

# North Carolina Agriculture: Situation and Outlook

Blake Brown, PhD

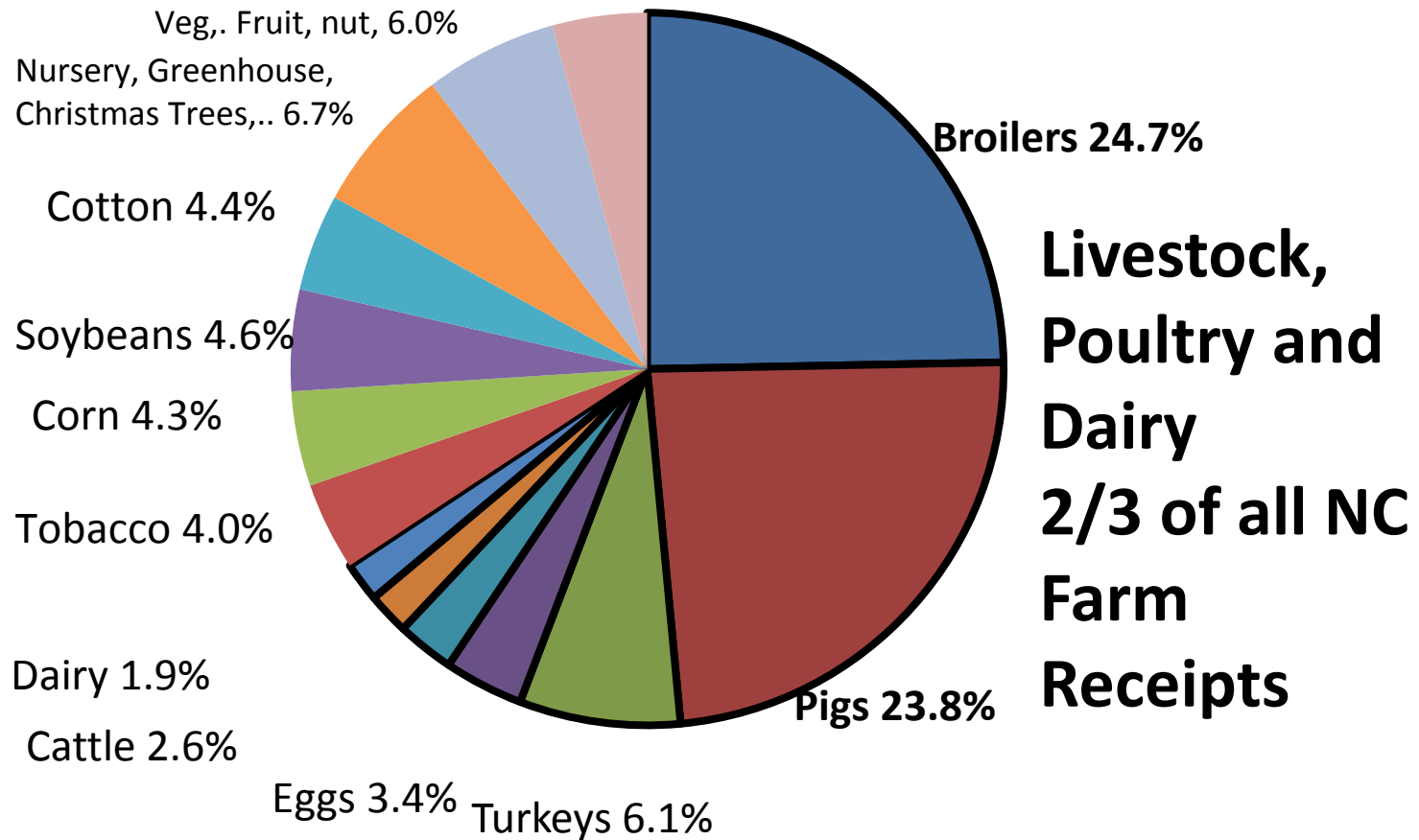
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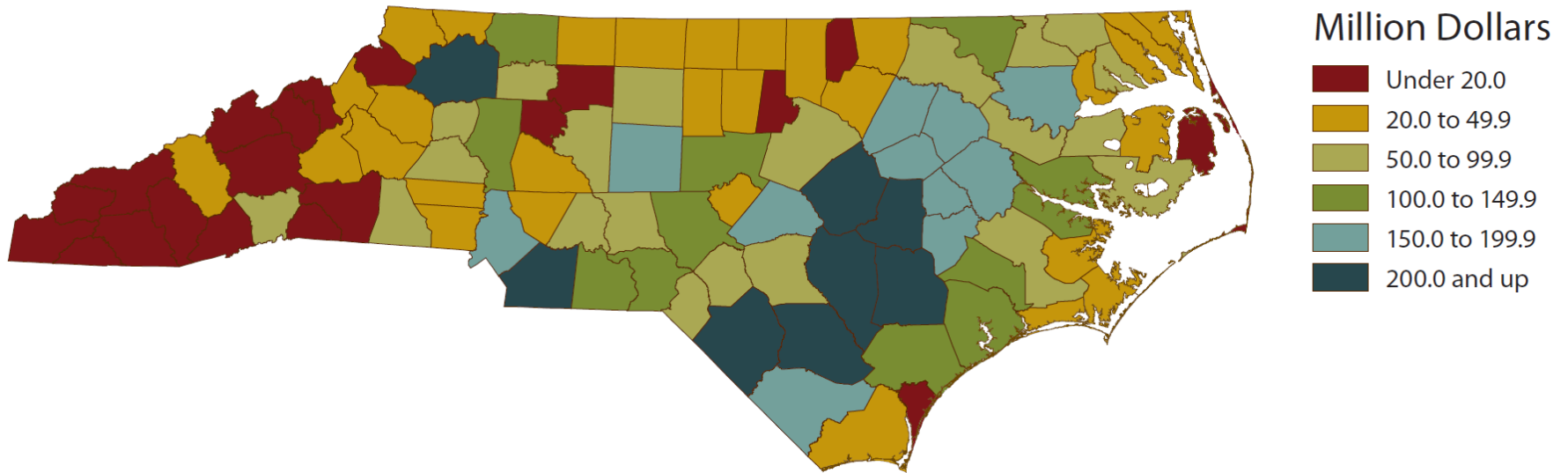
# NC Agriculture is Diverse

## 2011 NC Cash Receipts from Farming



Source: NC Ag Statistics Yearbook 2012

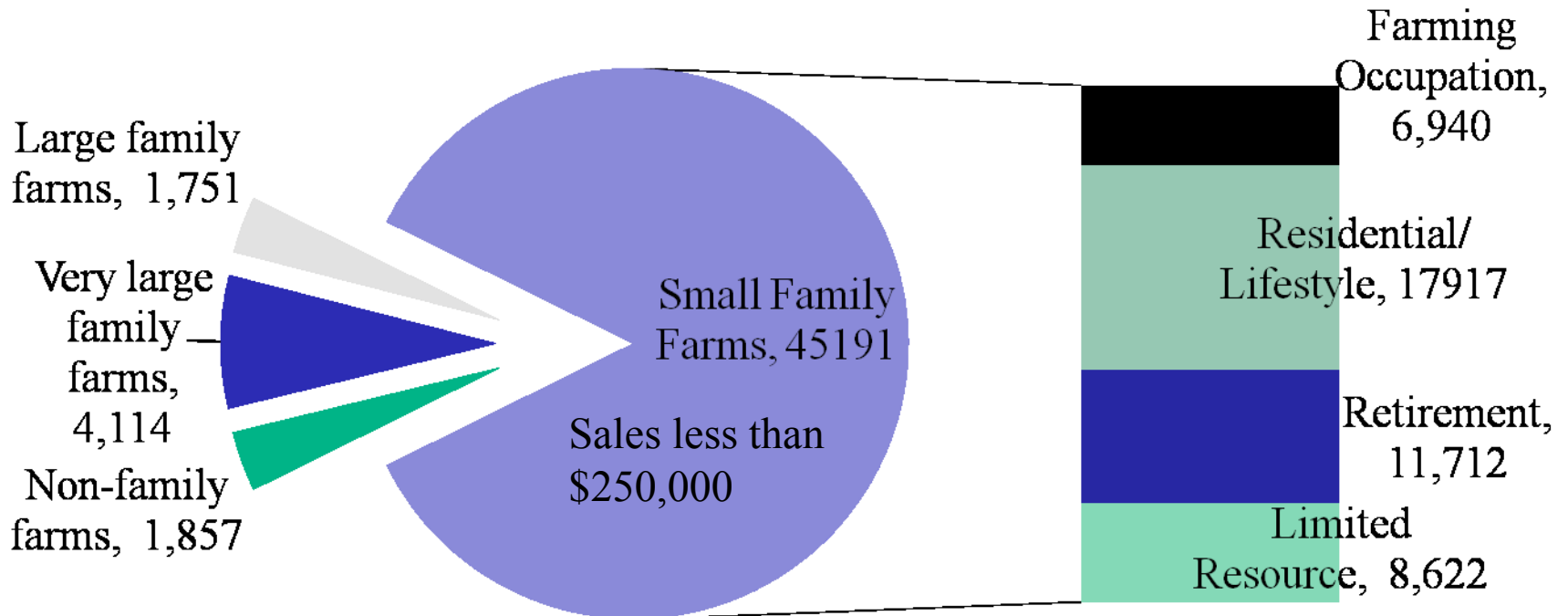
# Distribution of 2010 Cash Farm Receipts: Total Crops, Livestock and Government Payments



Source: NCDACS

# Type of Farm: Number of Farms

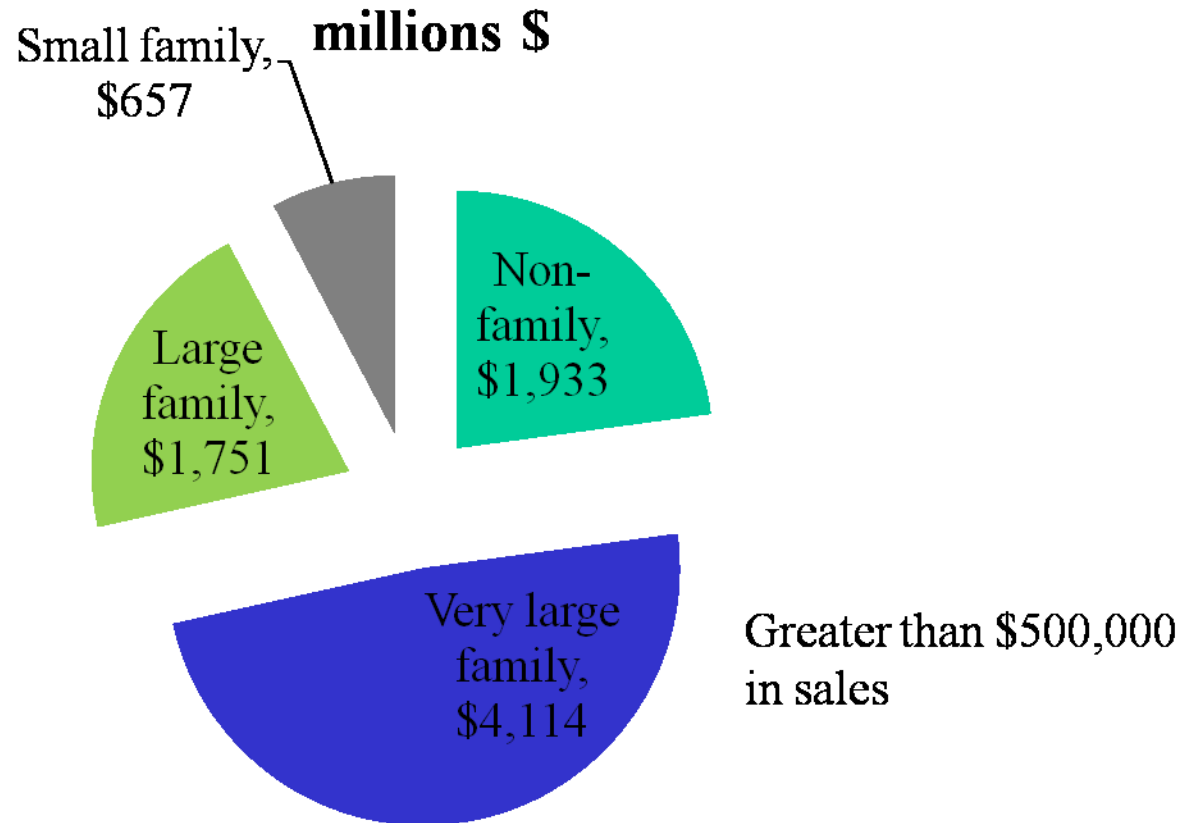
NC had 52,913 farms in 2007



Source: USDA-NASS

# Type of Farm: Total Sales

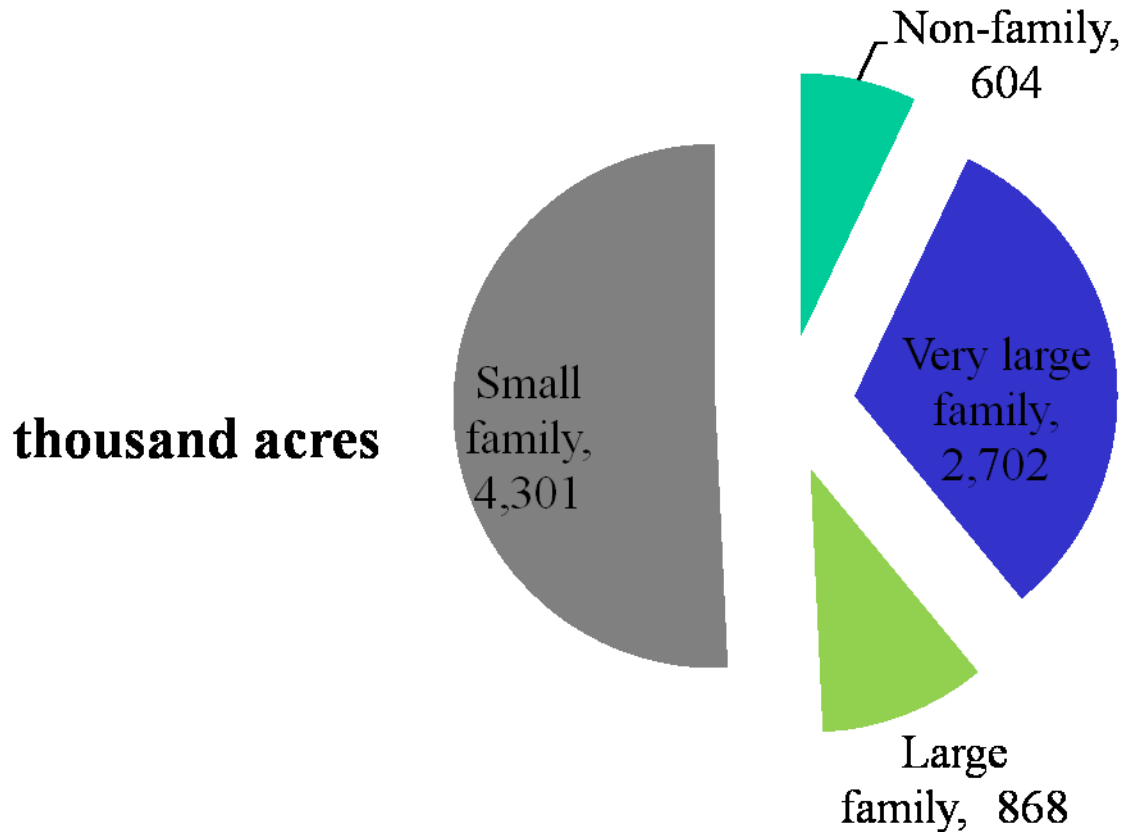
NC farms had total sales of \$10.3 billion in 2007



Source: USDA-NASS

# Type of Farm: Land in Farms

NC farms had 8.47 million acres of farm land in 2007



Source: USDA-NASS

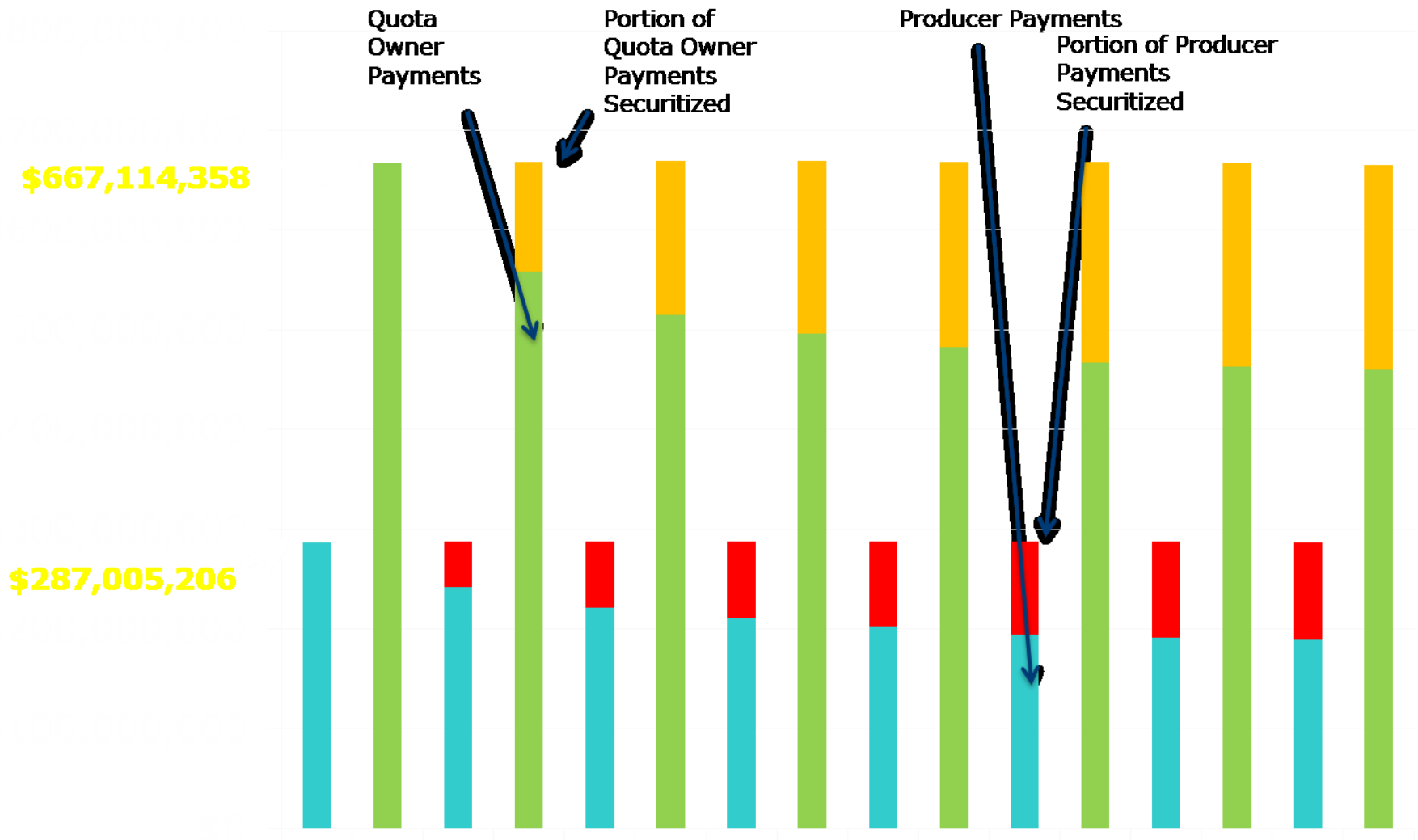
Tobacco

# Tobacco Transition Payment Program

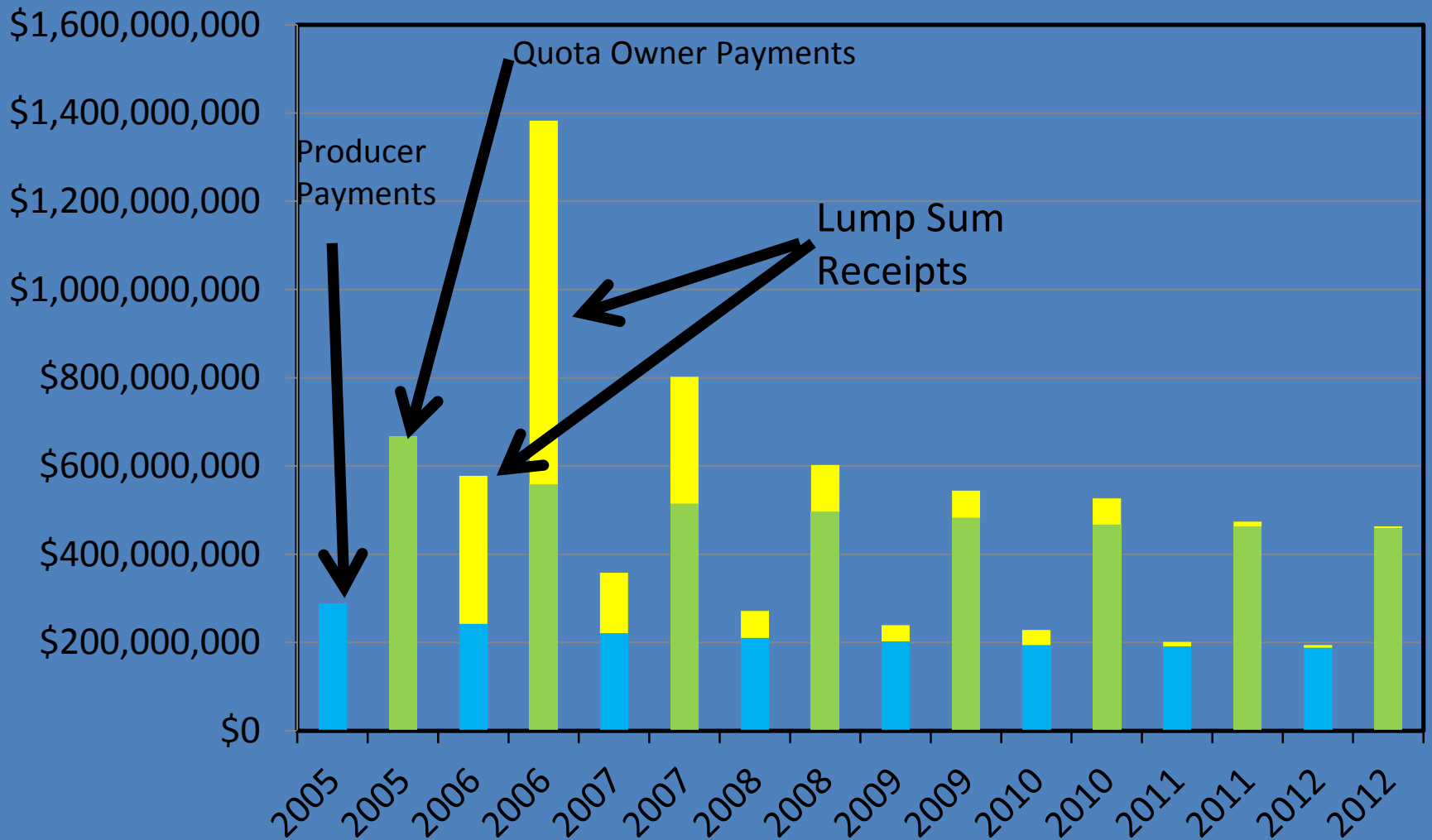
- Amount of Annual Payments 2004-2012 to Producers and Quota Holders: **\$5.85 Billion**
- Amount of Annual Payments 2004-2012 paid to Institutions who bought payment streams with lump sums:  
**\$1.79 Billion**



# Quota Owner Payments, Producer Payments, and Portions Securitized



# Total Funds to Producers and Quota Owners from Buyout Payments and Lump Sum Receipts



# Flue-Cured: Value of Production (million \$)

	2009	2010	2011	2012	2013
US	\$922	\$762	\$578	\$937	\$944*
NC	\$735	\$582	\$417	\$747	\$732*

\*USDA-NASS August 2013 Production Estimate X Estimated Price

# Flue-Cured Acres Harvested:

	2009	2010	2011	2012	2013*
US	223,800	210,900	206,900	206,000	217,000
NC	174,000	166,000	160,000	164,000	170,000

\*August 2013 Forecast. USDA-NASS

USDA-NASS Crop Estimates

# Flue-Cured Production: (million pounds)

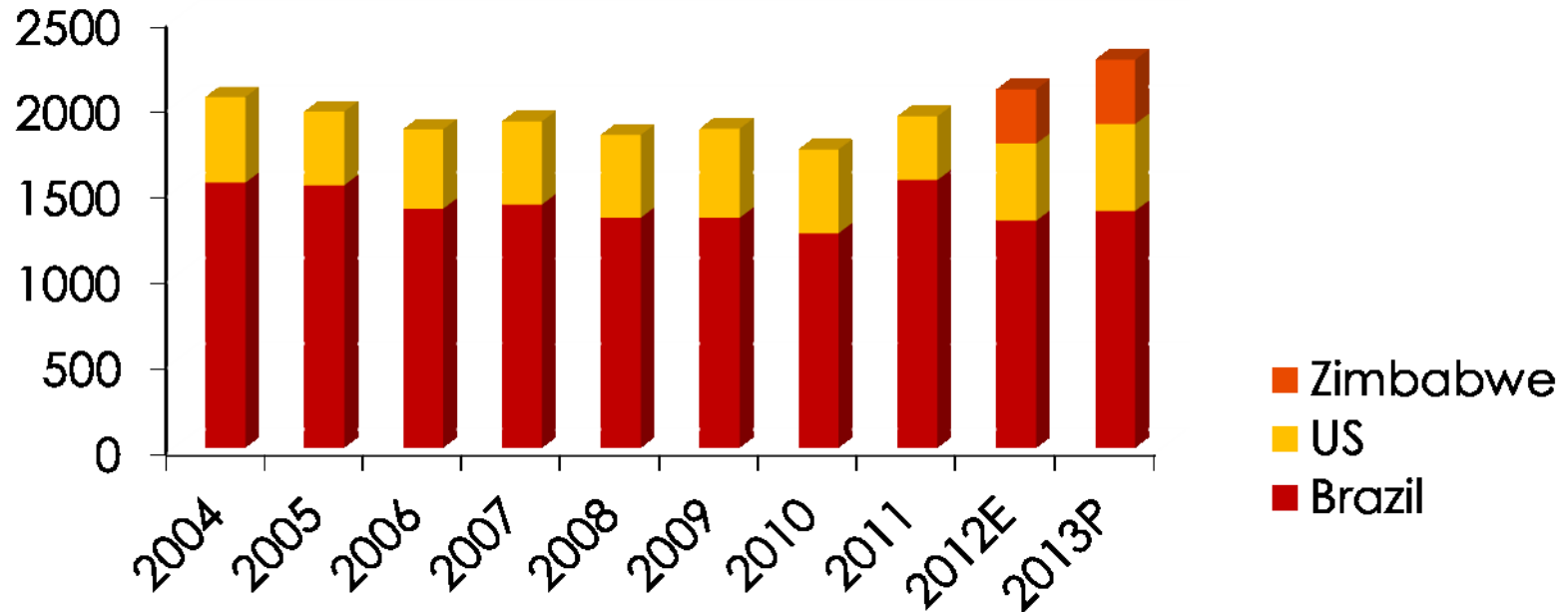
	2009	2010	2011	2012	2013
US	525	451	345	473	440*
NC	418	349	248	377	340*

\*USDA-NASS August 2013 Estimate

# 2013 U.S. Flue-Cured Crop

- **Good prices in contracts...\$2.00 per pound +**
- **Prices received may average \$2.15 per pound**
- **Quality OK, but quantity lower ...yields down due to very wet season**
- **Very short global supplies of flavor style, good quality flue-cured**

# U.S., Brazil and Zimbabwe Flue-Cured Tobacco Production



Source: Universal Corporation. "Crop and Market Report, November 2012."

**[www.tobaccogrowerportal.org](http://www.tobaccogrowerportal.org)**

# Issues in NC Agriculture

- Short term
  - Animal Industry: feed prices easing
    - September 2014 Corn: **\$4.50**/bushel
  - Fresh Produce: GAP
  - Labor
- Intermediate to Long term
  - Development pressure
  - Water



# Opportunities

- Growing Demand for Local Food
- Growing Global Demand for Meat
- Growing U.S. and Global Demand for specialty products
  - Sweet potatoes
  - Tobacco

## Value of **NC** Agricultural Products Sold Directly to Individuals for Human Consumption:

Number of farms:	3712
Value:	\$29.1 million
Average per farm:	\$7,851

## Total sales of **NC** Agricultural Products:

Number of Farms:	52,913
Total value:	\$10.314 Billion
Average per farm:	\$194,197

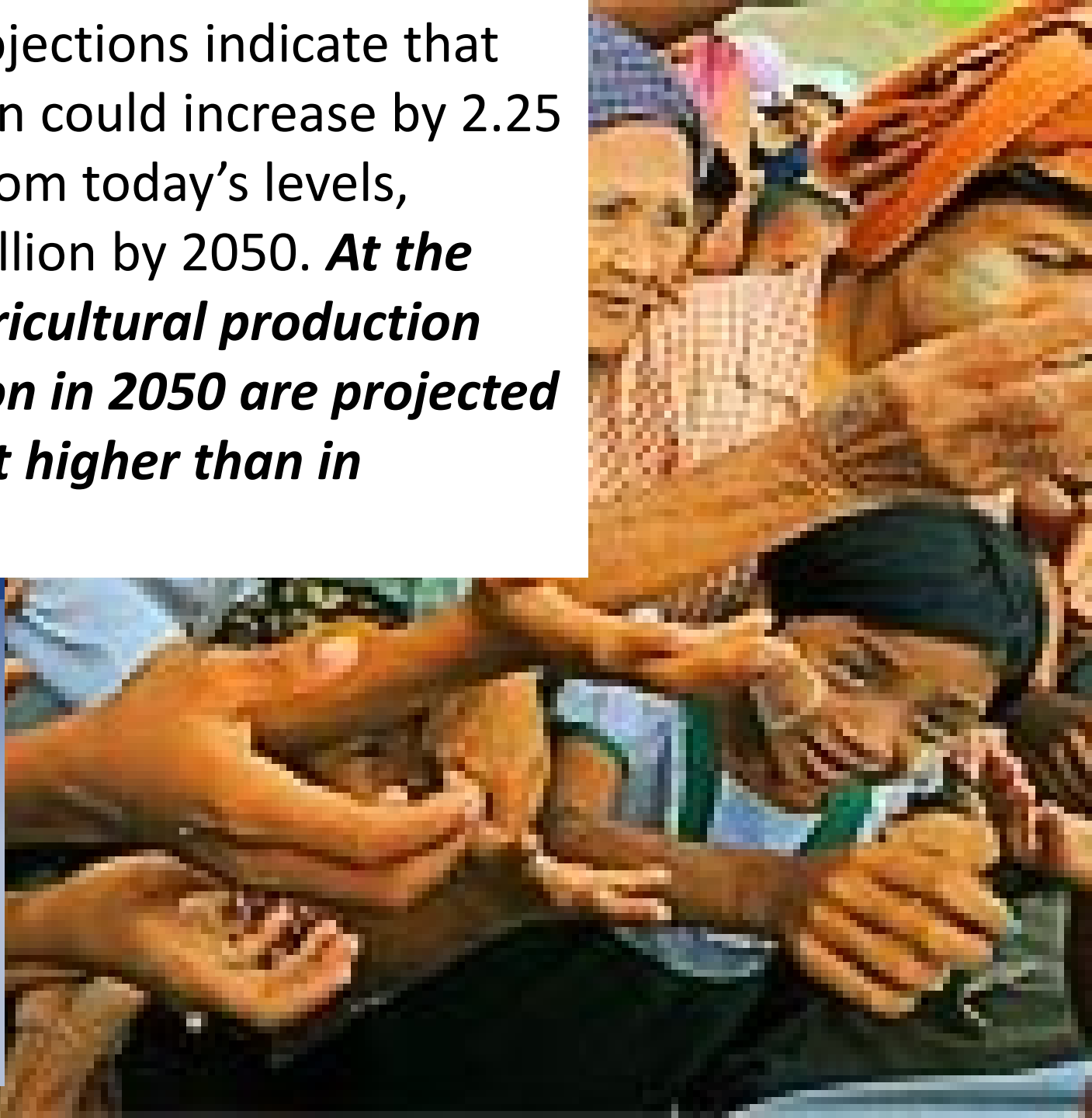
Source: USDA 2007 Agricultural Census

“Current UN projections indicate that world population could increase by 2.25 billion people from today’s levels, reaching 9.15 billion by 2050. ***At the global level, agricultural production and consumption in 2050 are projected to be 60 percent higher than in 2005/07.***”



Food and Agriculture  
Organization of the  
United Nations

*for a world without hunger*



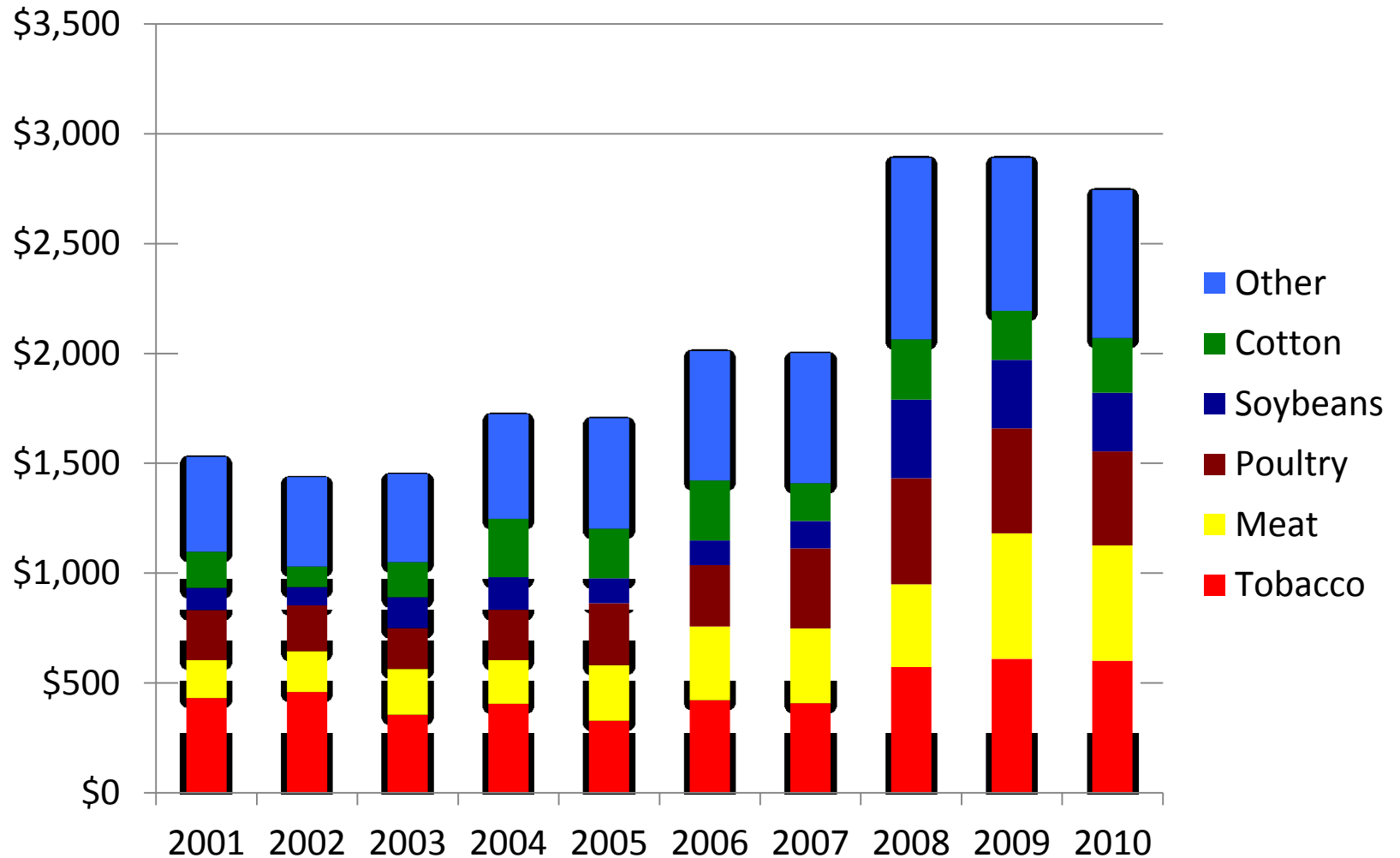
## **Implications of 30% Growth in Global Population and 150% Growth in Global GDP**

**Meat Quantity Demanded increases by 100% by 2050** (e.g. FAO 2006 Livestock's Long Shadow)

**Feed Grain Quantity Demanded increases by 1 billion tonnes per year by 2030 (2.7 times US corn production)**  
(e.g. FAO 2006 Livestock's Long Shadow)

# Exports of NC Agricultural Products

(\$million)



# ***North Carolina is a Major Producer of Meat and Eggs***

**2010 NC Share of US Production** (NASS /NCDA Ag Statistics)

<b>Broilers (Mill.Head)</b>	<b>8.9%</b>
<b>Eggs (Value of Prod)</b>	<b>5.0%</b>
<b>Pigs (Inventory)</b>	<b>13.9%</b>
<b>Turkeys</b>	<b>12.3%</b>

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- **Labor**
  - **Availability:**
    - Small producer access to labor
    - Immigration reform
  - **Management:**
    - Especially an issue for small, growing farms

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