



# 2007 CENSUS OF AGRICULTURE

## Economics

In 2007, U.S. farms sold \$297 billion in agricultural products while incurring \$241 billion in production expenses. Income from sales increased 48 percent between 2002 and 2007, while production expenses increased 39 percent. In addition to receipts from sales, U.S. farms also received \$8 billion in government payments and \$10 billion in farm-related income in 2007.

|                                      | 2007          | 2002          | % Change |
|--------------------------------------|---------------|---------------|----------|
| <b>Market Value of Products Sold</b> |               |               |          |
| All Farms                            | \$297 billion | \$201 billion | +48      |
| Average Per Farm                     | \$134,807     | \$94,245      | +43      |
| <b>Government Payments Received</b>  |               |               |          |
| All Farms                            | \$8 billion   | \$7 billion   | +22      |
| Average Per Farm                     | \$9,523       | \$9,251       | +3       |
| <b>Farm-Related Income</b>           |               |               |          |
| All Farms                            | \$10 billion  | \$6 billion   | +79      |
| Average Per Farm                     | \$15,133      | \$9,421       | +61      |
| <b>Production Expenses</b>           |               |               |          |
| All Farms                            | \$241 billion | \$173 billion | +39      |
| Average Per Farm                     | \$109,359     | \$81,362      | +34      |
| <b>Net Cash Income</b>               |               |               |          |
| All Farms                            | \$75 billion  | \$41 billion  | +84      |
| Average Per Farm                     | \$33,827      | \$19,032      | +78      |

Both the value of production and farm expenses associated with that production increased from 2002 to 2007. Relatively, production value increased more than expenses, resulting in an 84-percent increase in net cash income to agricultural operations. Net cash income is the amount an operation receives from sales of agricultural products, government payments, and farm-related income after expenses are subtracted.

U.S. Department  
of Agriculture

National Agricultural  
Statistics Service



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## For more information:

[www.nass.usda.gov](http://www.nass.usda.gov)

[www.agcensus.usda.gov](http://www.agcensus.usda.gov)

Agricultural Statistics Hotline  
(800) 727-9540

## Production Expenses

U.S. farmers spent \$241 billion to produce their crops and livestock in 2007, an increase of \$68 billion – or 39 percent – from 2002. The steepest cost increases were for gasoline and fuel, up 93 percent, and fertilizer, up 86 percent.

|                                    | 2007           | 2002           | % Change |
|------------------------------------|----------------|----------------|----------|
| <b>Total Production Expenses</b>   | \$241 billion  | \$173 billion  | +39      |
| Gasoline & fuel                    | \$12.9 billion | \$6.7 billion  | +93      |
| Fertilizer                         | \$18.1 billion | \$9.8 billion  | +86      |
| Seed                               | \$11.7 billion | \$7.6 billion  | +55      |
| Feed                               | \$49.1 billion | \$31.7 billion | +55      |
| Livestock<br>(purchased or leased) | \$38.0 billion | \$27.4 billion | +39      |
| Farm Labor<br>(hired & contract)   | \$26.4 billion | \$22.0 billion | +20      |

## Contract Production

While the number of farms producing under contract declined 14 percent between 2002 and 2007, the value of commodities produced under contract increased by 55 percent, to \$49 billion. The 2 percent of farms involved in contract production produced 16 percent of the total value of all agricultural products sold nationwide.

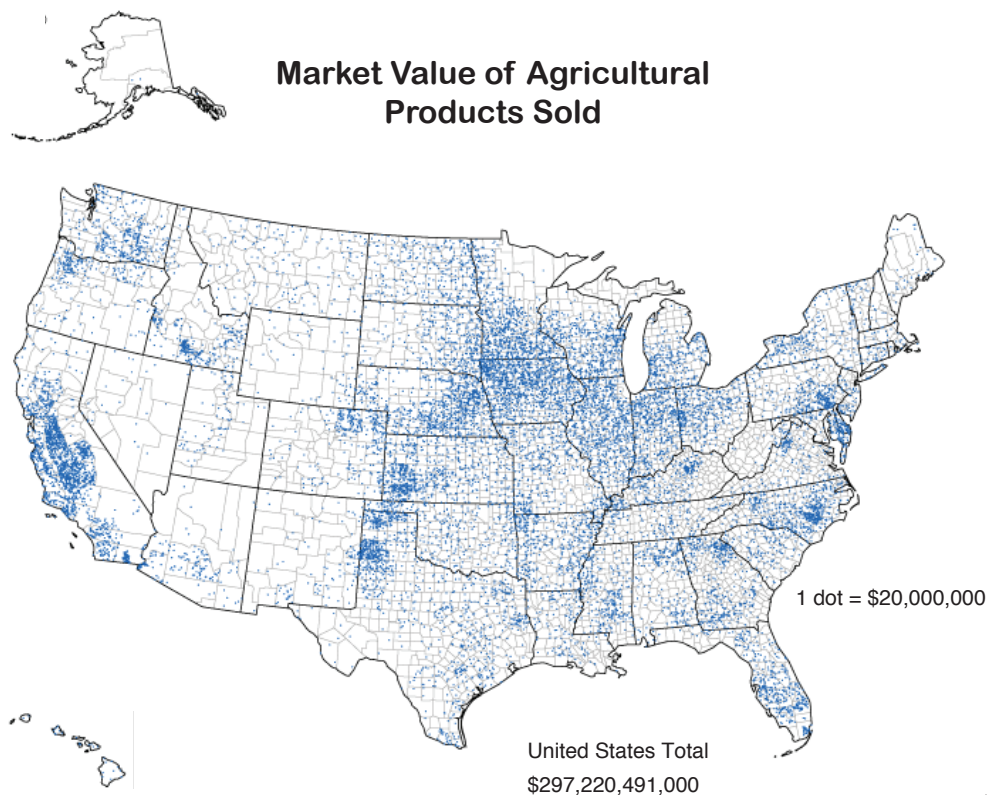
## Geography of Production

The value of agricultural production is concentrated in a few regions: the Midwest, the Mississippi Delta, California and the Atlantic Coast. The top five states for the value of agricultural products sold and their percentage of the total value are: California (11.4 percent), Texas (7.1 percent), Iowa (6.9 percent), Nebraska (5.2 percent) and Kansas (4.8 percent).

Fresno County in California is the largest single county in terms of agricultural products sold in 2007, with \$3.7 billion, or 1.2 percent of the total U.S. value.

*Fifty percent of the total value of agricultural products comes from nine states:*

1. California
2. Texas
3. Iowa
4. Nebraska
5. Kansas
6. Illinois
7. Minnesota
8. North Carolina
9. Wisconsin



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## Government Payments

In total, \$8 billion dollars in government payments were received by 840,000 farms in 2007, with an average payment of \$9,500 per farm. Most government payments went to farms that produce grains and oilseeds. Of the \$8 billion paid out in 2007, \$1.8 billion was for the Conservation Reserve Program, which removes environmentally sensitive land from agricultural production.

## Sales and Net Income by Industry

Relatively few agricultural industries comprise the largest share of the value of agricultural products sold. Of the almost \$300 billion in agricultural products sold in 2007, grains and oilseeds accounted for 26 percent, cattle and calves for 21 percent, poultry and eggs for 12 percent, milk for 11 percent, and fruits and nuts for 6 percent.

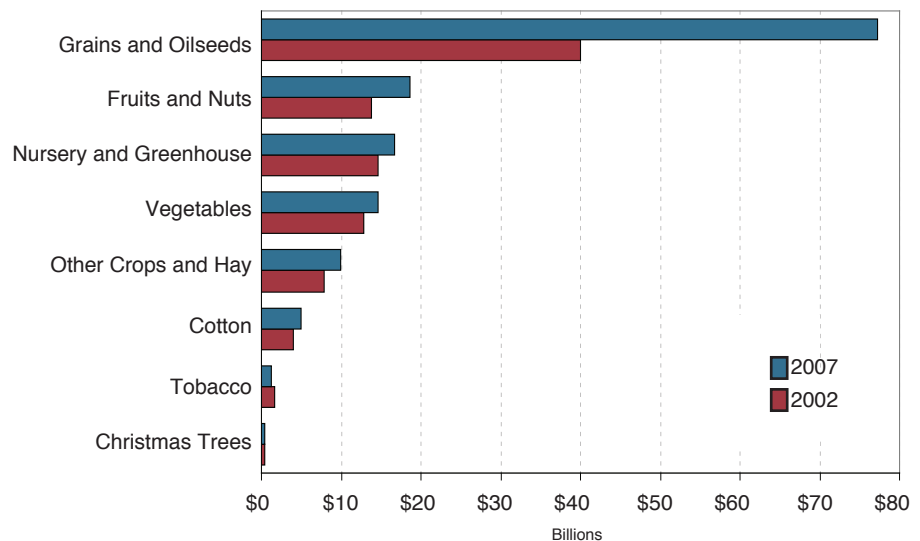
The top five industries in terms of net cash income produced were:

- grains and oilseeds
- milk
- poultry and eggs
- fruits and nuts
- nursery and greenhouse

Several industries actually had negative income:

- sheep and goats
- aquaculture and other animals (including horses)

Value of Crop Sales



Value of Livestock Sales

