tons in 2007—up 19 percent from a year earlier but 3 percent below the 1999 record-high. Although production increased 4 percent in 2006, average yield declined for the second consecutive year following the 2004 record of 40.8 tons per acre. In a departure

Table 11--Contract plantings of selected processing crops 1/

Item	Contract plantings				Change 2006-07
	2004	2005	2006	2007 f	
	1,000 acres				Percent
Canning	846.4	845.9	811.8	818.5	1
Tomatoes	313.1	281.8	297.7	322.9	8
Sweet corn	215.3	226.9	197.6	185.5	-6
Snap beans	146.5	145.3	139.7	139.7	0
Green peas	84.4	93.5	90.6	76.7	-15
Cucumbers	87.1	98.4	86.2	93.7	9
Freezing	387.0	376.1	385.8	380.8	-1
Sweet corn	197.1	194.0	196.8	187.4	-5
Snap beans	59.6	61.3	66.8	64.9	-3
Green peas	130.3	120.8	122.2	128.5	5
Total	1,233.4	1,222.0	1,197.6	1,199.2	0

f = NASS Prospective area for harvest. 1/ Excludes open market plantings.

Source: USDA, National Agricultural Statistics Service, *Vegetables*.

Table 12--Processing vegetables: Consumer and producer price indexes

Item	2007		2006	Change previous:	
	March	Feb.	March	Month	Year
	-- Index --			-- Percent --	
Consumer Price Indexes (12/97=100)					
Processed fruits and vegetables	125.4	125.5	122.4	-0.1	2.5
Canned vegetables	127.6	127.0	126.6	0.5	0.8
Frozen vegetables (1982-84=100)	180.4	182.1	179.7	-0.9	0.4
Dry beans, peas, lentils	126.8	124.5	117.1	1.8	8.3
Olives, pickles, relishes	118.1	120.8	111.0	-2.2	6.4
Producer Price Indexes (1982=100)					
Canned vegetables and juices	142.9	143.0	137.1	-0.1	4.2
Pickles and products	193.4	189.1	189.1	2.3	2.3
Tomato catsup and sauces 1/	136.9	137.0	130.8	-0.1	4.7
Canned dry beans	137.0	137.0	135.5	0.0	1.1
Vegetable juices 1/	117.6	117.6	113.6	0.0	3.5
Frozen vegetables	144.4	144.9	138.7	-0.3	4.1
Frozen vegetable combinations	107.7	107.8	105.9	-0.1	1.7
Dried/dehy. fruit & vegetables	176.5	177.2	158.1	-0.4	11.6

1/ Index base year is 1987.

Source: U.S. Dept. of Labor, Bureau of Labor Statistics (<http://www.bls.gov/data/home.htm>).

from the past 2 years, spring weather has largely been favorable for the early processing tomato crop in California, which produces 95 percent of the U.S. crop. Unfortunately, higher prices in 2006 may have led to a softening of domestic demand for tomato products. As a result, per capita disappearance (a proxy measure for consumption) sunk to the lowest level since 1988. In turn, tomato product inventories coming into 2006, although relatively low, were above a year earlier. With a large crop expected in 2007, U.S. wholesale tomato product prices should weaken and help spur domestic and export demand over the coming marketing season.

For processors of frozen vegetables, contract area is expected to drop 1 percent for the 3 major crops (sweet corn, snap beans, and green peas). An expected increase in contract area for green peas for freezing will be outweighed by decreases in area for sweet corn and snap beans. Given average yields, contract production of the three leading vegetables for freezing is projected to decline 5 to 7 percent from a year ago.

All the drop in output destined for frozen products is expected to come from a 7 to 9 percent decrease in sweet corn production. U.S. sweet corn processors came into 2007 with 3 percent more inventories than a year earlier due to increased production over the past 2 years. These increases corresponded to the record high yields experienced by growers in States such as Washington and Minnesota over the past 2 years. On the retail side, the reported supermarket sales volume of frozen sweet corn has declined during this decade, with cut-corn volume down more than cob corn. With little change seen in per capita disappearance over this period, this could indicate that foodservice and/or manufacturing (e.g., frozen entrees, TV dinners, etc.) demand for frozen sweet corn has increased. During the mid-1990s, about 90 percent of frozen sweet corn was purchased at retail and consumed at home. Wholesale prices for consumer-sized packages of frozen sweet corn are averaging modestly higher than year-earlier levels, while foodservice sizes are running about a tenth lower.

Table 13--Value of processed vegetable trade 1/

Item	2006	January - February			Change
	Annual	2005	2006	2007	2006-07
		--Million dollars--			Percent
Imports:					
Canned	876	130	132	145	10
Frozen	526	85	90	96	7
Dehydrated 2/	344	47	55	68	23
Exports:					
Canned	554	83	86	88	2
Frozen	177	23	27	29	5
Dehydrated 2/	129	20	18	19	5

1/ Excludes potatoes and mushrooms. 2/ Includes dried.

Source: Derived by ERS from data of the U.S. Department of Commerce, U.S. Census Bureau.

Consumer Use Declines in 2006

Per capita disappearance (also known as use or net domestic use, a proxy for consumption) of processing vegetables (excluding potatoes, sweet potatoes, and mushrooms) declined 7 percent to 117 pounds in 2006. On a fresh-equivalent basis, disappearance of vegetables used in manufacturing frozen, canned, and dehydrated products in 2006 was estimated to be 34.7 billion pounds—down 7 percent from a year earlier. With greater beginning stocks, import volume, and domestic production, the outlook for 2007 indicates a rebound is likely in per capita use of processing vegetables to more than 123 pounds. Increased per capita consumer use is expected in 2007 for crops such as processing tomatoes and pickling cucumbers, which should more than offset declining use of canning sweet corn and snap beans.

Freezing vegetables—Disappearance of vegetables for freezing (on a fresh-weight basis and excluding potatoes) increased 3 percent to 6.5 billion pounds (22.3 billion including potatoes) in 2006. On a per capita use basis, freezing vegetables (excluding potatoes) rose 2 percent to 21.7 pounds last year (table 13). Reduced use of sweet corn and spinach was outweighed by rising use of carrots, asparagus, and cauliflower. Net domestic use of broccoli for freezing remained flat at 2.7 pounds per person as greater domestic production offset declining imports. Including potatoes, freezing vegetable use fell 1 percent to 74.4 pounds per person. Projections for 2007 indicate a small gain is possible in per capita disappearance of several vegetables for freezing as continued economic growth and employment supports consumer spending.

Canning vegetables—In 2006, per capita net domestic use of canning vegetables (excluding potatoes) dropped 10 percent to 93 pounds—the lowest canning vegetable use since 1988. Total domestic disappearance of canning vegetables in 2006 fell 9 percent from last year's record high to 27.9 billion pounds. A 12 percent drop in processing tomato disappearance was primarily responsible for the decline. Excluding tomatoes, canning vegetable disappearance was only down 1 percent from a year earlier to 8.8 billion pounds. In addition to tomatoes, per capita net domestic use was the same or lower for every canning vegetable, except chile peppers and green peas (table 14). The decline in tomato use may have been an aberration caused by sharply higher wholesale tomato product prices during the second half of 2006, which slowed demand and prevented stocks from being drawn below a year-earlier. Tomatoes accounted for 69 percent of 2006 canning vegetable disappearance. The outlook for 2007 indicates a partial recovery in per capita use

of canning vegetables, caused in large part by an expected surge in tomato output and lower tomato-product prices.

Onions for dehydration—Domestic disappearance of onions for dehydration totaled an estimated 530 million pounds in 2006, with per capita net domestic use rising to 1.8 pounds. Per capita use of onions for dehydration has averaged 1.41 pounds during the 2000s, down 2 percent from 1.44 pounds during the 1990s. Disappearance is expected to decline in 2006 as processors reduce production modestly to help manage inventories.

Table 14--Vegetables for freezing: Per capita disappearance (net domestic use) 1/

Selected items	Average 1998-2002	2003	2004	2005	2006	2007 f
--Pounds/person, fresh-weight--						
Sweet corn	9.51	8.98	9.05	9.44	9.34	9.37
Carrots	2.26	1.52	1.28	1.39	1.70	1.48
Broccoli	2.12	2.59	2.66	2.70	2.71	2.70
Green peas	1.95	1.85	1.68	1.70	1.73	1.76
Snap beans	1.88	1.86	1.94	1.79	1.88	1.95
Spinach	0.66	0.81	0.93	0.66	0.43	0.61
Cauliflower	0.53	0.36	0.38	0.36	0.42	0.41
Green limas	0.42	0.40	0.26	0.29	0.31	0.31
Asparagus	0.06	0.07	0.07	0.06	0.10	0.08
Other freezing	2.26	2.64	2.63	2.89	3.09	3.13
Subtotal	21.65	21.08	20.88	21.28	21.71	21.80
Potatoes 2/	57.47	57.16	57.26	53.63	52.68	52.92
Total	79.12	78.24	78.14	74.91	74.39	74.72

f = ERS forecast. 1/ Disappearance (also called use) is a proxy for calendar year consumption.

2/ Includes french fries and other frozen potato products.

Source: Estimates developed by USDA, Economic Research Service.

Table 15--Vegetables for canning: Per capita disappearance (net domestic use) 1/

Selected items	Average 1998-2002	2003	2004	2005	2006 p	2007 f
--Pounds/person, fresh-weight--						
Tomatoes	70.02	69.71	70.44	73.52	64.38	70.90
Sweet corn	8.75	8.31	8.20	8.56	8.33	8.00
Chile peppers 2/ 3/	5.12	5.60	6.11	6.04	6.39	6.50
Cucumbers 4/	4.45	4.44	4.86	3.83	3.15	4.20
Snap beans	3.71	3.67	3.73	3.99	3.87	3.80
Carrots 3/	1.39	1.60	1.76	1.71	1.55	1.60
Green peas	1.37	1.31	1.23	1.04	1.11	1.05
Cabbage	1.29	1.10	1.12	1.22	1.11	1.10
Beets	0.76	0.72	0.84	0.75	0.75	0.75
Asparagus	0.21	0.23	0.20	0.19	0.17	0.17
Other canning	1.74	1.80	2.05	2.28	2.18	2.23
Subtotal	98.81	98.49	100.54	103.13	92.99	100.30
Potatoes 3/	1.58	1.38	1.21	0.91	0.80	0.90
Total	100.39	99.87	101.75	104.04	93.79	101.20

p = preliminary. f = ERS forecast. 1/ Disappearance (use) is a proxy for calendar year consumption.

2/ Fresh and all processing uses of chiles. 3/ Estimates for 2006 are preliminary. 4/ For pickling.

Source: Estimates developed by USDA, Economic Research Service.

Potatoes

Strong Demand for Processing Potatoes Keeps Prices High

The 5-percent average gain in potato prices in 2006 was largely attributed to a 7-percent jump in processing potato prices. Although total U.S. potato production in 2006 was up 2.5 percent, the demand for processing potatoes was brisk enough to lower the ratio of stocks to fall production. Stocks of the 2006 fall crop are running below the levels of the 2005 crop and processing use was more than 9 percent larger (cumulatively) on April 1. To date, potato stocks in the Western States have consistently been under the 2005 crop's stock levels, but stocks in the Central and Eastern States are registering above last year.

One reason for increased demand by domestic processors is the continued growth of processing potatoes as a share of total potato sales. Not only is the share of potatoes for frozen french fries rising, the share of chipping potatoes is up as well. Although U.S. imports of frozen fries were up 4 percent in 2006, imports of potato chips were down. This suggests that the higher prices for potato chips have encouraged domestic processors to produce more chips. Although Canada's potato production rose 15 percent in 2006, the strength of the Canadian dollar against the U.S. dollar has discouraged American importers from purchasing more costly Canadian fries.

Close to 40 percent of U.S. potato production is sold to fryers for processing into frozen potato products. As chipping potato share of total sales has risen above 13 percent, the shares of other processing potatoes (for dehydrating, canning, starch use, and feed) have declined. The share of fresh potatoes for table use has thus far remained stable in the 31 to 32 percent range. In terms of per capita availability (use), however, all potato products, including table potatoes, french fries, and chips, have gradually declined as overall per capita use has slipped from 145 pounds in 1996 to an estimated 126 pounds in 2006.

Since U.S. potato production and price both increased in 2006, the value of domestic potato supply was up 8 percent and use value was up 6 percent. The value of potatoes for domestic processing use was up 7 percent in 2006 compared with only 3 percent for table potatoes. In per capita terms, American consumers spent nearly \$9 on average for potatoes in 2006 based on wholesale prices. About a third of the total value of potatoes used domestically is accounted for by imported potato products. For processed potatoes, 54 percent of domestic use value was from imports compared with only 7 percent for fresh potatoes. Close to 60 percent of the

Table 16--U.S. potatoes: Processing use in 9 major States 1/

Season	Thru	Potatoes processed in:							Season total
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Other	
-- Million cwt --									
2000-01	78.6	16.8	17.9	18.4	19.8	18.7	20.3	40.2	230.6
2001-02	65.4	15.8	15.1	18.3	17.0	16.5	18.5	28.9	195.5
2002-03	77.0	15.6	14.9	18.7	18.1	16.5	18.6	31.7	211.0
2003-04	72.4	15.4	14.3	18.8	17.1	16.7	19.6	32.4	206.8
2004-05	70.7	15.2	15.0	18.4	16.6	17.8	19.2	38.0	211.0
2005-06	65.6	15.6	14.9	18.6	17.9	16.9	17.9	31.0	198.3
2006-07	72.3	16.8	16.5	19.3	19.1				
% change	10.3	7.9	11.1	4.0	6.8				

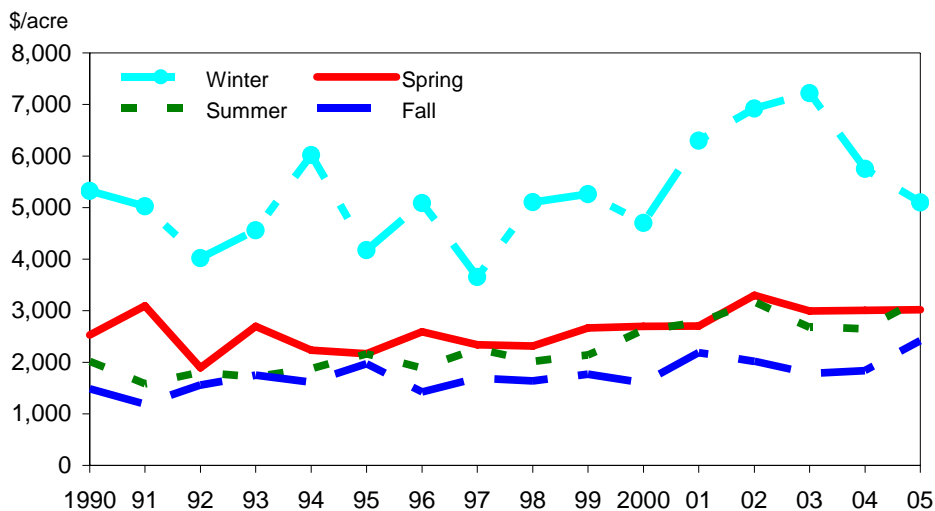
--- = not available.

1/ Excludes potatoes used for chips in Maine, Michigan, and Wisconsin.

Source: USDA, National Agricultural Statistics Service, *Potato Stocks*.

Figure 3

U.S. potatoes: Seasonal value of sales per acre, 1990-2005



Source: Derived by ERS from data of USDA, National Agricultural Statistics Service.

Table 17--U.S. potatoes: Domestic use share of production sold 1/

Item	1990	1995	2000	2005
	-- Percent --			
Table stock	32.5	30.5	30.0	30.8
All processing	60.4	62.4	61.9	63.0
Frozen french fries	29.5	31.5	31.6	31.6
Chipping	12.1	11.5	11.3	13.1
Dehydration	10.6	11.0	11.7	10.8
Seed and feed	7.1	7.1	8.1	6.2

1/ Share of crop year production sold for the stated use.

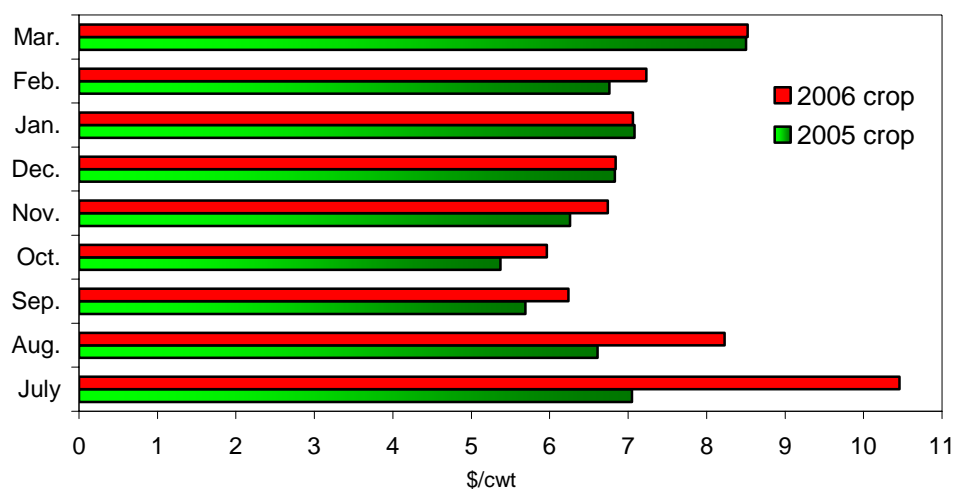
Source: USDA, National Agricultural Statistics Service, *Potatoes*.

total value of the domestic potato supply is comprised of processing potatoes and imported potato products.

Potato prices for the 2006 crop in the Pacific Northwest, particularly in Washington and Oregon, have been significantly higher than prices for the 2005 crop. This explains in part the lower stock levels in that region relative to other potato regions. The demand is both from domestic and foreign markets, including Canada, Mexico, and Japan, which have posted double-digit import gains in 2006. The competitive exchange rate of the U.S. dollar has helped move U.S. potatoes abroad. Through February 2007, the 2006 fall crop used or consumed was 6 percent higher than the 2005 crop. Based on total domestic use and last year's sales-to-production ratio, U.S. potato demand is up an estimated 5 percent in 2006. However, in terms of per capita availability, demand is estimated to be up about half that much.

U.S. farm cash receipts from potatoes have been falling annually since 2003 as sales from the fall and spring crops have declined. Potato shipments dropped in 2006 as prices increased. The United Potato Growers of America called for a 15 percent cut in planted area from each member grower's base acreage in 2004, 10 percent in 2006, and another 5 percent in 2007. The combined 2007 winter and spring potato output is down 4 percent from a year ago. To reduce potato production in 2007 by

Figure 4

U.S. potatoes: Monthly grower prices

Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

5 percent, the summer and fall crops will have to be reduced by more than 22 million cwt. If yields in 2007 do not differ significantly from 2006, harvested area will have to decline 50,000 acres to achieve the 5-percent production cut.

Brisk Exports Help Lift Northwest Potato Prices

U.S. potato exports in 2006 expanded faster than imports, both in value and volume. The 13-percent gain in export earnings is in part due to higher export unit prices, which reached 40 cents per pound on average in 2006, up from 38 cents in 2005 and 2004. The net U.S. trade balance for potatoes jumped 75 percent in 2006 to a \$95-million surplus from \$54 million in 2005. Except for seed potatoes, frozen potatoes, and potato starch, the US net trade positions for fresh and other processed potatoes were all positive in 2006 and they all grew at double-digit rates.

The 2-cent per pound average rise in export prices in 2006 was matched by the same gain in import prices. Since export prices are 10 cents higher on average than import prices, the US terms of trade (export prices divided by import prices) in potatoes remain above 100, but is down to 133 in 2006 from 153 in 2002. The combined trade effects of higher export unit values and a more competitive U.S. dollar provided U.S. potato growers with a larger market abroad even as the domestic market expanded as well. U.S. potato export volume has risen in the past 3 years due largely to increased foreign demand for U.S. frozen french fries.

Table 18--U.S. potato exports to the three top markets are up sharply

Destination	January - December				Change
	2003	2004	2005	2006	2005-06
	--Million dollars--				Percent
Japan	178.3	203.5	226.9	251.9	11
Canada	171.6	169.2	181.0	225.4	25
Mexico	85.9	107.5	149.9	178.5	19
Others	217.4	264.6	283.4	295.3	4
World	653.2	744.8	841.2	951.1	13

Source: U.S. trade data provided by the U.S. Department of Commerce, U.S. Census Bureau.

Dry Beans

Acreage Expected To Drop In 2007

According to the USDA's *Prospective Plantings* report, area planted to dry edible beans is expected to decline 8 percent this spring from last year's 1.63 million acres (table 19). Because of the widespread positive financial outlook for most crops this year, early prospective dry bean acreage estimates may be subject to more variation than normal this spring due to factors such as weather and changes in relative price relationships among crops. Prospective dry bean area was down largely because of the broad price strength for most competing field crops, with the primary driving force coming from field corn demand by a burgeoning ethanol industry. With the exception of California, dry bean acreage was expected to decline in all major dry bean States, with area down in 12 of the 18 surveyed States. California dry bean area was projected to rise 4 percent to 70,000 acres, the third consecutive annual increase since hitting a record-low in 2004. Since planting does not finish until June in some areas, further adjustments to indicated acreage are likely to take place. The next acreage estimate for dry beans will be released in the June 29 *Acreage* report.

In the late-March *Prospective Plantings* report, the major area intentions were as follows:

- North Dakota, the leading producer of all dry beans (including pinto and navy), indicated just a 1-percent decline in area planted;
- Michigan, the second-leading producer in 2006 and the top source for black beans, plans to reduce seeded area just 2 percent;
- Minnesota plans a 7-percent reduction in dry bean area to 135,000 acres—just below the State's average dry bean area over the past five years;
- Colorado indicated a 29-percent decrease in dry bean area for 2007. Compared with the 1990s, Colorado dry bean area has dropped by half to an annual average of 92,000 acres this decade;

Table 19--Dry edible beans: Planted area 1/

Item	2003	2004	2005	2006	2007 f	Change
						2006-07 2/
						1,000 acres
						Percent
California	77.0	60.0	66.0	67.0	70.0	4
Colorado	80.0	75.0	90.0	70.0	50.0	-29
Idaho	75.0	80.0	100.0	105.0	85.0	-19
Michigan	170.0	190.0	235.0	225.0	220.0	-2
Minnesota	115.0	115.0	145.0	145.0	135.0	-7
Montana	13.0	13.0	18.0	19.5	22.0	13
Nebraska	155.0	120.0	175.0	140.0	100.0	-29
New York	25.0	24.0	25.0	19.0	20.0	5
North Dakota	540.0	560.0	620.0	670.0	660.0	-1
Texas	50.0	20.0	17.0	20.0	10.0	-50
Washington	27.5	30.0	49.0	61.0	55.0	-10
Wyoming	30.0	25.0	34.0	29.0	25.0	-14
Others	48.6	42.3	56.0	59.3	52.5	-11
U.S.	1,406.1	1,354.3	1,630.0	1,629.8	1,504.5	-8

f = Prospective area.

1/ Excludes garden seed.

Source: USDA, National Agricultural Statistics Service, *Prospective Plantings*.

Table 20--U.S. dry beans: Monthly grower prices for selected classes, 2006-2007

Commodity	2006		2007		Chg. prev. year:	
	March	April	March	April 1/	March	April
	--- Cents per pound ---				--- Percent ---	
All dry beans	17.10	18.90	25.70	--	50.3	--
Pinto (ND/MN)	13.50	13.50	23.50	23.33	74.1	72.8
Navy (pea bean) (MI)	19.25	19.50	21.41	22.58	11.2	15.8
Great Northern (NE/WY)	16.00	17.50	24.75	26.00	54.7	48.6
Black (MI)	21.88	21.63	23.63	25.92	8.0	19.8
Light red kidney (MI)	21.25	21.50	25.50	25.83	20.0	20.1
Dark red kidney (MN/WI)	20.75	21.00	25.50	27.83	22.9	32.5
Small red (ID/WA)	19.50	19.50	22.50	23.50	15.4	20.5
Baby lima (CA)	35.25	35.63	44.50	48.00	26.2	34.7
Large lima (CA)	45.25	45.88	63.50	--	40.3	--
Blackeye (CA)	--	47.00	--	--	--	--
Pink (ID/WA)	19.50	19.50	21.63	22.33	10.9	14.5
Garbanzo (ID/WA)	--	--	29.50	29.50	--	--

-- = not available. 1/ Partial month estimate.

Source: USDA, AMS, *Bean Market News* except "All beans" from USDA, NASS, *Agricultural Prices*.

- Idaho expects to plant 85,000 acres of dry beans in 2007, down 19 percent from a year ago. Although Idaho is diversified in terms of bean classes produced, garbanzo beans surged to 42 percent of the State's seeded area in 2006. During the 2000s, Idaho's dry bean area has been concentrated among pinto (32 percent), garbanzo (28 percent), pink (10 percent), and small red (8 percent) beans;
- Nebraska, the leading source of Great Northern beans and the second leading pinto bean producer, indicated a 29-percent decline in total 2007 dry bean area. This decade, acreage is averaging 24 percent below the average of the 1990s as area for both pinto and Great Northern beans remains subdued.

The preliminary 2006/07 season-average grower price for all dry beans was estimated at \$20.00 per hundredweight (cwt)—up 8 percent from a year earlier but 22 percent below 2 years ago. The rise in dry bean prices this marketing year is a result of both the basic supply and demand forces within the dry bean complex as well as the external pressure coming from crop markets competing for acreage. Given rapidly rising demand for corn from the ethanol industry, this same competitive scenario is expected to play out again in 2008, although perhaps at a more intense level as available quality cropland becomes scarcer.

Grower prices are averaging above a year earlier for virtually every class of dry bean covered by Market News data (table 20). At \$23 to \$24 per cwt (upper Midwest origin), grower prices for pintos are now averaging 73 percent above those of the previous year, with Great Northern bean prices up by 49 percent. Under normal market conditions, grower prices may not be as strong as they are today for classes like navy and black beans, which may have slightly weaker stock positions than other classes due to larger crops a year ago. However, prices have been bid up somewhat to prevent acreage from declining too far for these bean classes.

Per Capita Disappearance Rises

After hitting a recent low in 2004, disappearance (also known as net domestic use, which is a proxy for consumption) of dry edible beans increased for the second consecutive year in 2006 (calendar year estimate) to 1.9 billion pounds. Despite the

Table 21--U.S. dry edible beans: Per capita disappearance (net domestic use) 1/

Item	Average					
	1998-2002	2003	2004	2005	2006	2007f
	--Pounds/person--					
Pinto	3.37	3.05	2.75	2.55	2.67	2.59
Navy (pea)	1.08	0.85	0.55	0.72	0.90	0.97
Black	0.53	0.46	0.53	0.49	0.55	0.51
Great Northern	0.43	0.42	0.34	0.29	0.30	0.27
Light-red kidney	0.34	0.34	0.29	0.34	0.25	0.27
Garbanzo	0.27	0.17	0.25	0.29	0.44	0.40
Blackeye	0.22	0.23	0.13	0.16	0.16	0.16
Dark-red kidney	0.20	0.25	0.20	0.28	0.26	0.26
Pink	0.17	0.22	0.19	0.21	0.17	0.23
Small red	0.15	0.17	0.16	0.25	0.19	0.18
Cranberry	0.11	0.05	0.06	0.06	0.04	0.06
Large lima	0.10	0.09	0.08	0.08	0.08	0.08
Baby lima	0.09	0.06	0.06	0.05	0.03	0.06
Others 2/	0.21	0.28	0.37	0.37	0.32	0.32
All dry beans	7.27	6.64	5.96	6.14	6.36	6.36

f = ERS forecast. Calendar year estimates. Includes net trade.

1/ Disappearance is a proxy estimate for consumption. 2/ Includes small white and all others.

Source: Estimates developed by USDA, Economic Research Service.

smaller crop in 2006, larger carryin stocks from the 2005 crop, greater imports, and restraint in dry bean price gains helped support increased demand from both foreign and domestic consumers. Per capita net domestic use of dry beans increased 4 percent to 6.4 pounds—up 0.4 pound from the low of 6.0 reached in 2004 after 5 consecutive annual declines in per capita use. In 2007, domestic dry bean use will be hard pressed to continue the gains experienced the past 2 years due to current expectations for a smaller crop, higher dry bean prices, and generally lower carryin stocks from 2006. Domestic disappearance could be enhanced in 2007 if exports weaken and imports strengthen from current expectations.

In 2006, gains in per capita net domestic use were noted for both white (up 14 percent) and nonwhite bean (up 1 percent) classes. White beans (navy, Great Northern, lima, and small white) accounted for 21 percent of all dry beans available domestically—up from 19 percent a year earlier but down from 31 percent a decade ago. Most of the gain in white beans in 2006 came from increased use of navy beans. With a larger crop and higher carryin stocks, per capita use of navy beans increased in 2006 for the second consecutive year. Although apparent market share was lower in 2006, nonwhite beans (e.g., pinto, dark red kidney, black, etc.) remained dominant, led by pinto beans, black beans, and the surging popularity of garbanzo beans (mostly kabuli chickpeas).

Domestic disappearance of garbanzo beans totaled an estimated 130 million pounds in 2006. Per capita net domestic use of garbanzo beans doubled between the 1990s and the 2000s, with use in 2006 reaching a record-high 0.44 pounds per person. In the United States, garbanzo beans have found increasing success in a wide range of products aside from the traditional salad bar favorite. Chickpeas are used to make such foods as hummus, falafel, farinata, and also a type of flour (called besan or gram flour) used in Indian and Pakistani cuisine. Garbanzos are popular in Indian and Middle Eastern cuisines which have been gaining in popularity in the United States. They are also an important protein source among vegan and other vegetarian consumers.

Exports Down 7 Percent

During the first 6 months of the marketing year (September 2006-February 2007), U.S. exports of dry beans declined 7 percent from a year earlier to 3.8 million bags (cwt). Among the leading dry bean export classes, exports of navy (up 5 percent), black (up 51 percent), and baby lima beans (33 percent) posted increases. With rising U.S. prices and dwindling exportable stocks, exports of large lima, pinto, and Great Northern beans declined (table 22).

Despite higher prices, export volume remained strong among many of the top export destinations, including Mexico (up 9 percent), Japan (up 10 percent), and Canada (up 7 percent). However, shipment volume was lower to the United Kingdom (down 27 percent), France (down 55 percent), and Haiti (down 35 percent). For all dry beans, the September-February 2006/07 average U.S. dry bean export unit value was up 3 percent from the previous year to 28 cents per pound.

Table 22--U.S. dry beans: Crop year export volume to date

Item	Crop year 2005/06	September - February			Change 2005-06 Percent
		2004/05	2005/06	2006/07	
		1,000 cwt			
Pinto	2,643	672	1,253	1,149	-8
Navy	1,061	601	689	722	5
Black	763	217	346	523	51
Great Northern	516	267	332	239	-28
Garbanzo	380	111	282	267	-6
Baby lima	265	105	127	169	33
Dark red kidney	252	99	157	77	-51
Small red	182	57	106	38	-65
Light red kidney	153	28	76	120	57
Large lima	135	100	99	74	-25
Cranberry	84	25	52	65	26
Pink	65	8	28	9	-67
Blackeye	32	26	23	11	-51
Other	797	229	501	317	-37
Total	7,327	2,544	4,072	3,780	-7

Source: Compiled by ERS from data of U.S. Department of Commerce, U.S. Census Bureau.

Table 23--U.S. dry bean crop year export volume to date, by selected destination

Destination	September - February				Change 2005-06 Percent
	2003/04	2004/05	2005/06	2006/07	
	--1,000 cwt--				
Mexico	613	380	999	1,085	9
Canada	203	191	470	504	7
Cuba	136	45	44	347	681
United Kingdom	235	310	410	301	-27
Dominican Republic	337	106	357	115	-68
Japan	169	190	181	200	10
Haiti	217	157	259	170	-35
Other	1,722	1,166	1,350	1,060	-22
Total	3,633	2,544	4,072	3,780	-7

Source: Compiled by ERS from data of U.S. Department of Commerce, U.S. Census Bureau.

Dry Peas and Lentils

Acreage Expected To Decline

According to the USDA's *Prospective Plantings* report, area planted to dry peas, Austrian winter peas, small chickpeas, and lentils is expected to decline 9 percent this spring from last year's 1.42 million acres (table 24). Because of the widespread positive financial outlook for most crops this year (including peas and lentils), early prospective acreage estimates may be subject to more variation than normal due to factors such as weather and changes in relative price relationships among crops. Growers expect to plant fewer pea and lentil acres despite relatively attractive prices. March grower prices for all dry peas (food and feed) were running 67 percent above a year earlier, while lentil and all chickpea prices were each averaging 30 percent above year-earlier levels.

For dry peas, most of the acreage reduction is expected in North Dakota where competition with crops such as durum wheat is intense this year. A large share of the dry peas produced in the upper Midwest moves into the lower-priced livestock feed markets. Montana growers indicated they will continue to expand dry pea area and expect to plant 280,000 acres in 2007. This is the seventh consecutive annual increase in the State's dry pea area, which totaled just 33,000 acres in 2003. Some of this land may have come out of spring wheat and lentils. Montana's lentil area is expected to decline again following the recent peak in 2005. In Washington, dry pea growers largely concentrate on the higher-priced food pea market. This year's strong food-grade pea prices are expected to entice Washington dry pea growers to increase plantings, partly at the expense of lentils whose returns are not currently competitive with either dry peas or spring wheat.

Table 24--Dry peas and lentils: Planted area 1/

Item	2004	2005	2006	2007 f	Change
					2006-07 2/
					1,000 acres
					Percent
Dry peas	530.0	808.0	925.5	902.0	-3
N. Dakota	310.0	540.0	610.0	520.0	-15
Washington	88.0	80.0	67.0	75.0	12
Others	132.0	188.0	248.5	307.0	24
Austrian winter peas	32.5	42.5	46.0	37.0	-20
Montana	14.0	25.0	32.0	27.0	-16
Idaho	15.5	10.0	9.0	6.0	-33
Others	3.0	7.5	5.0	4.0	-20
Lentils, all	345.0	450.0	429.0	340.0	-21
N. Dakota	100.0	150.0	160.0	130.0	-19
Washington	95.0	85.0	77.0	70.0	-9
Others	150.0	215.0	192.0	140.0	-27
Small chickpeas	6.0	10.5	17.4	17.0	-2
N. Dakota	1.0	4.0	7.5	6.0	-20
Idaho	2.8	3.0	4.0	4.0	0
Others	2.2	3.5	5.9	7.0	19
Total	913.5	1,311.0	1,417.9	1,296.0	-9

f = Prospective area.

1/ 2007 is the first year these crops have been included in the *Prospective Plantings* report.

Source: USDA, National Agricultural Statistics Service, *Prospective Plantings*.

Table 25--U.S. dry peas and lentils: Monthly grower prices by class, 2005/06-06/07

Crop year & month	Dry peas	Chickpeas			Austrian winter peas	All Lentils
		All	Large	Small		
--- Cents per pound ---						
2005/06						
July	5.16	27.90	28.20	--	7.57	11.90
August	4.25	20.60	25.70	--	6.75	11.80
September	4.66	26.50	26.80	--	6.22	11.50
October	4.51	25.10	25.20	--	6.83	11.80
November	4.80	25.20	25.40	--	7.33	11.30
December	4.99	24.60	24.80	--	6.99	12.20
January	4.74	27.40	27.80	--	6.93	11.10
February	5.02	26.20	30.20	18.60	7.76	11.00
March	5.05	22.20	25.20	--	6.54	10.50
April	4.88	26.80	30.90	15.40	6.44	9.51
May	5.25	15.90	--	14.50	--	9.68
June	5.30	28.20	30.70	11.30	6.23	7.81
2006/07						
July	5.03	22.80	--	--	--	7.80
August	4.46	24.60	26.30	--	6.68	9.18
September	5.71	25.40	25.50	--	--	12.10
October	5.80	21.30	25.00	15.90	6.04	11.00
November	6.46	25.10	25.20	--	6.37	13.20
December	7.03	25.00	25.10	--	6.69	11.50
January	7.21	28.20	28.50	--	6.64	14.00
February	7.73	28.50	29.40	--	7.72	13.60
March 1/	8.43	28.80	28.80	--	--	13.60
Percent change						
Mar. 05-06	66.9	29.7	14.3	--	--	29.5

-- = not available. 1/ Prices for March 2007 are partial-month averages.

Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Export Volume Flat, Imports Up

U.S. export volume (including food aid) of all dry peas and lentils (excluding seed) totaled 8.65 million cwt over the first 8 months (July-February) of the 2006/07 crop marketing year—about the same as a year earlier. Movement of both yellow and green peas continued to expand during the first three quarters of the marketing year, while exports of lentils and miscellaneous dry peas slumped (table 26). Despite stronger supplies, favorable exchange rates, and good world demand, chickpea export volume declined 8 percent.

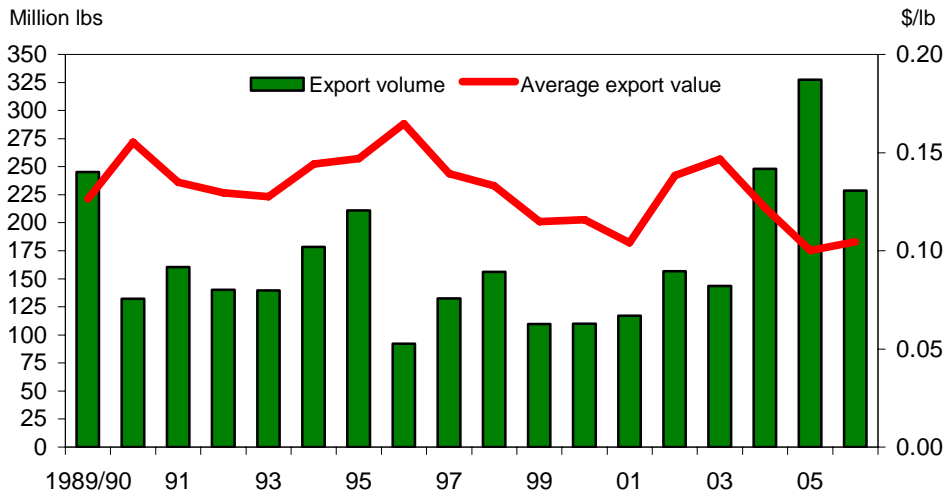
Lentil exports have declined largely as a result of reduced food aid purchase. The biggest difference in lentil shipments compared with last season has been in Ethiopia—the top foreign destination for U.S. lentils last year. The United States shipped 93 million pounds of lentils to Ethiopia a year ago, compared with less than 0.3 million pounds so far this season. Spain (up 21 percent from last year), Sudan, and Cuba (no shipments a year ago) have been the top three foreign markets for lentils this season, with shipments to Peru and Sri Lanka rounding out the top five.

Dry yellow peas have continued to experience strong foreign movement this season led by shipments to Kenya, India (where domestic supplies are short), and Spain. These 3 countries together accounted for 60 percent of overseas volume through February. Although the marketing year is more than half over, yellow pea exports

have already exceeded the 2005/06 record high of 263 million pounds. Food aid shipments to Kenya totaled 60 million pounds through February—accounting for more than one-fifth of all overseas movement.

Figure 5

Dry green peas: U.S. export volume and average unit value



1/ Data are for July-June marketing year except July-February for 2006/07.

Source: Derived by ERS from data of U.S. Dept. of Commerce, U.S. Census Bureau.

Table 26--U.S. dry peas & lentils: Trade volume by class, July-February 1/

Item	Crop year 2005/06	July - February			Change 2005-06 Percent
		2004/05	2005/06	2006/07	
--1,000 cwt--					
Exports:					
Green peas	3,274.4	1,416.6	1,916.0	2,672.2	39
Yellow peas	2,626.7	594.8	1,546.9	2,765.5	79
Split peas	195.5	126.4	127.7	134.7	5
Austrian winter	30.5	6.2	19.4	40.2	107
Misc. dry peas	2,588.2	536.3	2,214.5	991.8	-55
Chickpeas, all	391.0	137.4	315.7	289.1	-8
Lentils, all	3,495.4	1,059.2	2,498.2	1,761.6	-29
Total	12,601.9	3,876.8	8,638.4	8,654.9	0
Imports:					
Green peas	209.2	74.0	148.0	140.9	-5
Yellow peas	87.4	25.5	58.6	31.7	-46
Split peas	264.8	220.7	184.9	242.0	31
Austrian winter	3.2	0.9	1.4	2.6	90
Misc. dry peas	151.0	56.6	93.0	118.1	27
Chickpeas, all	236.4	174.5	136.3	190.8	40
Lentils, all	260.0	121.6	163.1	218.2	34
Total	1,211.9	673.8	785.2	944.3	20

1/ Excludes planting seed.

Source: Derived from data of U.S. Department of Commerce, U.S. Census Bureau.

Price Support Activity

With posted prices rising toward loan rates since late January, average loan deficiency payment rates had been steadily growing smaller. For dry peas, prices exceeded loan rates by mid-March and the same occurred for lentils by late March, dropping LDPs to zero in both cases. This reflects strengthening market prices, but the impact on final outlays will be small since more than 90 percent of the crop has already moved through the system. Through April 7, there were 2,768 requests for lentil loan deficiency payments (LDPs) covering 2.59 million cwt of the 2006 crop. With an average payment rate of \$4.88 per cwt, the value of these LDPs was \$12.6 million. North Dakota accounted for 39 percent of the 2006-crop lentil LDP value, followed by Washington (30 percent), Idaho (16 percent), and Montana (15 percent). A small amount of lentils (0.36 million cwt, about half that of 2005/06) was placed under loan, with the associated market loan gains to date totaling \$1.5 million, or \$4.30 per cwt.

For dry peas, requested loan deficiency payments for 2006-crop dry peas have totaled \$27.7 million on a volume of 13.3 million cwt. The average payment rate was \$2.09 per cwt, down from \$2.37 a year ago. North Dakota accounted for 68 percent of the 2006-crop lentil LDP value, followed by Montana (13 percent), Washington (10 percent), and Idaho (4 percent). About 0.6 million cwt of dry peas has been placed under loan to date, with the associated market loan gains totaling \$1.0 million, or \$1.59 per cwt.

With posted prices above the loan rate all season, no LDPs have been made for the 2006 crop of small chickpeas (desi and small-sieve kabuli). A small number of nonrecourse loans have been made and then repaid, with no associated market loan gains recorded.

Announced loan rates for the 2007/08 crop remain the same as 2006/07 for both dry peas (\$6.63 in the West and \$6.12/cwt in the East) and small chickpeas (\$7.43/cwt). However, the 2007/08 loan rate for lentils increased 55 cents to \$13.31/cwt in the West, but declined 39 cents to \$10.97 in the East.

Table 27--U.S. dry peas and lentils: Price support program activity

Item	Units	2005/06			2006/07 (thru Apr. 6)		
		Dry peas	Chick peas	All lentils	Dry peas	Chick peas	All lentils
Loan deficiency (LDP) 1/							
Applications	Number	7,925	390	2,763	7,110	0	2,768
Quantity	000 cwt	14,866	185	3,526	13,264	0	2,585
Value	000 \$	35,179	304	6,058	27,726	0	12,618
Unit value	\$/cwt	2.37	1.64	1.72	2.09	0	4.88
Market Loan Gains 2/							
Loans made	Number	172	0	363	138	4	178
Gain quantity	000 cwt	909	0	769	648	0	358
Gain value	000 \$	2,129	0	3,169	1,030	0	1,537
Avg. gain	\$/cwt	2.34	0	4.12	1.59	0	4.30

1/ All loan deficiency payments (LDP and eLDP). 2/ Net market gain from the use of marketing loans. Avg. (average) gain is the added unit value from placing crop under loan.

Source: USDA, Farm Service Agency, <http://www.fsa.usda.gov/>

Commodity Highlight: Processing Sweet Corn

In the United States, sweet corn is largely produced for three distinct markets—fresh, canning (also known as shelf-stable), and freezing. Disappearance (a proxy for consumption) of processing (largely canned and frozen) sweet corn averaged an estimated 5.2 billion pounds annually during 2004-06. Sweet corn is the third-leading vegetable used for processing following potatoes and tomatoes. Although each of these markets features sweet corn, they have their own unique economic characteristics with differing trends in production, trade, and disappearance.

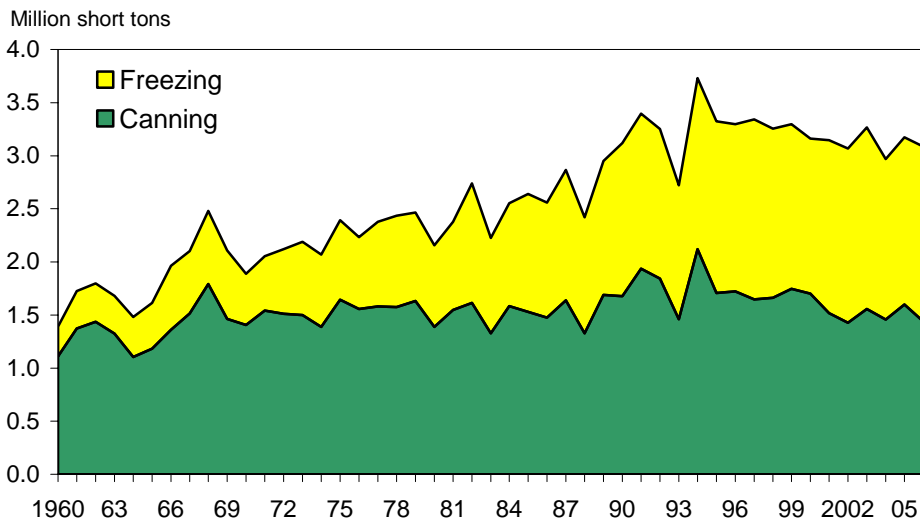
During 2004-06, fresh-market sweet corn held the greatest share of total sweet corn harvested area at 37 percent. However, over the past 3 years sweet corn used for frozen products accounted for 35 percent of total sweet corn production (fresh and processing). This was followed closely by corn for canned products at 34 percent. A decade earlier (1994-96), canning acreage and production was tops with about 40 percent of the total.

Like broccoli, carrots, and other dual-use (fresh and processing) vegetables, the fresh market accounts for the majority (nearly three-fourths) of total sweet corn crop value. Pulled by declining production, the farm value of both canning sweet corn and corn for freezing have each declined over the past decade. Both likely lost part of their markets to the rising popularity of fresh market sweet corn, which realized a 50-percent gain in crop value. The value of sweet corn for canning averaged \$99 million during 2004-06, down 29 percent from 1994-96 while sweet corn for freezing declined 3 percent to \$113 million.

According to Food Institute analysis of data from Information Resources, Inc, supermarket sales of frozen cut and cob corn averaged \$289 million during 2004-06, down 13 percent from the average of the previous 3 years. Most of the decline was due to reduced sales volume, with cut corn volume down 11 percent and corn on-the-cob down 6 percent. Supermarket sales volume and value for canned sweet corn was also lower during 2004-06. Supermarket sales value dropped 11 percent between 2001-03 and 2004-06, with volume off 13 percent.

Figure 6

U.S. sweet corn for processing: Production, 1960-2006



Source: USDA, NASS, *Vegetables Summary*.

Table 28--U.S. sweet corn for processing: Area, production, and value

Year	Acres		Yield per acre	Production	Average price 1/ \$/ton	Crop value Mil. \$
	Planted	Harvested				
	1,000 acres		Tons	1,000 tons		
Canning:						
1980	286.0	262.9	5.28	1,388.6	51.80	71.9
1990	313.5	287.3	5.84	1,676.8	68.00	114.0
2000	274.4	264.1	6.44	1,702.0	74.10	126.1
2001	230.9	225.1	6.74	1,517.6	73.90	112.2
2002	221.3	204.6	6.98	1,428.0	65.60	93.6
2003	222.6	216.2	7.20	1,556.3	68.60	106.7
2004	215.3	212.5	6.86	1,458.3	71.20	103.8
2005	227.0	217.6	7.35	1,599.7	64.50	103.2
2006	197.6	192.6	7.48	1,439.9	62.40	89.8
Freezing:						
1980	116.1	112.5	6.84	769.4	57.10	43.9
1990	220.6	202.8	7.12	1,443.8	71.40	103.1
2000	202.4	196.3	7.43	1,458.1	72.60	105.9
2001	227.5	222.1	7.34	1,630.0	72.10	117.5
2002	220.7	212.5	7.72	1,639.7	70.20	115.1
2003	215.8	210.4	8.13	1,709.7	72.00	123.1
2004	197.4	193.3	7.81	1,509.9	73.00	110.2
2005	194.5	186.3	8.45	1,575.1	72.30	113.9
2006	196.8	192.1	8.57	1,646.5	70.60	116.2

-- = not available. Tons = short tons, equal to 2,000 pounds.

1/ Season-average farm price.

Sources: USDA, National Agricultural Statistics Service, *Vegetables Summary*.

Sweet corn is a member of the Gramineae (grass) family and a native of tropical Americas. It is a subspecies of the genus *Zea* (species *mays*) that has been a staple crop in Central and South America for thousands of years. Sweet corn is actually a genetic mutation of field corn and was reportedly first grown in Pennsylvania in the mid-1700s, with the first commercial variety introduced there in 1779. The natural mutation in sweet corn causes the kernel to store more sugars than field corn.

Sweet corn is harvested before it matures, while the sugar content is still high. The supersweet varieties introduced and refined over the past 25 years have improved the quality of both fresh and processed products. Most varieties of sweet corn feature kernels that are yellow (most popular), white, or bicolor (a combination resulting from cross-pollination). Sweetness is not related to color.

The United States Leads in Production and Exports

The United States leads the world in total sweet corn production with 46 percent of world output during 2003-05. Nigeria, Hungary, France, and Peru complete the top 5 producers of sweet corn (also known as green corn in other parts of the world). World canned corn production is dominated by the United States and Canada with other important producers and exporters including Thailand, Israel, France, Italy, Hungary, and Australia. The major canned sweet corn importers are Japan, the United Kingdom, and Germany.

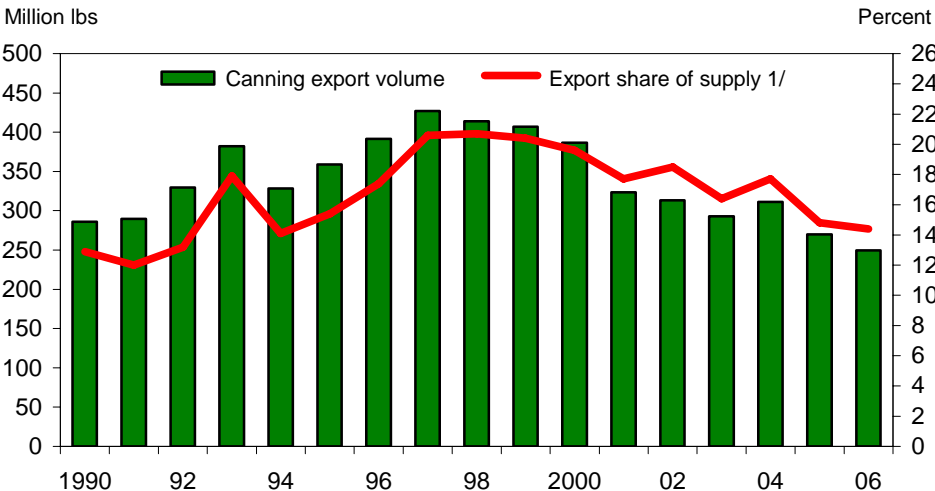
Canned and frozen sweet corn are said to be much more popular than fresh corn on-the-cob in many countries within both the EU and Asia. France is the largest European producer of canned and frozen sweet corn and maintains a positive trade balance in these products. However, the French eat little fresh-market sweet corn.

The U.S. also leads in world sweet corn exports and is a net exporter of both canned and frozen sweet corn, shipping four to five times the volume imported. As domestic markets have slumped over time, exports have become critical to U.S. processed sweet corn markets.

For sweet corn used in canning, the United States exported 16 percent of available supplies during 2004-06—about the same as in 1994-96. Export volume dropped 23 percent during this period, mirroring the 19 percent drop in per capita disappearance. During 2004-06, Japan (36 percent of the total), Taiwan (14 percent), and South Korea (13 percent) collectively accounted for two-thirds of U.S. canned sweet corn export volume. U.S. canned sweet corn exports to Japan have trended lower since peaking in 1998 and now stands 34 percent below that peak. Although Japanese imports of canned sweet corn have increased 6 percent during the past decade, the U.S. has lost market share to countries such as Thailand, China, and Canada. During 2002-06, the United States imported 5 percent of the canned sweet corn consumed domestically—up from 2 percent a decade earlier. Canada (58 percent of the total) and Thailand (38 percent) provided the majority of product imported during 2004-06.

The United States exported 10 percent of the sweet corn it produced for frozen products during 2004-06, with Japan (42 percent), China (20 percent), and Mexico (10 percent) receiving about three-fourths of the total volume. As with the canned market, the U.S. has seen its market share decline in Japan. The United States now held 65 percent of the Japanese frozen sweet corn import market during 2004-06, down from 81 percent a decade earlier. Although U.S. exports to Japan have declined 17 percent, Japan’s frozen sweet corn imports have increased 4 percent over the past decade. The United States has lost market share to New Zealand, Thailand, and China, with New Zealand now holding 25 percent of the Japanese frozen sweet corn import market. During 2002-06, the United States imported 5

Figure 7
Frozen sweet corn: U.S. export volume and share of supply



1/ Calendar year export share of available supply, including stocks.
 Source: Derived by ERS from data of U.S. Dept. of Commerce, U.S. Census Bureau.

percent of the frozen sweet corn consumed domestically—up from 3 percent a decade earlier. Canada (82 percent) and Peru (6 percent) provided the majority of product imported during 2004-06, with smaller amounts from Israel, Vietnam, and China.

Sweet Corn Is Grown In Every State

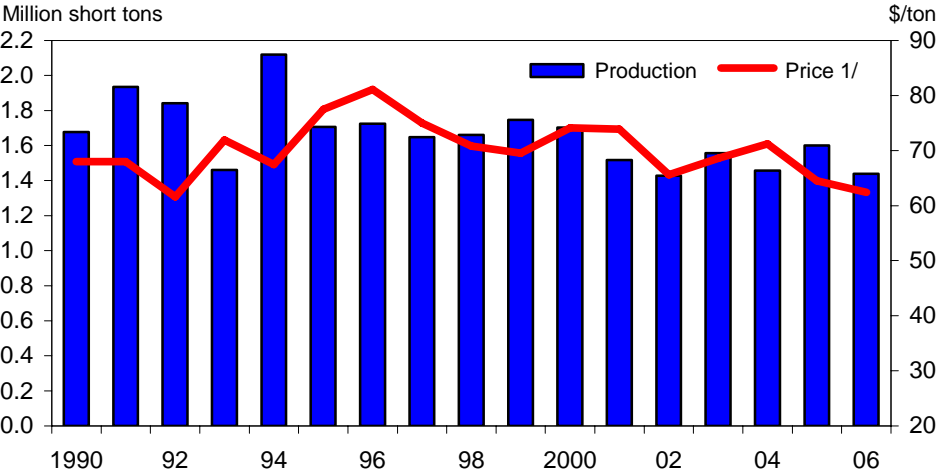
According to the 2002 Census of Agriculture, sweet corn is harvested in all 50 States. In 2002, 22,473 farms reported the harvest of sweet corn—down 12 percent from 1997. Within the vegetable and melon production sector, sweet corn is the most prevalent crop. One out of every 3 farms growing vegetables plants sweet corn—the greatest share among all vegetable crops. Most of these farms produce for the fresh market, with 4,061 farms growing sweet corn for processing—virtually all under contract with processors.

According to the 2002 Census, about 3 percent of the farms producing sweet corn for processing accounted for 34 percent of the area harvested. These 135 farms harvested at least 500 acres of sweet corn used for processing. On the other end of the spectrum, 21 percent of the farms reporting processing sweet corn production harvested less than 5 acres of sweet corn and accounted for less than 1 percent of the total area devoted to processing sweet corn. About 40 percent of the sweet corn used by processors is harvested by farms that harvest between 50 and 250 acres. The farms in this acreage class account for 40 percent of all farms harvesting sweet corn for processing.

The production of sweet corn for processing is heavily concentrated in the upper Midwest and the Pacific Northwest. Minnesota (31 percent of 2004-06 output), Washington (27 percent), and Wisconsin (20 percent) are the top producers of sweet corn for canning and freezing. Oregon (8 percent) and New York (4 percent) round out the top 5 States.

In Minnesota, 94 percent of sweet corn acreage is destined for processing. Acreage for processing sweet corn is spread among 1,264 farms and 37 counties with the bulk of the crop produced in the southern part of the State. In 2002, about 18 percent of the sweet corn harvested for processing was in Renville County,

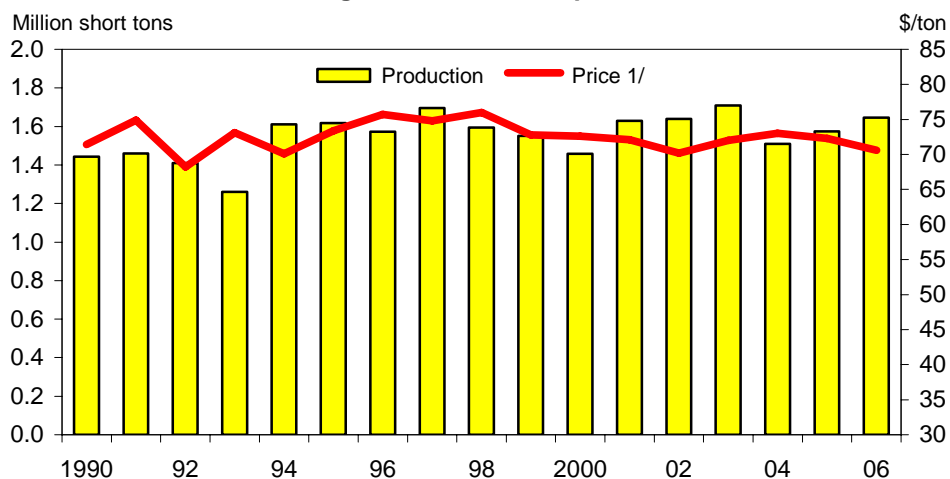
Figure 8
U.S. sweet corn for canning: Production and price, 1990-2006



1/ Price is f.o.b. processing plant door.
 Source: USDA, National Agricultural Statistics Service, *Vegetables Summary*.

Figure 9

U.S. sweet corn for freezing: Production and price, 1990-2006



1/ Price is f.o.b. processing plant door.

Source: USDA, National Agricultural Statistics Service, *Vegetables Summary*.

followed by Sibley (7 percent), Steele (6 percent), and 6 other counties with at least 5 percent of the State’s area. About 44 percent of the State’s processing sweet corn is produced by diversified oilseed and grain farms, with another 31 percent grown by specialized vegetable and melon farms. Since reaching a peak in 1977, there has been a slow downward trend in the average inflation-adjusted crop value per acre for processing sweet corn in Minnesota. Despite the apparent reduction in real returns, the State’s processing sweet corn area continues to trend higher by more than 700 acres annually (based on the 1960-2006 trend).

Since the early 1990s, sweet corn manufacturing has undergone considerable consolidation. According to the 2002 Census of Manufacturers, there are now just 6 commercial manufacturers of canned whole kernel sweet corn in the United States—down from 13 firms in 1997 and 17 firms in 1992. The volume of factory shipments of canned whole kernel corn declined 23 percent between 1997 and 2002, while the value of those shipments increased 5 percent to \$444 million. The 7 firms (down from 12 in 1997) reporting the production of canned cream-style sweet corn saw the value of their shipments decline 12 percent to \$138 million between 1997 and 2002.

For both frozen sweet corn and corn on-the-cob, there are fewer manufacturers shipping a smaller volume of product. There are now 11 commercial manufacturers of frozen cut (removed from the cob) sweet corn in the United States—down from 25 firms in 1997 and 22 firms in 1992. The volume of factory shipments of frozen cut corn declined 19 percent between 1997 and 2002, while the value of those shipments fell 12 percent to \$220 million. The 6 firms (down from 15 in 1997) reporting the production of frozen corn on-the-cob saw the value of their shipments decline 26 percent to \$106 million between 1997 and 2002, driven largely by a 20 percent reduction in factory shipments. The reduction in factory shipments of frozen sweet corn since the peak experienced in the late 1990s is consistent with the trend in per capita disappearance over the past decade.

Focus on Consumers: Fresh and Frozen Use Up, Canning Down

Although total sweet corn use has been rising over time, there have been marked differences in trends among the three markets. Domestic disappearance of sweet

corn (in fresh-weight equivalent) totaled 7.9 billion pounds during 2004-06, with use in processed products accounting for exactly two-thirds. Domestic disappearance of fresh-market sweet corn has been trending higher over the past decade. Meanwhile, sweet corn for use in frozen products also managed a small gain—rising 4 percent since 1994-96 to 2.8 billion pounds. During the same period, sweet corn used in canned products declined 9 percent to 2.5 billion pounds. However, when expressed on a per capita basis, only fresh-market sweet corn averaged higher than a decade earlier, with both canning (down 19 percent to 8.4 pounds) and freezing uses (down 7 percent to 9.3 pounds) falling during 2004-06.

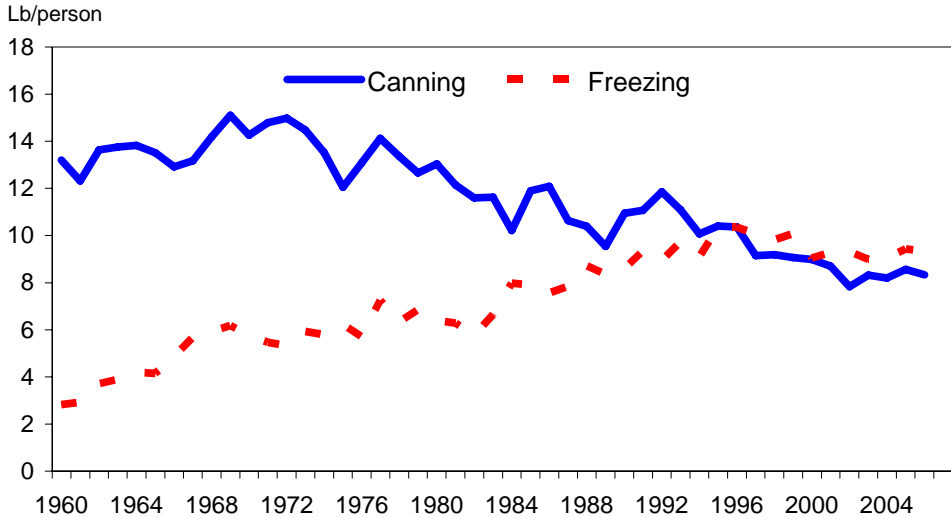
In 1970, 51 percent of all sweet corn used was in canned form. Because fresh use began to wane in the late 1970s, canned use managed to maintain most of its share of the sweet corn market in the 1970s despite gains in the frozen market. However, in the 1980s and 1990s, consumers turned away from canned sweet corn as preferences began to move away from canned vegetables in general (main issues then were likely sodium content and taste preferences). Consumption of fresh corn on-the-cob hit bottom in the 1980s as poor sweet corn quality, increased away from home eating, and the desire for more convenient and consistent foods chipped away at demand.

Meanwhile, demand for frozen sweet corn accelerated in the 1980s and into the 1990s as consumers found frozen corn to be fast and convenient to prepare (especially in the microwave oven) and also consistent in quality and taste. Fresh market sweet corn then made a comeback in the late 1980s and 90s as most growers began planting new supersweet hybrids that boosted fresh quality and began to wrest market share back from frozen products by the late 1990s.

***Canned Sweet Corn Popular In the South,
Frozen Big In the Midwest***

According to USDA’s 1994-96 and 1998 *Continuing Survey of Food Intakes by Individuals*, frozen and canned sweet corn (like most other vegetables), are largely purchased at retail for home consumption (90 and 84 percent, respectively). The percentage used in foodservice is greater than that of fresh sweet corn, largely reflecting the difficulty and labor intensity of handling and preparing fresh sweet

Figure 10
U.S. sweet corn for processing: Per capita availability (use), 1960-2007



Source: Computed and prepared by USDA, Economic Research Service.

corn in a restaurant environment. Canned sweet corn has a larger away-from-home share than either fresh or frozen, due mostly to a greater presence in the school lunch program.

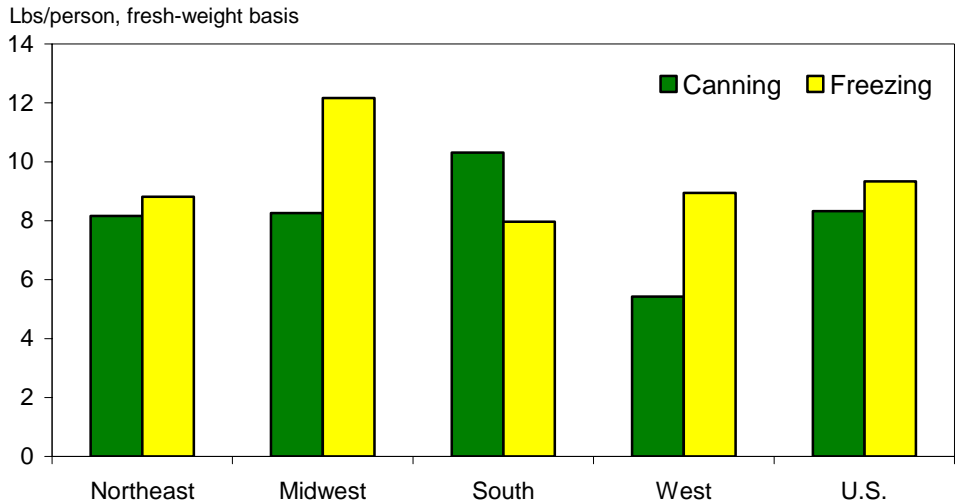
Regionally, people in the South consumed the fresh-weight equivalent of 10.3 pounds per person in canned sweet corn in 2006. 1/ Canned sweet corn was least popular in the West which only consumed the equivalent of 5.4 pounds per person—well below the national average of 8.3 pounds. Frozen sweet corn was most widely used in the Midwest with an estimated 12.2 pounds per capita used there in 2006. Interestingly, disappearance of frozen sweet corn in each of the other three identified regions (West, Northeast, and South) fell below the national average of 9.3 pounds, with each using between 8 and 9 pounds per capita.

Consumers in suburban areas (where nearly half of consumers reside) favor frozen sweet corn. Meanwhile, those in metropolitan areas (where about one-third of the population is found) favor sweet corn in canned form. Preferences along racial lines indicate that 77 percent of all frozen sweet corn and 66 percent of canned sweet corn is eaten by non-Hispanic White consumers.

Men reported eating the fresh-weight equivalent of 19.8 pounds per person of processed sweet corn with women consuming 15.6 pounds each. Men age 40-59 were the most avid consumers of both canned (12.9 pounds per capita) and frozen sweet corn (12.5 pounds per capita). Teenage females were the lowest consumers of frozen sweet corn (5.6 pounds each), while women age 40-59 ate the least amount of canned sweet corn (5.0 pounds each).

The survey results also suggest a strong correlation between income and sweet corn use—a positive correlation for frozen sweet corn and a negative correlation for canned sweet corn. Consumers in the survey’s top income bracket reported the highest per capita consumption of frozen corn (11.4 pounds per person) and the lowest use of canned sweet corn (6.7 pounds). Meanwhile, consumers in the lowest income bracket reported the greatest consumption of canned sweet corn (10.9 pounds each) and the smallest consumption of frozen sweet corn (6.5 pounds).

Figure 11
U.S. sweet corn for processing: Regional per capita disappearance, 2006



Source: Estimated by USDA, Economic Research Service.

1/ For a general description of the methodology used to make these estimates, refer to the text box on page 13 of “Factors Affecting Spinach Consumption in the United States”. The link to this article is: <http://www.ers.usda.gov/publications/VGS/jan04/vgs30001/>

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Covers potatoes, sweet potatoes, long-run outlook

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Articles

The following are links to articles released on subjects directly related to the vegetable and melon industry. These articles are in Adobe Acrobat (.pdf) format:

1. Factors Affecting Carrot Consumption in the United States

<http://www.ers.usda.gov/publications/vgs/2007/03Mar/VGS31901/>

Examines the consumption distribution of fresh-market (including fresh-cut) and processed carrots in the United States. The majority of carrots are purchased at retail and consumed at home, with at-home per capita consumption of fresh baby/cut carrots greatest in the central and eastern regions. Non-Hispanic Whites and Asians were found to consume the most carrots.

2. Eliminating Fruit and Vegetable Planting Restrictions

<http://www.ers.usda.gov/publications/err30/>

This report finds that market effects would likely be limited and confined to specific regions and commodities. Eliminating these planting restrictions for commodity program participants might enable some producers to switch from program crops to fruit and vegetables in such areas as California, the upper Midwest and the coastal plain in the Southeastern States.

3. Fruit and Vegetable Backgrounder

<http://www.ers.usda.gov/Publications/vgs/apr06/VGS31301/>

Fruit and Vegetable Backgrounder describes the economic characteristics of the U.S. fruit and vegetable industry, providing supply, demand, and policy background for an industry that accounts for nearly a third of U.S. crop cash receipts and a fifth of U.S. agricultural exports. A variety of challenges face this complex and diverse industry in both domestic and international markets, ranging from immigration reform and its effects on labor availability, to international competitiveness.

4. How Low Has the Farm Share of Retail Food Prices Really Fallen?

<http://www.ers.usda.gov/Publications/ERR24/>

Growers have been receiving a decreasing share of what consumers pay for food at retail stores. Using updated baskets based on what American households bought for at-home consumption between 1999 and 2003, this report estimates farm share for fresh vegetables and fresh fruits. Findings indicate that growers are capturing more of the consumer's food dollar than current estimates suggest.

5. NAFTA at 13: Implementation Nears Completion

<http://www.ers.usda.gov/Publications/WRS0701/>

Implementation of the North American Free Trade Agreement (NAFTA) is drawing to a close with the last of the transitional restrictions governing agricultural trade to be removed in 2008. The agricultural sectors of Canada, Mexico, and the United States have become more integrated, with the importance of Canadian and Mexican produce to U.S. fruit and vegetable consumption continuing to expand.

Data Tables

The following links provide the most recent data on vegetables and melons. You may choose links for Adobe Acrobat (.pdf) table compilations or the original Excel workbook (spreadsheet) tables:

1. Per capita availability (a.k.a. use or consumption)

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/percap.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/percap.xls>

2. Vegetable prices

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/price.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/price.xls>

3. Fresh vegetables and melons

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/fresh.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/fresh.xls>

4. Processing vegetables

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/proc.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/proc.xls>

5. Potatoes

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/potat.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/potat.xls>

6. Sweet potatoes

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/swpot.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/swpot.xls>

7. Dry edible beans

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/drybn.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/drybn.xls>

8. Mushrooms

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/mush.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/mush.xls>

9. Vegetable and melon trade

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/trade.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/trade.xls>

10. Dry peas and lentils

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/drypea.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/drypea.xls>

11. World vegetable production and harvested area

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/world.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/world.xls>

12. Mexican and Canadian vegetable production

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/Mexcan.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/Mexcan.xls>

13. U.S. farm cash receipts and cost indicators

PDF file: <http://www.ers.usda.gov/publications/vgs/tables/Receipt.pdf>

Excel file: <http://www.ers.usda.gov/publications/vgs/tables/Receipt.xls>

Web Sites

A. U.S. Trade Data—FASonline: This relatively simple, yet powerful online application allows the user to freely access and download detailed U.S. export and import data.

<http://www.fas.usda.gov/ustrade/>

B. Vegetables and Melons: ERS' Vegetables and Melons Briefing Room contains special articles, data sets, and links.

<http://www.ers.usda.gov/briefing/vegetables/>

C. Potatoes: ERS' Potato Briefing Room contains special articles, data, and links.

<http://www.ers.usda.gov/briefing/potatoes/>

D. Tomatoes: ERS' Tomato Briefing Room contains special articles, data, and links.

<http://www.ers.usda.gov/briefing/tomatoes/>

E. Dry Beans, Peas, and Lentils: ERS' Dry Bean Briefing Room contains special articles, data, and links.

<http://www.ers.usda.gov/briefing/drybeans/>

F. USDA Market News: Agricultural Marketing Service's web site containing fresh shipments, f.o.b. and terminal market prices, weekly truck rates, annual reports, and more.

<http://www.ams.usda.gov/fv/mnacs/index.htm>

G. NASS Vegetables: Links to USDA, National Agricultural Statistics Service's annual and quarterly reports on vegetables & melons.

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1177>

H. FAS, HTP: USDA, Foreign Agricultural Service's horticultural web site, with links.

<http://www.fas.usda.gov/http/default.htm>

I. Organic Farming and Marketing: USDA, ERS Briefing Room contains articles, data, graphics, and links.

<http://www.ers.usda.gov/Briefing/Organic/>

J. Truck Rate Report: USDA, AMS weekly report on cost of shipping by trailer truck.

http://www.ams.usda.gov/mnreports/wa_fv190.txt

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Price table 7—Canned vegetables: Quarterly wholesale price trends, 2000-07 1/

Year & quarter	Sweet corn 2/		Snap beans 3/		Green peas 4/		Carrots 5/		Beets 6/		Tomato paste 7/		
	24/300	6/10	24/300	6/10	24/300	6/10	24/300	6/10	24/300	6/10	55-drum	6/10	
											-- \$/case --	\$/lb	\$/case
2000													
I	7.75	13.84	7.50	11.67	8.75	14.79	7.88	10.88	8.21	11.75	0.34	19.63	
II	7.84	15.00	7.50	11.92	8.84	16.33	7.88	10.88	8.38	11.38	0.34	20.04	
III	7.71	15.00	7.25	12.00	8.79	16.00	7.96	11.13	8.46	11.38	0.32	19.50	
IV	7.63	15.09	7.38	11.17	8.75	16.13	7.75	11.01	8.50	11.75	0.32	19.00	
Average	7.73	14.73	7.41	11.69	8.78	15.81	7.87	10.97	8.39	11.57	0.33	19.54	
2001													
I	7.25	14.75	7.25	10.25	8.63	15.46	7.75	10.88	7.75	11.75	0.31	17.88	
II	7.25	14.75	7.25	10.25	8.63	15.25	7.75	10.88	7.75	11.75	0.31	17.88	
III	7.67	14.92	7.67	10.42	8.96	15.42	7.92	11.05	7.92	11.75	0.32	17.88	
IV	8.25	15.25	8.25	12.55	9.00	15.42	8.33	11.25	8.42	11.83	0.32	17.88	
Average	7.61	14.92	7.61	10.87	8.81	15.39	7.94	11.02	7.96	11.77	0.32	17.88	
2002													
I	9.00	15.75	9.00	14.59	9.00	15.25	9.00	12.00	9.00	12.00	0.32	17.63	
II	8.33	15.08	8.33	12.05	8.75	15.08	9.00	12.00	9.00	12.00	0.31	17.80	
III	8.00	14.75	8.00	10.88	8.63	15.00	9.00	11.50	9.00	12.00	0.31	18.50	
IV	8.00	14.67	8.00	11.05	8.88	15.09	8.75	11.50	9.00	12.00	0.31	20.38	
Average	8.33	15.06	8.33	12.14	8.82	15.11	8.94	11.75	9.00	12.00	0.31	18.58	
2003													
I	8.00	14.00	8.00	11.13	9.00	15.42	8.63	11.50	9.00	12.00	0.32	18.46	
II	8.00	14.00	8.00	11.38	9.00	15.50	8.71	11.50	9.00	12.00	0.30	19.46	
III	8.00	14.00	8.00	11.75	9.00	16.00	8.63	11.50	9.00	12.00	0.29	17.63	
IV	8.00	14.13	8.00	12.38	9.00	16.00	8.63	11.50	9.00	12.00	0.29	17.63	
Average	8.00	14.03	8.00	11.66	9.00	15.73	8.65	11.50	9.00	12.00	0.30	18.30	
2004													
I	8.17	14.80	8.17	14.38	9.17	16.00	8.63	11.50	9.00	12.00	0.29	18.67	
II	8.42	15.46	8.33	15.92	9.13	15.75	8.75	11.50	9.00	13.00	0.30	20.25	
III	8.50	15.63	8.33	16.17	9.00	15.59	9.00	11.50	9.00	14.00	0.30	20.25	
IV	8.42	15.29	8.46	15.84	8.92	15.54	9.00	11.75	8.50	15.00	0.30	20.25	
Average	8.38	15.30	8.32	15.58	9.06	15.72	8.85	11.56	8.88	13.50	0.30	19.86	
2005													
I	8.58	14.08	8.54	13.54	8.96	15.67	9.00	11.75	8.83	14.58	0.30	20.25	
II	8.75	13.42	8.67	13.25	9.13	15.33	9.00	11.75	9.00	14.00	0.30	20.25	
III	8.67	13.58	8.71	12.83	9.13	15.42	9.00	12.00	9.00	13.63	0.31	20.54	
IV	8.71	12.25	8.88	12.50	9.13	15.25	9.00	12.00	8.96	13.38	0.33	21.13	
Average	8.68	13.33	8.70	13.03	9.09	15.42	9.00	11.88	8.95	13.90	0.31	20.54	
2006													
I	8.63	12.25	8.88	12.13	9.25	15.46	9.00	12.00	9.05	12.80	0.36	21.46	
II	8.63	12.25	8.75	12.13	9.17	15.50	9.00	12.00	9.03	12.25	0.37	22.58	
III	8.38	11.75	8.45	12.00	8.71	15.50	9.00	12.00	8.50	11.88	0.40	23.25	
IV	8.38	11.75	8.57	12.00	8.63	15.50	9.00	12.00	8.50	11.88	0.44	23.25	
Average	8.51	12.00	8.66	12.07	8.94	15.49	9.00	12.00	8.77	12.20	0.39	22.64	
2007													
I p	8.38	12.26	8.63	12.00	9.25	15.50	--	--	8.43	11.90	0.46	23.50	
II f	8.38	13.13	8.63	13.13	9.25	15.50	9.00	12.00	8.43	11.90	0.46	23.75	
III f	8.40	11.75	8.80	12.00	9.10	15.50	9.00	12.00	8.55	12.00	0.38	23.00	
IV f	8.40	11.75	8.50	12.00	9.07	15.50	9.00	12.00	8.50	12.00	0.33	22.00	
Average	8.39	12.22	8.64	12.28	9.17	15.50	9.00	12.00	8.48	11.95	0.41	23.06	

p = Preliminary. f = ERS forecast. -- = not available.

1/ Some prices calculated as averages of quoted ranges. 2/ Whole kernel corn, Midwest. 3/ 4-sieve cut, Midwest. 4/ 4-sieve, Midwest. 5/ Medium sliced, Midwest. 6/ Medium sliced, Midwest. 7/ 26-percent solids for 6/10 and 31 percent for 55-gallon drum, California.

Source: American Institute of Food Distribution, *Price Trends*.

Price table 8—Frozen vegetables: Quarterly wholesale price trends, 2000-07 1/

Year and quarter	Sweet corn 2/		Snap beans 3/		Green peas 4/		Cauliflower 4/		Broccoli 6/		Spinach 7/	
	12/16	12/2.5	12/16	12/2	12/16	12/2.5	12/16	12/2	24/10	12/2	24/10	12/3
--\$ per case--												
2000												
I	6.83	0.48	6.83	0.47	6.93	0.54	9.47	0.70	10.15	0.72	8.30	0.43
II	6.83	0.48	6.83	0.47	6.93	0.54	9.47	0.70	10.15	0.72	8.30	0.43
III	6.83	0.47	6.83	0.47	6.93	0.54	9.47	0.70	10.15	0.72	8.30	0.43
IV	6.83	0.47	6.83	0.47	6.93	0.54	9.47	0.70	10.15	0.72	8.30	0.43
Average	6.83	0.47	6.83	0.47	6.93	0.54	9.47	0.70	10.15	0.72	8.30	0.43
2001												
I	6.83	0.46	6.83	0.47	6.93	0.53	9.47	0.70	10.15	0.72	8.30	0.43
II	6.83	0.46	6.84	0.47	6.88	0.53	9.47	0.70	10.15	0.72	8.30	0.43
III	6.88	0.49	6.85	0.47	6.88	0.55	9.50	0.72	10.15	0.72	8.30	0.45
IV	6.88	0.49	6.85	0.49	6.88	0.55	9.50	0.72	10.15	0.72	8.30	0.45
Average	6.86	0.47	6.84	0.48	6.89	0.54	9.49	0.71	10.15	0.72	8.30	0.44
2002												
I	6.88	0.49	6.93	0.49	6.88	0.55	9.50	0.72	10.15	0.72	8.30	0.48
II	7.10	0.50	7.10	0.50	7.05	0.55	9.49	0.72	10.15	0.72	8.30	0.48
III	7.10	0.50	7.10	0.51	7.07	0.55	9.47	0.72	10.15	0.72	8.30	0.48
IV	7.10	0.51	7.10	0.54	7.10	0.55	9.47	0.72	10.15	0.72	8.30	0.48
Average	7.05	0.50	7.06	0.51	7.02	0.55	9.48	0.72	10.15	0.72	8.30	0.48
2003												
I	7.10	0.55	7.10	0.54	7.10	0.55	9.47	0.72	10.15	0.72	8.30	0.48
II	7.10	0.55	7.10	0.54	7.10	0.55	9.47	0.72	10.15	0.72	8.30	0.48
III	7.10	0.55	7.10	0.54	7.10	0.55	9.47	0.72	10.15	0.72	8.30	0.48
IV	7.10	0.55	7.10	0.54	7.10	0.55	9.47	0.72	10.15	0.72	8.30	0.48
Average	7.10	0.55	7.10	0.54	7.10	0.55	9.47	0.72	10.15	0.72	8.30	0.48
2004												
I	7.10	0.55	7.10	0.54	7.10	0.55	9.50	0.72	10.15	0.72	8.30	0.48
II	7.10	0.55	7.10	0.54	7.38	0.55	9.50	0.72	10.15	0.72	8.30	0.48
III	7.38	0.56	7.38	0.58	7.38	0.58	9.50	0.72	10.15	0.72	8.30	0.50
IV	7.30	0.54	7.33	0.58	7.28	0.57	9.50	0.72	10.15	0.72	8.30	0.50
Average	7.22	0.55	7.23	0.56	7.29	0.56	9.50	0.72	10.15	0.72	8.30	0.49
2005												
I	7.00	0.48	7.33	0.57	7.28	0.52	9.47	0.72	10.15	0.72	8.30	0.52
II	7.04	0.47	7.33	0.56	7.28	0.52	9.47	0.72	10.15	0.72	8.30	0.52
III	7.12	0.48	7.33	0.56	7.28	0.52	9.47	0.72	10.15	0.72	8.30	0.53
IV	7.10	0.48	--	0.56	7.28	0.52	9.47	0.72	10.15	0.72	8.30	0.52
Average	7.07	0.48	7.33	0.56	7.28	0.52	9.47	0.72	10.15	0.72	8.30	0.52
2006												
I	7.10	0.50	7.25	0.56	7.28	0.52	9.47	0.72	10.15	0.72	8.32	0.52
II	7.35	0.50	7.63	0.56	7.63	0.55	9.47	0.72	10.30	0.72	8.81	0.49
III	7.58	0.50	7.63	0.56	7.34	0.54	9.47	0.72	10.38	0.73	8.88	0.50
IV	7.58	0.50	7.63	0.56	7.20	0.54	9.47	0.72	10.38	0.73	8.88	0.50
Average	7.40	0.50	7.53	0.56	7.36	0.54	9.47	0.72	10.30	0.72	8.72	0.50
2007												
I p	7.58	0.44	7.53	0.63	7.20	0.54	9.47	0.72	10.38	0.73	8.88	0.50
II f	7.58	0.44	7.53	0.63	7.20	0.54	9.47	0.72	10.38	0.73	8.88	0.50
III f	7.60	0.45	7.60	0.58	7.20	0.53	9.47	0.72	10.38	0.73	8.70	0.50
IV f	7.65	0.46	7.65	0.58	7.20	0.52	9.47	0.72	10.38	0.73	8.40	0.50
Average	7.60	0.45	7.58	0.60	7.20	0.53	9.47	0.72	10.38	0.73	8.72	0.50

p = Preliminary. f = ERS forecast.

1/ Some prices calculated as averages of quoted ranges. 2/ Whole kernel (cut) corn, f.o.b. West Coast basis. 3/ Regular cut. 4/ Poly bags. 5/ Sliced, poly bags. 6/ Spears. 7/ Chopped.

Source: American Institute of Food Distribution, *Price Trends*.

Price table 10—U.S. fresh-market herbs: Selected monthly wholesale prices in San Francisco, CA, 2006-07

Herb	Unit	2006			2007			Change from prev. year		
		Jan.	Feb.	Mar.	Jan.	Feb.	Mar.	Jan.	Feb.	Mar.
		-- \$/cwt --						--- Percent ---		
Anise	24-ct crtn	12.38	12.44	19.25	22.80	35.25	28.38	84.2	183.4	47.4
Arrugula	12-ct ctns	7.50	7.50	7.50	7.50	7.50	8.00	.0	.0	6.7
Basil	12-ct ctns	7.81	8.38	8.50	8.50	8.50	8.50	8.8	1.4	.0
Celeriac	12-ct ctns	11.75	10.25	10.38	13.00	13.00	13.00	10.6	26.8	25.2
Chervil	12-ct flmbag	7.00	7.00	7.00	6.50	6.50	6.88	- 7.1	- 7.1	- 1.7
Chives	12-ct flmbag	4.50	4.50	4.50	5.75	5.75	6.00	27.8	27.8	33.3
Cilantro	60-ct ctns	8.97	12.88	12.13	22.95	17.88	11.44	155.9	38.8	- 5.7
Cipolinos	10-lb ctns	18.50	18.56	18.50	17.50	17.50	17.50	- 5.4	- 5.7	- 5.4
Dill	12-ct ctns	7.75	7.75	7.75	7.50	9.00	8.44	- 3.2	16.1	8.9
Dry Eschallot	5-lb sack	4.63	4.50	5.00	5.75	5.75	5.75	24.2	27.8	15.0
Horseradish	50-lb sack	2.05	2.05	2.05	2.08	2.08	2.15	1.5	1.5	4.9
Lemon grass	Per lb-ctns	0.70	0.70	0.70	0.80	1.25	1.85	14.3	78.6	164.3
Marjoram	12-ct flmbag	5.25	5.25	5.25	5.88	5.88	5.88	12.0	12.0	12.0
Oregano	12-ct flmbag	5.25	5.25	5.25	5.63	5.63	5.75	7.2	7.2	9.5
Rosemary	12-ct flmbag	5.25	5.25	5.25	5.63	5.63	5.75	7.2	7.2	9.5
Mint	12-ct ctns	8.13	8.25	8.00	8.00	8.50	9.25	- 1.6	3.0	15.6
Sage	12-ct flmbag	5.25	5.25	5.25	5.63	5.63	5.75	7.2	7.2	9.5
Salsify	5-1kg flmbg	24.63	25.00	24.63	29.00	29.00	29.00	17.7	16.0	17.7
Savory	24-ct flmbag	5.50	5.50	5.50	5.63	5.63	5.75	2.4	2.4	4.5
Sorrel	12-ct flmbag	5.25	5.25	5.25	5.63	5.63	5.75	7.2	7.2	9.5
Tarragon	12-ct flmbag	7.00	7.00	7.00	6.50	6.50	7.50	- 7.1	- 7.1	7.1
Thyme	12-ct flmbag	5.50	5.50	5.50	5.63	5.63	5.75	2.4	2.4	4.5
Watercress	12-ct ctns	8.00	8.00	8.00	11.70	12.50	12.50	46.3	56.3	56.3

-- = not available.

Source: Derived from data provided by USDA, Agricultural Marketing Service, FV Data Portal, <http://marketnews.usda.gov/portal/fv>

Price table 11—Farm-retail price spreads, 2004-06

Item	Annual			2005	2006					
	2004	2005	2006	Dec	July	Aug	Sept	Oct	Nov	Dec
Market basket 1/										
Retail cost (1982-84=100)	194.4	198.2	201.9	199.2	201.3	201.7	203.1	204.3	203.3	203.6
Farm value (1982-84=100)	124.4	122.3	120.0	123.7	115.7	120.3	126.1	124.2	122.7	123.0
Farm-retail spread (1982-84=100)	232.1	239.2	246.0	239.9	247.4	245.5	244.6	247.4	246.8	247.0
Farm value-retail cost (%)	22.4	21.6	20.8	21.7	20.1	20.9	21.7	21.3	21.2	20.8
Fresh fruit										
Retail cost (1982-84=100)	318.5	330.7	350.7	341.6	351.3	348.2	357.6	361.1	360.2	363.5
Farm value (1982-84=100)	200.5	173.4	195.4	182.2	198.9	224.2	230.5	198.0	177.0	196.5
Farm-retail spread (1982-84=100)	372.9	403.3	422.4	415.2	421.7	405.4	416.3	436.4	444.8	440.6
Farm value-retail cost (%)	19.9	16.6	17.6	16.9	17.9	20.3	20.4	17.3	15.5	17.1
Fresh vegetables										
Retail cost (1982-84=100)	261.2	271.7	284.3	274.1	271.5	274.4	294.2	301.8	288.6	286.1
Farm value (1982-84=100)	146.5	145.5	157.9	134.8	156.2	163.6	195.5	174.8	125.4	135.2
Farm-retail spread (1982-84=100)	320.2	336.7	249.3	345.7	330.8	331.3	345.0	367.1	372.5	363.7
Farm value-retail cost (%)	19.0	18.2	18.9	16.7	19.5	20.2	22.6	19.7	14.7	16.0
Processed fruits and vegetables										
Retail cost (1982-84=100)	183.1	192.3	201.0	194.1	203.1	203.6	202.3	201.5	201.3	202.6
Farm value (1982-84=100)	125.4	138.0	137.6	136.2	138.5	137.6	137.5	136.6	137.1	137.4
Farm-retail spread (1982-84=100)	201.1	209.3	220.7	212.2	223.3	224.2	222.5	221.7	221.3	222.9
Farm value-retail cost (%)	16.3	17.1	16.3	16.7	16.2	16.1	16.2	16.1	16.2	16.1
Fats and oils										
Retail cost (1982-84=100)	167.8	167.7	168.0	168.6	166.9	167.5	167.9	169.1	168.1	166.7
Farm value (1982-84=100)	128.4	108.2	101.8	110.9	117.5	108.1	107.4	114.4	125.8	123.7
Farm-retail spread (1982-84=100)	182.3	189.6	192.3	189.8	185.1	189.3	190.2	189.2	183.7	182.5
Farm value-retail cost (%)	20.6	17.3	16.3	17.7	18.9	17.4	17.2	18.2	20.1	20.0
Meat products										
Retail cost (1982-84=100)	183.2	187.5	188.8	186.6	187.8	189.0	190.0	190.5	190.7	189.4
Farm value (1982-84=100)	116.9	121.4	117.8	121.5	111.4	115.9	123.2	121.1	118.2	116.5
Farm-retail spread (1982-84=100)	251.3	255.4	261.7	253.4	266.2	264.0	258.5	261.7	265.1	264.2
Farm value-retail cost (%)	32.3	32.8	31.6	33.0	30.0	31.1	32.9	32.2	31.4	31.1
Dairy products										
Retail cost (1982-84=100)	180.2	182.4	181.4	182.6	180.8	180.0	179.9	182.0	180.6	181.0
Farm value (1982-84=100)	125.9	118.7	102.6	121.6	94.4	95.7	101.8	107.7	110.2	113.7
Farm-retail spread (1982-84=100)	230.3	241.1	254.0	238.8	260.4	257.7	251.9	250.5	245.5	243.1
Farm value-retail cost (%)	33.5	31.2	27.1	32.0	25.1	25.5	27.2	28.4	29.3	30.1
Poultry										
Retail cost (1982-84=100)	181.7	185.3	182.0	186.5	180.9	183.8	183.9	182.9	181.8	182.5
Farm value (1982-84=100)	142.9	139.4	128.1	142.1	130.9	137.6	140.0	139.1	140.9	129.4
Farm-retail spread (1982-84=100)	226.4	238.1	244.1	237.6	238.5	237.0	234.4	233.4	228.9	243.6
Farm value-retail cost (%)	42.1	40.3	37.7	40.8	38.7	40.1	40.7	40.7	41.5	38.0
Eggs										
Retail cost (1982-84=100)	167.0	144.1	151.2	144.1	140.7	145.6	147.1	146.3	159.3	176.5
Farm value (1982-84=100)	92.2	60.1	70.0	54.0	42.6	66.7	63.9	65.6	116.0	114.3
Farm-retail spread (1982-84=100)	301.4	295.2	297.0	306.0	316.9	287.4	296.5	291.2	237.1	288.3
Farm value-retail cost (%)	35.5	26.8	29.7	24.1	19.5	29.4	27.9	28.8	46.8	41.6
Cereal and bakery products										
Retail cost (1982-84=100)	206.0	209.0	212.8	209.4	214.6	214.6	213.6	214.6	214.5	214.8
Farm value (1982-84=100)	103.7	96.4	110.3	99.7	107.0	108.4	110.9	120.0	122.9	119.8
Farm-retail spread (1982-84=100)	220.3	224.6	227.2	224.7	229.6	229.4	227.9	227.8	227.3	228.1
Farm value-retail cost (%)	6.2	5.7	6.3	5.8	6.1	6.2	6.4	6.8	7.0	6.8

1/ Retail costs are based on CPI-U of retail prices for domestically produced farm foods, published monthly by the Bureau of Labor Statistics (BLS). Farm value is the payment for the quantity of farm equivalent to the retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale, and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail value and farm value, represents charges for assembling, processing, transporting, and distributing.

Source: USDA, ERS, <http://www.ers.usda.gov/publications/agoutlook/aotables/2007/02Feb/aotab08.xls>