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Tools for Community Self-determination

Southwest Wisconsin Local Farm & Food Economy

Highlights of a data compilation
by Ken Meter, Crossroads Resource Center (Minneapolis) for

Valley Stewardship Network October 24, 2008

This study covers Crawford, Monroe, Richland, & Vernon Counties

Southwest Wisconsin region (Bureau of Economic Analysis, 2006)

106,559 residents receive \$2.7 billion of income annually. Population is rising at about the same rate as the state as a whole. Real personal income has doubled since 1969.

The region's farms (U.S. Agricultural Census, 2002)

Land:

- 6,804 farms. This is 9% of Wisconsin's total.
- 3,108 (46%) farms are between 50 and 179 acres.
- 228 (3%) farms are less than 50 acres.
- 101 (1.5%) farms are 1,000 acres or more.
- Average farm size is 183 acres, 90% of the state average.
- The region has 1.2 million acres of land in farms.
- This amounts to 8% of the state's farmland.
- 496,000 acres of harvested cropland.
- 168 farms (2%) have a total of 6,342 acres of irrigated land.
- Average value of land and buildings per farm is \$346,000. This is 75% of the state average.

Sales:

- \$287 million of crops and livestock sold (2002). This is a decline of 7% from 1997.
- \$68 million of crops sold (24% of sales).
- \$218 million of livestock and products sold (76% of sales).
- The number of farms/ranches selling livestock, poultry and related products decreased 7% from 1997 to 2002 (4,540 to 3,510), while the amount of livestock products sold fell 23%.
- 3,952 (58%) of the region's farms sold less than \$10,000 of products in 2002.
- 2,372 farms (34%) sold less than \$1,000.
- 744 farms (11%) sold more than \$100,000 of products.
- 85% of farm sales are made by 20% of farms, which sell more than \$50,000 of products.

- 53% of the region's farms (3,600 of 6,804) reported net losses in 2002.
- 48% of the region's farmers collected a combined total of \$14.7 million of federal commodity support payments.

Dairy & Cattle:

- 3,862 (57%) ranches and farms hold an inventory of 230,000 cattle.
- The region holds 77,000 dairy cows, and 27,000 beef cattle.
- 1,581 farms sold \$151 million of dairy products.
- This is a 28% decline in the number of farms (2,197 in 1997) and a 12% decline in sales (\$172 million in 1997).
- 4,022 (68%) farms produce 793,000 tons of forage crops (hay, etc.) on 239,000 acres.
- 24% of region farms raise corn for silage.
- 102,000 cattle were sold in 2002 from 3,031 farms for total sales of \$58 million.
- This is a 21% increase from 1997 sales of \$48 million.
- The number of farms selling cattle fell 28% from 4,232 farms in 1997.

Other livestock & animal products:

- Hog and pig sales fell 86% from \$10 million in 1997 to \$1.4 million in 2002.
- The number of farms selling hogs and pigs fell 29% from 316 in 1997 to 225 in 2002.
- 237 farms sold \$656,000 of sheep, lambs, and goats.
- 284 farms raise poultry, up 21% from 235 in 1997.
- Poultry sales total \$1.3 million, up 17% from \$1.1 million in 1997.
- 292 farms sold \$1 million of horses in 2002.

Grains & oilseeds

- 2,745 (40%) farms raise corn.
- 29% of the region's harvested cropland is devoted to corn.
- The region produces 20 million bushels of corn.
- 784 farms raise soybeans.

Vegetables & Fruits (some farmers state that Ag Census data does not fully represent fruit production):

- 129 farms work 857 acres to raise vegetables.
- 31 farms raise 2,700 hundredweight of potatoes.
- The region has 92 farms with a total of 1,309 acres of orchards.

Tobacco

- 126 farms raise tobacco on 257 acres. This is 28% of the state's tobacco farms, and 17% of state acreage.
- Total production in the region is 570,000 pounds.
- Vernon County is the largest tobacco producing county in the region, with 78% of the region's production.

Direct and organic sales:

- 382 farms sell \$2.1 million of food directly to consumers. This is a 9% rise in the number of farms (352 in 1997) selling direct, and a 63% increase in direct sales from 1997 to 2002.
- Direct sales total 0.8% of total all farm sales, compared with a national average of 0.5%.

- 133 region farms sold organic foods (\$4.9 million in sales). Vernon County was the regional leader in organic sales, with \$3.6 million.

Balance of Cash Receipts and Production Costs (BEA):

Southwest Wisconsin Region ranchers and farmers sell \$386 million of food commodities per year (average per year for the 13 years 1994-2006), spending \$419 million to raise them, for an average loss of \$33 million each year. Note that these sales figures compiled by the BEA are far higher than cash receipts recorded by the USDA Agriculture Census (above).

Overall, farm producers have lost \$429 million since 1994. Farmers have earned a surplus only one of the past 13 years. Nevertheless, 53% of the region's farms and ranches reported that they lost money in 2002 (Ag Census). Southwest Wisconsin Region farmers and ranchers earned \$232 million less by selling commodities in 1969 than they earned in 2006 (in 2006 dollars).

Farmers and ranchers earn another \$42 million per year of farm-related income — primarily custom work, and rental income (thirteen-year average for 1994-2006). Federal farm support payments are relatively small, averaging \$21 million per year for the entire region for the years 1994-2006. Forty-eight of the region's farms collect federal subsidies.

Loss of income from livestock and dairy products is one of the key reasons for the decline of the region's farm economy. Farmers earned \$624 million from selling livestock and products in 1979; this had fallen to \$289 million by 2006, a decline of more than half.

The region's consumers:

Southwest Wisconsin Region consumers spend \$231 million buying food each year, including \$131 million for home use. Most all of this food is produced outside the region. \$2.1 million of food products (one percent of consumer demand and 0.1% of farm cash receipts) are sold by farmers directly to consumers.

Estimated change in net assets for all region households combined was a loss of \$126 million in 2006 (BLS).

Farm and food economy summary:

Farmers lose \$33 million each year producing food commodities, and spend \$135 million buying inputs from external suppliers, for a total loss of \$168 million to the region.

Meanwhile, consumers spend \$208 million buying food from outside. Thus, total loss to the region is \$376 million of potential wealth *each year*. This loss amounts to 97% of the value of all food commodities raised in the region, and is also well more than the amount needed to feed all residents.

If the region's consumers purchased 25% of their food directly from farmers, it would produce \$33 million of new farm income each year — enough to offset current farm production losses.

Southwest Wisconsin Region: markets for food eaten at home (2006):

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 30
Fruits & vegetables	21
Cereals and bakery products	17
Dairy products	15
“Other,” incl. sweets, fats, & oils	48

County Highlights from the 2002 Agriculture Census:

Crawford County

1,278 farms in 2002, up 12 percent from 1997.
Government payments rose 61% from 1997 to 2002, to \$3.2 million.
70% of the county’s 1,278 farms are 50 to 499 acres in size.
County farms sold \$42 million of farm products in 2002, up 2% from 1997.
68% of county farm sales are livestock and products.
Most important farm product was dairy, with \$18 million in sales.
\$8.6 million of cattle and calves were sold by county farms.
\$1 million of hogs and pigs were sold.
Crawford County ranks 9th in Wisconsin for fruit sales, with \$3.2 million.
County farms sold \$232,000 of vegetables.
41,000 acres of county farmland were devoted to raising forage crops.
Crawford has an inventory of 38,000 cattle.
Crawford County is the eight-largest goat-producing county in the state.

Monroe County

1,938 farms in 2002, up slightly from 1997.
Government payments increased 103 percent from 1997 to 2002, to \$4.2 million.
Nearly half of county farms are 50-179 acres.
Of the \$103 million in farm products sold by county farms, 75% involved sales of livestock or animal products.
Dairy products are the largest single item, with \$53 million sold — half of county farm sales.
\$20 million of cattle and calves are sold.
Monroe County ranks second in Wisconsin for fruit sales, selling \$16 million.
\$9 million of grains were sold.
The county ranks third in horse inventory.
Monroe County ranks 6th in Wisconsin in broiler chicken inventory.
Inventory of cattle and calves is 72,000.
68,000 acres of county land are devoted to forage crops.

Richland County

1,358 farms in 2002, up 6 percent from 1997.
Nearly half of county farms are between 50-179 acres.
Market value of farm production fell 18 percent from 1997 to 2002.
82% of farm sales are livestock and related products (including dairy).
Dairy sales total \$30 million, 59% of total farm sales.
Cattle and calf sales total \$9 million.
Grain sales total \$6 million.
County farms sell \$685,000 of fruit.
Vegetable sales are not reported by USDA to protect confidentiality.
Government payments increased 69 percent to \$3 million.
Inventory of cattle and calves, including dairy animals, is 44,982.
Hog & pig sales are not reported, but the county is 9th-largest producer in Wisconsin.
50,800 acres of land are devoted to forage crops.
Corn for grain is planted on 25,600 acres.

Vernon County

2,230 farms in 2002, down 5 percent from 1997.
Market value of farm sales declined 5 percent from 1997 – 2002, to \$90 million.
Livestock and dairy sales totaled \$72 million, or 80 percent of county farm sales.
Dairy sales total \$49 million, or 54% of county farm sales.
Sales of cattle and calves total \$20 million.
Grain sales total \$11.7 million.
\$704,000 of vegetables are sold by Vernon County farms
Government payments rose 78% from 1997 to 2002.
Vernon County ranks third in Wisconsin for tobacco production.
The county ranks fourth in the state for horse production, and sixth for sheep and goats.
Vernon County is the seventh largest producer of hay and forage crops in the state, with 78,000 acres.
49,000 acres of county land are devoted to corn for grain, and 21,000 to soybeans.

State of Wisconsin

The state has 77,131 farms, three percent less than 1997.
Nearly 30,000 of these farms (38%) are 50- 179 acres.
Farm product sales total \$5.6 billion, down 3% from 1997.
70% of all farm sales are livestock and dairy products.
Government payments increased 65% from 1997 to 2002, to \$247 million.
Wisconsin ranks 8th in the U.S. for livestock and products.
The state has 704,513 acres of corn for silage, the most of any state in the nation.
Wisconsin ranks first in the U.S. for “other” animals (other than cattle, pigs, sheep, goats, horses).
The state ranks 2nd in acreage devoted to vegetable production, with 253,000 acres.
Sales of vegetables total \$341 million, eighth in the nation.
Milk sales total \$2.6 billion, second-largest in the U.S.
Wisconsin ranks 4th in the nation for acreage of forage crops.
Christmas tree sales total \$23 million, sixth-largest in U.S.

The state ranks 8th in the U.S. for acres devoted to corn for grain.
Wisconsin has the ninth-largest inventory of cattle and calves in the U.S.
Sales of grains total \$893 million.
Cattle and calf sales total \$835 million.

Top 25 farm products in Wisconsin in 2006 [USDA Economic Research Service]

	\$ millions
1 Dairy products	3,075
2 Cattle and calves	937
3 Corn	789
4 Soybeans	275
5 Greenhouse/nursery	245
6 Potatoes	212
7 Cranberries	143
8 Hay	130
9 Hogs	110
10 Broilers	66
11 Wheat	63
12 Corn, sweet	53
13 Chicken eggs	45
14 Beans, snap	37
15 Apples	22
16 Peas, green	16
17 Oats	10
18 Cabbage	8
19 Aquaculture	7
20 Honey	7
21 Cucumbers	6
22 Carrots	6
23 Strawberries	6
24 Onions	5

Note: Turkeys are also among the top 25 farm products in Wisconsin, but sales are not reported by ERS to protect confidentiality.

Key data sources:

Bureau of Economic Analysis data on farm production balance

<http://www.bea.doc.gov/bea/regional/reis/>

Food consumption estimates from Bureau of Labor Statistics Consumer Expenditure Survey

<http://www.bls.gov/cex/home.htm>

U.S. Census of Agriculture

<http://www.nass.usda.gov/census/>

USDA/Economic Research Service food consumption data:

<http://www.ers.usda.gov/data/foodconsumption/>

USDA/ Economic Research Service farm income data:

<http://ers.usda.gov/Data/FarmIncome/finfidmu.htm>

For more information:

To see results from *Finding Food in Farm Country* studies in other regions of the U.S.:

<http://www.crcworks.org/locales.html>

To read the original *Finding Food in Farm Country* study from Southeast Minnesota (written for the Experiment in Rural Cooperation): <http://www.crcworks.org/ff.pdf>

To view a PowerPoint presented in March, 2008, by Ken Meter at Rep. Collin Peterson's (D-MN) Minnesota agricultural forum, called the "Home Grown Economy":

<http://www.crcworks.org/crcppts/petersonkm08.pdf>

To get a brief list of essential food facts, many of which are cited in the presentation above,

<http://www.crcworks.org/foodmarkets.pdf>

To link to further analysis of farm and food economies in the U.S.:

<http://www.crcworks.org/econ.html>

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