FE804

UF UNIVERSITY of FLORIDA
IFAS Extension

2007 Agricultural Census Tidbit: Florida Farm Sales Up but National Rank Down[1]

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Introduction

The 2007 agricultural census data were reported for states and counties throughout the United States in February 2009. National, state, and local policy makers look forward to the census report for several reasons: they use the information to show the importance and size of the industry in their state and counties, and to show the importance of the industry in the state and local economy; and they use the information to make policy decisions. One of the limitations of the agricultural census is that the report, for the most part, is just data with limited or no discussion. This publication is one in a series of five that reorganizes some of the data collected in the census and offers some comments on trends and gaps in the data. The other publications in the 2007 Agricultural Census Tidbit series can be accessed online at http://edis.ifas.ufl.edu.

The information in this factsheet specifically reports on the value and rank of agricultural sales by state based on 2002 and 2007 agricultural census data. There is some discussion of the data's potential limitations. They are a useful aid but not always an effective policy-making decision tool or long-term predictor of trends in the industry in any given state.

Census of Agriculture

The Census of Agriculture is conducted every five years and is an attempt by the U.S. government to collect data on the entire U.S farm population in every state. Of course, not all agricultural producers provide information that is requested and there is always the possibility for error in the data reported. A farm is defined as a place in which $1,000 of agricultural products were produced or sold, or typically would have been sold during the census year, including any government payments.

Agricultural Sales

Agricultural sales by state and rank for 2002 and 2007 are reported in Table 1. Total sales in 2007 were $297.2 billion, up from $200.6 billion in 2000. California ($33.9 billion) is by far the largest sales state in 2007. The top ten sales states accounted for 53.6 percent of total U.S. sales. The ranking of the five largest sales states (California, Texas, Iowa, Kansas, and Nebraska) remained identical between 2002 and 2007, but there was some reshuffling in rank of the next five largest states. In 2007, Illinois ranked 6th in sales, changing ranks with Minnesota, which

1. This is EDIS document FE804, a publication of the Food and Resource Economics Department, Florida Cooperative Extension Service, Institute of Food and Agricultural Sciences, University of Florida, Gainesville, FL. Published November 2009. Please visit the EDIS website at http://edis.ifas.ufl.edu.
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dropped to 7th largest in terms of sales. Wisconsin moved from 10th in 2002 to 9th in 2007. Florida, which had ranked 9th in 2002, dropped to 11th. Indiana, which had ranked 15th in 2002, ranked 10th in sales in 2007.

Florida

Florida's rank in terms of agricultural sales dropped from the 9th largest state in 2002 to the 11th largest state in 2007, in spite of the fact that agricultural sales in the state increased from $6.2 billion in 2002 to about $7.8 billion in 2007. The obvious implication of this drop is that agricultural sales grew at a slower rate between 2002 and 2007 in Florida than in the other U.S. states.

The rate of growth and rank in state agricultural sales between the 2002 and 2007 census is reported in Table 2. Nationally, the average growth rate in sales among U.S. states was 48.1 percent. By comparison, the median (midpoint where half the states are above and half are below) was 41.8 percent. Florida's growth rate in sales between these time periods was only 24.7 percent, which ranked the state 42nd nationally in terms of growth, or at about half the level of the average national growth rate.

Census Data Limitations

Census data have certain limitations. The data reporting a slower-than-national growth rate in Florida agricultural sales do not necessarily indicate a declining agricultural industry or a less important industry to the state and local economy. The data cannot predict long-term trends, nor indicate whether the state will fall further in ranking because of slower agricultural sales growth between 2002 and 2007.

It is likely, to some degree, that the relatively slow growth in Florida agriculture sales reflects challenges experienced by the industry related to global competition, risk management (diseases, disasters, financing), commodity and input prices, and increasing commodity prices (corn) in other regions of the United States. However plausible they appear, these conclusions cannot be made based on the census data; individuals, consumers and policy makers should not read *too much information* into census reports.

An important factor to consider when looking at Florida agricultural sales data in 2007 is that the census represents a *snapshot* of state sales data across the nation. The census data represent agricultural conditions as of December 31, 2007 as reported by farm producers in February 2008. Data reported in Table 2 clearly indicate distortions that may exist when reporting information for a specific point in time.

Of the ten fastest states in sales growth, nine were located in the Midwest or Plains states. Growth in agricultural sales in the top ten states ranged between 59 and 88 percent, compared to the national average of 48.1 percent. Why the huge growth in the agricultural sales in the Midwest states? The time frame of the 2007 Census of Agriculture covered was during the middle of the *ethanol boom*. Corn prices literally doubled from about $2 per bushel in late 2006 to about $4 a bushel in 2007. It is very likely that Florida's drop in rank in terms of sales was largely created by the ethanol boom that dramatically increased corn prices in 2007 and that no longer exists today. Unpredictable events like the ethanol boom can distort data reported and could lead people to draw invalid conclusions.

Summary

Florida agriculture remains a large and important industry in the state. Although the state's relative rank in terms of agricultural sales dropped from 9th to 11th nationally between 2002 and 2007, the dollar value of sales increased from $6.2 billion to $7.8 billion.

Agricultural sales is an important factor in determining the importance of the industry in a state. However, the sales value of commodities produced should not be used as the sole measurement of the value of the industry. Individuals, producers, and policy makers also need to remember that census data represent *snapshots* of the industry at a specific point in time and may not be reflective of future trends.

References

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Table 1. State rank by sales, 2002 and 2007 Census of Agriculture.

Rank	State	2007 Sales ($1,000)	Rank	State	2002 Sales ($1,000)
	United States	297,220,491		United States	200,646,355
1	California	33,885,064	1	California	25,737,173
2	Texas	21,001,074	2	Texas	14,134,744
3	Iowa	20,418,096	3	Iowa	12,273,634
4	Nebraska	15,506,035	4	Nebraska	9,703,657
5	Kansas	14,413,182	5	Kansas	8,746,244
6	Illinois	13,329,107	6	Minnesota	8,575,627
7	Minnesota	13,180,466	7	Illinois	7,676,239
8	North Carolina	10,313,628	8	North Carolina	6,961,686
9	Wisconsin	8,967,358	9	Florida	6,242,272
10	Indiana	8,271,291	10	Wisconsin	5,623,275
11	Florida	7,785,228	11	Washington	5,330,740
12	Missouri	7,512,926	12	Missouri	4,983,255
13	Arkansas	7,508,806	13	Arkansas	4,950,397
14	Georgia	7,112,866	14	Georgia	4,911,752
15	Ohio	7,070,212	15	Indiana	4,783,158
16	Washington	6,792,856	16	Colorado	4,525,196
17	South Dakota	6,570,450	17	Oklahoma	4,456,404
18	North Dakota	6,084,218	18	Ohio	4,263,549
19	Colorado	6,061,134	19	Pennsylvania	4,256,959
20	Pennsylvania	5,808,803	20	Idaho	3,908,262
21	Oklahoma	5,806,061	21	South Dakota	3,834,625
22	Michigan	5,753,219	22	Michigan	3,772,435
23	Idaho	5,688,765	23	Alabama	3,264,949
24	Mississippi	4,876,781	24	North Dakota	3,233,366
25	Kentucky	4,824,561	25	Oregon	3,195,497

Table 1. State rank by sales, 2002 and 2007 Census of Agriculture.

Rank	State	2007 Sales ($1,000)		Rank	State	2002 Sales ($1,000)
26	New York	4,418,634		26	New York	3,117,834
27	Alabama	4,415,550		27	Mississippi	3,116,295
28	Oregon	4,386,143		28	Kentucky	3,080,080
29	Arizona	3,234,552		29	Arizona	2,395,447
30	Virginia	2,906,188		30	Virginia	2,360,911
31	Montana	2,803,062		31	Tennessee	2,199,814
32	Louisiana	2,617,981		32	Montana	1,882,114
33	Tennessee	2,617,394		33	Louisiana	1,815,803
34	South Carolina	2,352,681		34	New Mexico	1,700,030
35	New Mexico	2,175,080		35	South Carolina	1,489,750
36	Maryland	1,835,090		36	Maryland	1,293,303
37	Utah	1,415,678		37	Utah	1,115,898
38	Wyoming	1,157,535		38	Wyoming	863,887
39	Delaware	1,083,035		39	New Jersey	749,872
40	New Jersey	986,885		40	Delaware	618,853
41	Vermont	673,713		41	Hawaii	533,423
42	Maine	617,190		42	West Virginia	482,814
43	West Virginia	591,665		43	Vermont	473,065
44	Connecticut	551,553		44	Connecticut	470,637
45	Hawaii	513,626		45	Maine	463,603
46	Nevada	513,269		46	Nevada	446,989
47	Massachusetts	489,820		47	Massachusetts	384,314
48	New Hampshire	199,051		48	New Hampshire	144,835
49	Rhode Island	65,908		49	Rhode Island	55,546
50	Alaska	57,019		50	Alaska	46,143

Table 2. Rank and growth in agricultural sales between 2002 and 2007.

Rank	State	2007 Sales ($1,000)	2002 Sales ($1,000)	% Change
	United States	297,220,491	200,646,355	48.1%
1	North Dakota	6,084,218	3,233,366	88.2%
2	Delaware	1,083,035	618,853	75.0%
3	Illinois	13,329,107	7,676,239	73.6%
4	Indiana	8,271,291	4,783,158	72.9%
5	South Dakota	6,570,450	3,834,625	71.3%
6	Iowa	20,418,096	12,273,634	66.4%
7	Ohio	7,070,212	4,263,549	65.8%
8	Kansas	14,413,182	8,746,244	64.8%
9	Nebraska	15,506,035	9,703,657	59.8%
10	Wisconsin	8,967,358	5,623,275	59.5%
11	South Carolina	2,352,681	1,489,750	57.9%
12	Kentucky	4,824,561	3,080,080	56.6%
13	Mississippi	4,876,781	3,116,295	56.5%
14	Minnesota	13,180,466	8,575,627	53.7%
15	Michigan	5,753,219	3,772,435	52.5%
16	Arkansas	7,508,806	4,950,397	51.7%
17	Missouri	7,512,926	4,983,255	50.8%
18	Montana	2,803,062	1,882,114	48.9%
19	Texas	21,001,074	14,134,744	48.6%
20	North Carolina	10,313,628	6,961,686	48.1%
21	Idaho	5,688,765	3,908,262	45.6%
22	Georgia	7,112,866	4,911,752	44.8%
23	Louisiana	2,617,981	1,815,803	44.2%
24	Vermont	673,713	473,065	42.4%
25	Maryland	1,835,090	1,293,303	41.9%
26	New York	4,418,634	3,117,834	41.7%

Table 2. Rank and growth in agricultural sales between 2002 and 2007.

Rank	State	2007 Sales ($1,000)	2002 Sales ($1,000)	% Change
27	New Hampshire	199,051	144,835	37.4%
28	Oregon	4,386,143	3,195,497	37.3%
29	Pennsylvania	5,808,803	4,256,959	36.5%
30	Alabama	4,415,550	3,264,949	35.2%
31	Arizona	3,234,552	2,395,447	35.0%
32	Wyoming	1,157,535	863,887	34.0%
33	Colorado	6,061,134	4,525,196	33.9%
34	Maine	617,190	463,603	33.1%
35	California	33,885,064	25,737,173	31.7%
36	New Jersey	986,885	749,872	31.6%
37	Oklahoma	5,806,061	4,456,404	30.3%
38	New Mexico	2,175,080	1,700,030	27.9%
39	Massachusetts	489,820	384,314	27.5%
40	Washington	6,792,856	5,330,740	27.4%
41	Utah	1,415,678	1,115,898	26.9%
42	Florida	7,785,228	6,242,272	24.7%
43	Alaska	57,019	46,143	23.6%
44	Virginia	2,906,188	2,360,911	23.1%
45	West Virginia	591,665	482,814	22.5%
46	Tennessee	2,617,394	2,199,814	19.0%
47	Rhode Island	65,908	55,546	18.7%
48	Connecticut	551,553	470,637	17.2%
49	Nevada	513,269	446,989	14.8%
50	Hawaii	513,626	533,423	–3.7%