



Organic Farming

Results from the 2014 Organic Survey

ACH12-29/September 2015

Top States in ...

... Organic Farms

	(number)
California	2,805
Wisconsin	1,228
New York	917
Washington	716
Pennsylvania	679
Iowa	612
Vermont	542
Ohio	541
Oregon	525
Maine	517

Top States in ...

... Organic Acres

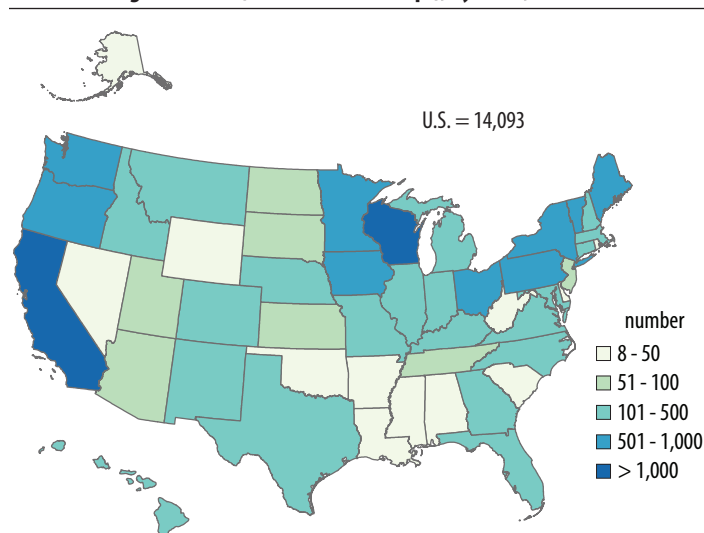
	(thousands)
California	687
Montana	318
Wisconsin	229
New York	213
Oregon	204
North Dakota	135
Minnesota	133
Wyoming	129
Texas	127
Idaho	125

In 2014, the United States had 14,093 organic farms producing \$5.5 billion in organic products. The number of organic farms varies across the country. California and Wisconsin are the only states with more than a thousand organic farms. Large numbers of organic farms are also found in northwestern, north central, and northeastern states. Southeastern states have relatively fewer organic farms. (Fig. 1)

These are among the many findings from the organic survey that USDA's National Agricultural Statistics Service conducted in 2014 as part of the Census of Agriculture program.

Fig. 1

Number of Organic Farms (certified and exempt), by State, 2014



Source: USDA NASS, 2014 Organic Survey

Organic Farms

Of the organic farms identified in the 2014 Organic Survey, 12,634 were certified organic farms and 1,459 were exempt from certification because they gross less than \$5,000 annually from organic sales. The total number of organic farms was fewer than in 2008, when a similar survey identified 14,540 such farms. (Table 1) The number of certified organic farms increased by

Table 1

Number of Organic Farms, 2008 and 2014

	2008	2014
Certified organic	10,903	12,634
Exempt from certification	3,637	1,459
Total	14,540	14,093

Note: 2008 data include farms that produced but may not have sold organic products. 2014 data are for farms that produced and sold organic products.

Source: USDA NASS, 2014 Organic Survey. 2008 data from the 2008 Organic Production Survey.



United States Department of Agriculture
National Agricultural Statistics Service

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1,731 farms during that time, while the number of exempt farms dropped.

Certified and exempt farms together accounted for 3.7 million acres of organic production in 2014, down from 4.1 million acres in the 2008 survey. Of the the 3.7 million acres of organic production, certified farms accounted for 3.6 million acres. Organic operations own approximately three fifths of the land they farm organically and rent from others the rest of the land they use for organic production.

Organic Sales

Organic sales are more concentrated geographically than the number of farms. Ten states accounted for 78 percent of sales. California alone accounted for 41 percent of all organic sales in 2014.

Of the \$5.5 billion in 2014 organic sales, \$3.3 billion or 60 percent came from the sale of crops, 28 percent came from livestock and poultry product sales (primarily milk and eggs), and 12 percent came from sales of organic livestock and poultry. In each group, organic sales are up substantially from 2008. (Table 2)

Table 2
Organic Sales by Product Type, 2008 and 2014
(\$ billions)

	2008	2014	% change 2008 - 2014
Crops	1.9	3.3	69
Livestock and poultry products	0.9	1.5	66
Livestock and poultry	0.3	0.7	108
Total	3.2	5.5	72

Source: USDA NASS, 2014 Organic Survey. 2008 data from 2008 Organic Production Survey.

Organic Sales (\$ millions)			
Top States		Top Commodities	
California	2,231	Milk	1,082
Washington	515	Eggs	420
Pennsylvania	313	Broiler chickens	372
Oregon	237	Lettuce	264
Wisconsin	201	Apples	250
Texas	199	Cattle (milk, beef, other)	216
New York	164	Grapes	195
Colorado	147	Corn for grain	155
Michigan	125	Hay	139
Iowa	103	Spinach	117

Source: USDA NASS, 2014 Organic Survey.

Organic production also concentrates in a few sectors. The top organic sector in 2014 sales was livestock and poultry products, primarily milk and eggs, followed by vegetables grown in the open and fruits, tree nuts, and berries. (Table 3) These two vegetable and fruit sectors together accounted for 42 percent of organic sales. In comparison, these two sectors accounted for 11 percent of all agriculture sales in the 2012 Census of Agriculture.

Lettuce, apples, and grapes were the top-selling organic crop commodities, with \$264 million, \$250 million, and \$195 million in 2014 sales, respectively.

Table 3
Organic Sales by Sector and Top Commodities, 2014
(\$ millions)

Sector (top commodities in sector)	Sector Total	Commodity Sales
Livestock and poultry products	1,504	
Milk		1,082
Eggs		420
Vegetables in the open	1,250	
Lettuce		264
Spinach		117
Broccoli		79
Carrots		69
Sweet potatoes		68
Fruits, tree nuts, and berries	1,032	
Apples		250
Grapes		195
Strawberries		89
Blueberries		61
Almonds		32
Field crops	718	
Corn for grain		155
Hay		139
Wheat		102
Soybeans		72
Rice		35
Livestock and poultry	660	
Broiler chickens		372
Other cattle		131
Milk cows		69
Turkeys		50
Beef cows		16
Mushrooms	109	
Vegetables under protection	76	
Other	106	
U.S. Total	5,455	

Source: USDA NASS, 2014 Organic Survey.

Marketing Organic Products

Nationally 78 percent of all organic sales in 2014 were to wholesale markets; more than six out of ten organic farms (63 percent) sold at least some of their products to wholesale markets. In the country as a whole, 8 percent of organic sales were made directly to consumers, but 45 percent of organic farms sold some or all of their products this way. (Table 4)

States varied widely in how organic producers market and sell their goods. The share of farms selling directly to consumers was highest in southeastern and northeastern states, and lowest in central states. In Alaska and Alabama, all organic farms sold directly to consumers, while in North Dakota, only 16 percent of organic farms did so. (Fig. 2)

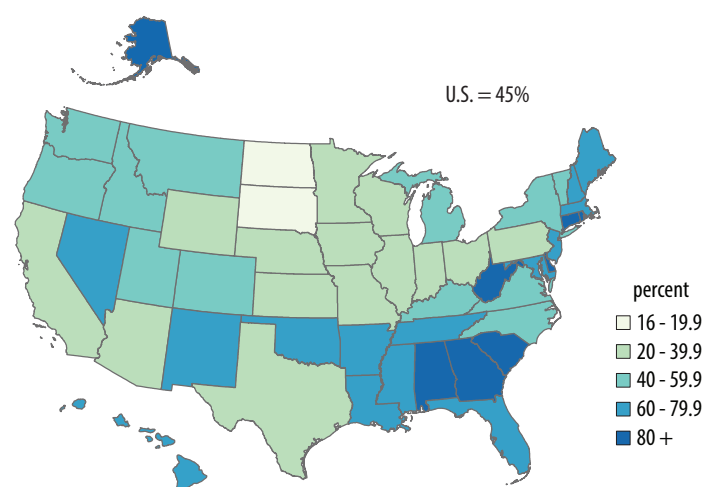
Table 4
Organic Sales by Type of Sale, 2014

	% of total organic sales	% of organic farms with this type of sales
Wholesale markets	78	63
Direct to retail markets and institutions	14	25
Direct to consumers	8	45
Total	100	

Source: USDA NASS, 2014 Organic Survey.

In terms of first point of sale (the first point at which money is exchanged), 46 percent of organic sales were within 100 miles of the farm. Another 34 percent of sales were less than 500 miles away. (Table 5)

Fig. 2
Share of Organic Farms with Direct Sales to Consumers, by State, 2014



Source: USDA NASS, 2014 Organic Survey.

Who buys from organic farms?

Organic farms sell to three kinds of markets:

Wholesale markets (78 percent of organic sales in 2014)

Includes buyers for supermarkets and natural food stores; processors, distributors, wholesalers, brokers, and packers; cooperatives; and other farm operations.

Direct to retail markets and institutions (14 percent of sales)

Includes supermarkets, natural food stores, restaurants, caterers, hospitals, schools, and other institutions.

Direct to consumers (8 percent of sales)

Includes sales at farm stands, pick-your-own operations, and farmers' markets, as well as through community supported agriculture (CSA) arrangements and mail and Internet orders.

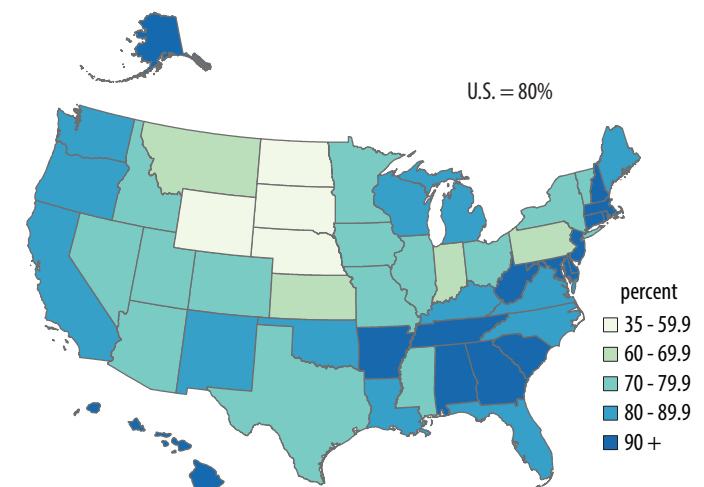
Eighty percent of organic farms sold some or all of their organic products within a 100-mile radius of the farm, with many eastern and southern states, along with Alaska and Hawaii, having the highest shares of such farms. (Fig. 3)

Table 5
Organic Sales by First Point of Sale, 2014

	% of total organic sales	% of organic farms with this type of sales
Within 100 miles	46	80
101 to 499 miles from farm	34	33
500 or more miles from farm	18	13
Internationally	2	3
Total	100	

Source: USDA NASS, 2014 Organic Survey.

Fig. 3
Share of Organic Farms Selling Within 100 Miles, by State, 2014



Source: USDA NASS, 2014 Organic Survey.

Production Expenses

Organic farms spent \$4.0 billion in production expenses in 2014, including \$19 million for organic certification. By far the two largest expenses for organic production were for feed and hired labor, which together were 46 percent of production expenses. (Table 6) In comparison, for all U.S. farms, these two categories accounted for 33 percent of production expenses, according to the 2012 Census of Agriculture.

Table 6
Top Production Expenses, Organic Farms, 2014
(\$ millions and percent)

	\$ millions	%
Feed	927	23
Hired labor	917	23
Supplies and repairs	258	7
Cash rent and lease	219	6
Fertilizer	204	5
Custom work	200	5
Gasoline, fuels and oils	176	4
Seeds	164	4
Utilities	156	4
Interest	112	3
Animals	108	3
Chemicals	78	2
Taxes	67	2
Organic certification fees	19	<1
All other	351	9
Total	3,956	100

Source: USDA NASS, 2014 Organic Survey.

Production Practices

Organic farms use a variety of production practices to increase the efficiency of their operation or to maintain organic integrity. Sixty-seven percent of all organic farms reported using green or animal manures. Similar numbers

reported maintaining buffer strips or border rows to isolate organic products from non-organic land. Just over half reported using water management practices such as irrigation scheduling and controlled drainage. (Table 7)

Table 7
Production Practices Used by Organic Farms

	number of farms	percent of farms
Green or animal manures	9,409	67
Buffer strip or rows to isolate organic products	9,259	66
Water management practices	7,506	53
Organic mulch/compost	7,082	50
No-till or minimum till cropping	5,724	41
Planting location planned to avoid pests	5,405	38
Crop or plant variety chosen for pest resistance	5,035	36
Beneficial habitat maintained for insects or vertebrates to manage pests or disease	4,840	34
Biological pest management	4,779	34

Source: USDA NASS, 2014 Organic Survey.

Plans for Future Organic Production

The 2014 survey asked organic farmers about their intentions for organic production in the future. More than five thousand organic farms (39 percent) intend to increase organic production over the next five years, while 5 percent intend to decrease or discontinue organic production.

The survey also asked both current and future organic farms about how many acres they had in transition to organic production. Before a farm may market products as organic, the land used for organic production must go through a three-year transition period in which no organic-prohibited products are applied. In 2014, there were 1,365 certified and exempt farms transitioning an additional 122,175 acres into organic production. Another 688 farms not currently producing organic products were transitioning 50,688 acres into organic production.

About the 2014 Organic Survey

The 2014 Organic Survey is a complete inventory of all known organic producers in the United States that are certified, exempt from certification (those grossing less than \$5,000 annually from organic sales), or transitioning to organic production. The survey is part of the Census of Agriculture program; it was conducted by USDA's National Agricultural Statistics Service in conjunction with USDA's Risk Management Agency (RMA).

This Ag Census Highlights summarizes the results of the 2014 Organic Survey. You can find detailed national, regional, and state data in a published report available as a PDF on NASS' website and in NASS' online database Quick Stats. For more information on the Organic Survey and the Census of Agriculture, go to:

www.agcensus.usda.gov