

INDUSTRY REPORT

Agriculture, Forestry, Fishing and Hunting in the US

Jan 2024



About IBISWorld

IBISWorld specializes in industry research with coverage on thousands of global industries. Our comprehensive data and in-depth analysis help businesses of all types gain quick and actionable insights on industries around the world. Busy professionals can spend less time researching and preparing for meetings, and more time focused on making strategic business decisions.

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About

A quick definition of the industry, its products and services, major companies and other key identifiers help you confirm you're in the right place.

1. About

<https://my.ibisworld.com/us/en/industry/11/about>

Codes

NAICS 2017 - USA	11
NAICS 2022 - USA	11

Definition

This sector includes farms that primarily grow crops or raise livestock, as well as companies specializing in forestry and agricultural support services. This sector also includes companies that provide land for hunting and fishing.

Related Terms

AGRIBUSINESS

Includes farming, seed supply, agrichemicals, farm machinery, wholesale and distribution, processing, marketing and retail sales.

BIOFUEL

Also called agrifuel, a solid, liquid or gas fuel consisting of, or derived from biological material, usually plants.

BUSHEL

A unit of mass. A bushel of corn equates to 56.0 lb. or 25.4 kg.

ETHANOL

A volatile, flammable liquid. The largest use of ethanol is as a motor fuel and fuel additive.

FERTILIZER

Chemical compounds given to plants to promote growth; usually applied through the soil, for uptake by plant roots.

GENETICALLY MODIFIED (GM)

GM organisms (GMO) have had their DNA altered through genetic engineering.

HERBICIDE

Used to destroy unwanted plants. Selective herbicides destroy specific targets while leaving the desired crop relatively unharmed.

ORGANIC FARMING

A form of agriculture that excludes the use of synthetic fertilizers and pesticides, feed additives and GMOs.

PESTICIDE

A substance used to exterminate a pest.

What's Included

- Corn farming (except sweet corn), field and seed production
- Popcorn farming, field and seed production

Companies

- Tyson Foods, Inc.
- Cargill, Incorporated
- Bayer Corp
- Syngenta Ag

Related Industries

Industries in the Same Sector

- **Competitors:**
 - No data available
- **Complementors:**
 - Manufacturing in the US
 - Corn, Wheat & Soybean Wholesaling in the US
 - Fruit & Vegetable Markets in the US

International Industries

- Global Fruit & Vegetable Processing
- Citrus Fruit, Nut and Other Fruit Growing in Australia
- Forestry Support Services in New Zealand

Additional Resources

- [Economic Research Service US Department of Agriculture](#)
- [National Agricultural Statistics Service US Department of Agriculture](#)
- [US International Trade Commission](#)
- [Energy Information Administration](#)
- [US Grains Council](#)

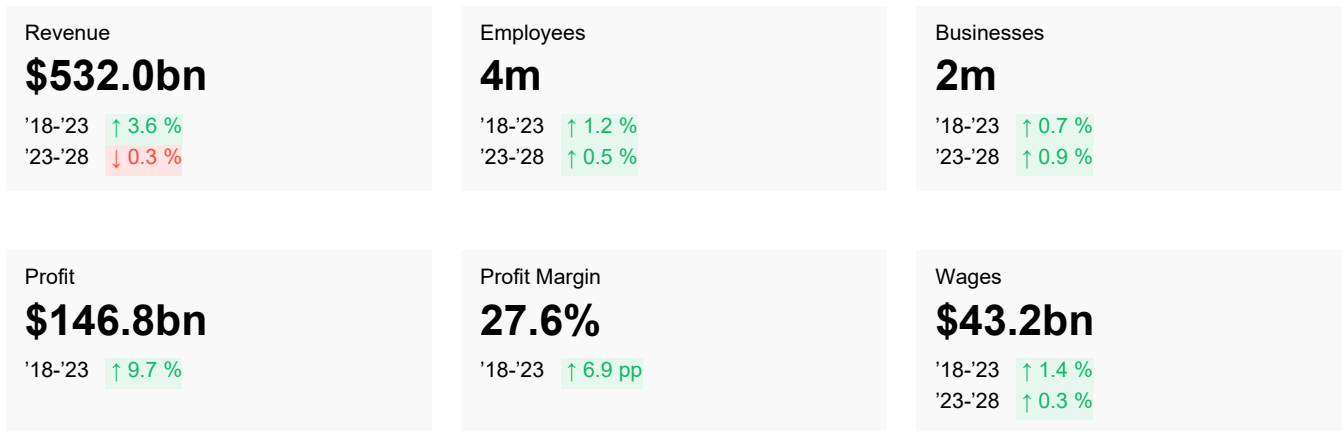


At a Glance

Evaluate key industry data and trends and get an overview of important report sections to use in meetings and presentations.

2. At a Glance

<https://my.ibisworld.com/us/en/industry/11/at-a-glance>



Key Takeaways

Performance

- Crop prices surged immediately following the pandemic allowing farms to cash in and generate greater revenue.
- Healthy eating trends have helped revenue and profit growth. Grassfed beef and organic crops are high margin products that bring in higher revenue.

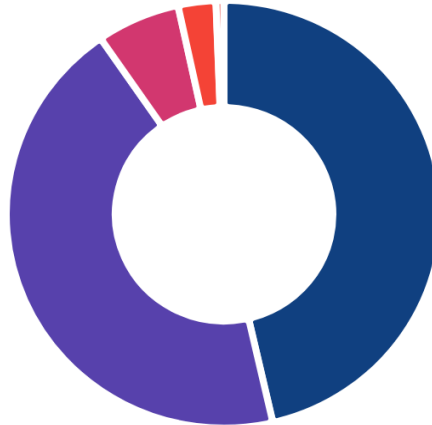
External Environment

- Agricultural prices are rising, but as supply chains normalize, crop prices will begin to fall over the next five years.
- Farm subsidies help reduce volatility by providing assistance if crop prices fall below a certain point.

Products and Services

Products & Services Segmentation

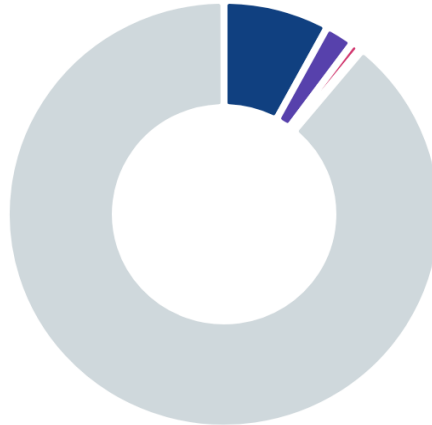
Industry revenue in 2023 broken down by key product and service lines.



- Animals and animal products (\$246.8bn) 46.4%
- Crops (\$234.1bn) 44.0%
- Agricultural support services (\$33.0bn) 6.2%
- Forestry (\$14.9bn) 2.8%
- Hunting and fishing (\$3.2bn) 0.6%

Major Players

Major Players



Key External Drivers

Key External Drivers	Impact
Price of feed	Positive
Agricultural price index	Positive
Price of fertilizer	Positive
Trade-weighted index	Negative
Per capita meat consumption	Negative

Industry Structure

Characteristic	Level	Trend
Concentration	Low	
Barriers To Entry	High	Increasing
Regulation and Policy	High	Steady
Life Cycle	Mature	
Revenue Volatility	Moderate	
Assistance	High	Steady
Competition	High	Steady
Innovation	Low	

SWOT

<p>S</p> <p>Strengths</p> <ul style="list-style-type: none"> High Profit vs. Sector Average Low Customer Class Concentration 	<p>W</p> <p>Weaknesses</p> <ul style="list-style-type: none"> High Product/Service Concentration Low Revenue per Employee High Capital Requirements 	<p>O</p> <p>Opportunities</p> <ul style="list-style-type: none"> High Revenue Growth (2018-2023) High Performance Drivers Price of feed 	<p>T</p> <p>Threats</p> <ul style="list-style-type: none"> Low Revenue Growth (2023-2028) Per capita meat consumption
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Executive Summary

US agriculture has been weathering the storms of change over recent years, yet propelled by technological innovation, legal shifts, market volatility, and socio-environmental pressures. These evolving dynamics present both opportunities and risks in equal measure and are set to profoundly shape the trajectory of the most staple of United States industries.

Technological leaps have transformed the farming arena as digital systems like soil sensors, aerial imaging, and GPS tracking find a home within it. Enabled by these tools, precision agriculture has dominated large fields, allowing the farming sector to be more efficient and profitable, registering an impressive revenue increase at a CAGR of 3.6% to \$532.0 billion spanning 2018 to 2023.

Agriculture has simultaneously faced key legal transformations since the pandemic. The USDA legislated a move gesturing towards maximizing productivity - allowing farmers to grow two crop types on the same land while maintaining insurance coverage. This law aims to expedite domestic food production due to anticipated global shortages owing to geopolitical fluctuations in Asia. However, agriculture must confront a thorny mess of issues from chemical usage's impact on water supplies to farm labor safety conditions and animal welfare movements. While highly expensive in the short term, focusing on sustainability not only aligns with shifting societal expectations, but will help weather the effects of a changing climate.

Even as the farming sector enjoyed a financial uplift riding pandemic related economic stimuli, carrying these gains forward through 2023 remains complex due to potential threats from inflation and supply chain interruptions. Consequently, forecasts for farming revenues predict a downswing - falling 0.3% to \$524.3 billion over the five years to 2028. Remarkably, with these changes, the farming sector's profitability has remained robust, proven by margins for the current year surpassing pre-pandemic levels, lending a strong finish to the season.

Performance

Track historical, current and forward-looking trends in revenue, profit and other performance indicators that make or break an industry.

3. Performance

<https://my.ibisworld.com/us/en/industry/11/performance>

Highlights

Revenue

\$532.0bn

2018-23 CAGR ↑ 3.6 %

2023-28 CAGR ↓ 0.3 %

Employees

4m

2018-23 CAGR ↑ 1.2 %

2023-28 CAGR ↑ 0.5 %

Businesses

2m

2018-23 CAGR ↑ 0.7 %

2023-28 CAGR ↑ 0.9 %

Profit

\$146.8bn

2018-23 CAGR ↑ 9.7 %

Profit Margin

27.6%

2018-23 CAGR ↑ 6.9 pp

Key Takeaways

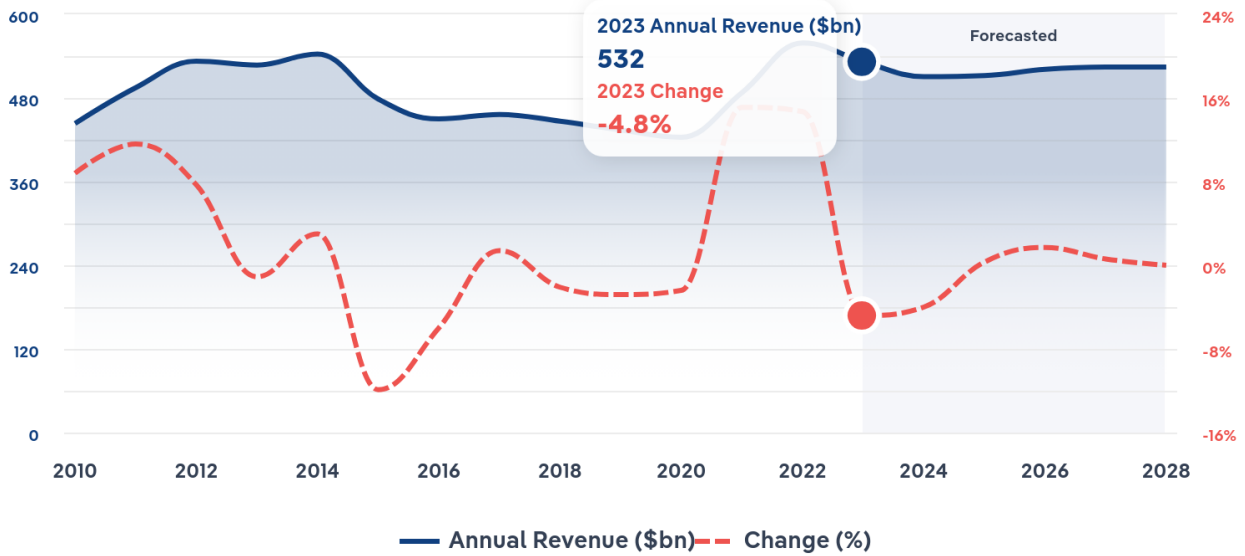
- **Crop prices surged immediately following the pandemic allowing farms to cash in and generate greater revenue.**
- **Healthy eating trends have helped revenue and profit growth.** Grassfed beef and organic crops are high margin products that bring in higher revenue.

Performance Snapshot

Revenue: ↑ 2018-23 Revenue CAGR +3.6%

Revenue

Total value (\$) and annual change from 2010 – 2028. Includes 5-year outlook.



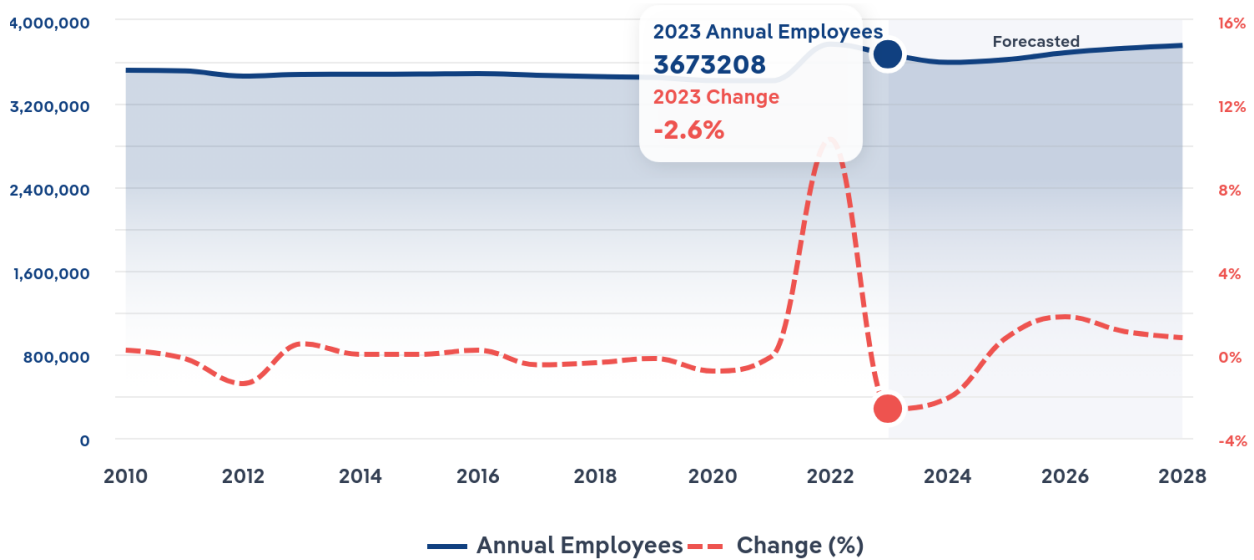
Source: IBISWorld

Employees: ↑ 2018-23 Employees CAGR +1.2%

<p>Employees</p> <p>4m</p> <p>'18-'23 ↑ 1.2 %</p> <p>'23-'28 ↑ 0.5 %</p>	<p>Employees per Business</p> <p>2</p> <p>'18-'23 ↑ 0.5 %</p> <p>'23-'28 ↓ 0.4 %</p>	<p>Revenue per Employee</p> <p>\$145k</p> <p>'18-'23 ↑ 2.3 %</p> <p>'23-'28 ↓ 0.7 %</p>
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Employees

Total number of employees and annual change from 2010 – 2028. Includes 5-year outlook.



Source: IBISWorld

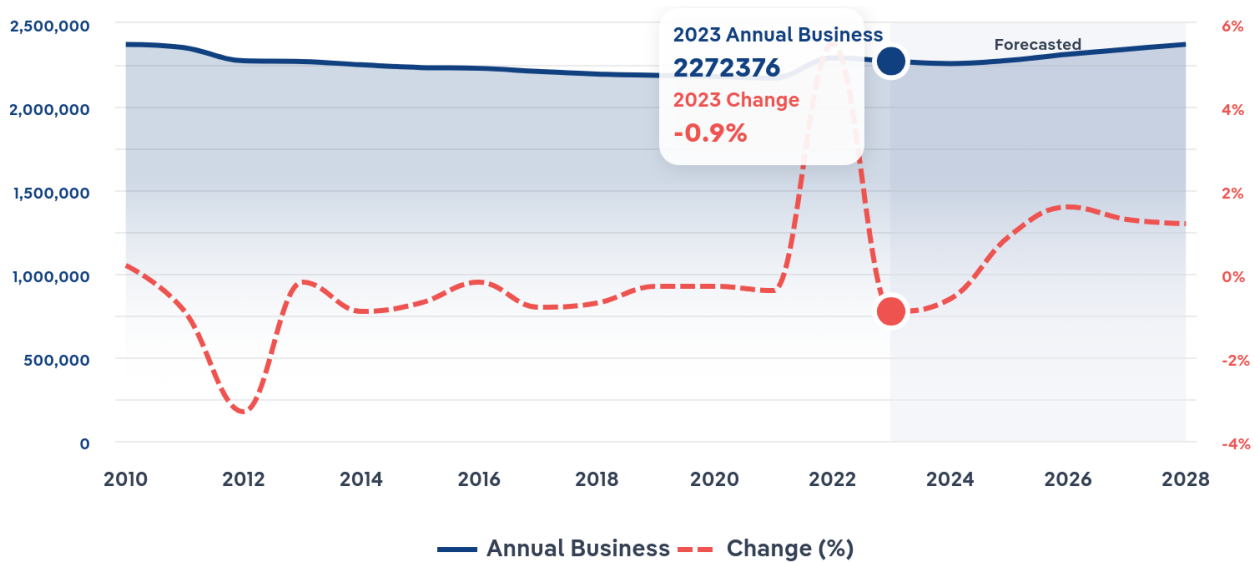
Businesses:

↑ 2018-23 Business CAGR +0.7%

Businesses	Employees per Business	Revenue per Business
2m	2	\$234.1k
'18-'23 ↑ 0.7 %	'18-'23 ↑ 0.5 %	'18-'23 ↑ 2.9 %
'23-'28 ↑ 0.9 %	'23-'28 ↓ 0.4 %	'23-'28 ↓ 1.2 %

Business

Total number of businesses and annual change from 2010 – 2028. Includes 5-year outlook.



Source: IBISWorld

Profit:

↑ 2018-23 Profit CAGR +9.7%

Total Profit

\$146.8bn

'18-'23 ↑ 9.7 %

Profit Margin

27.6%

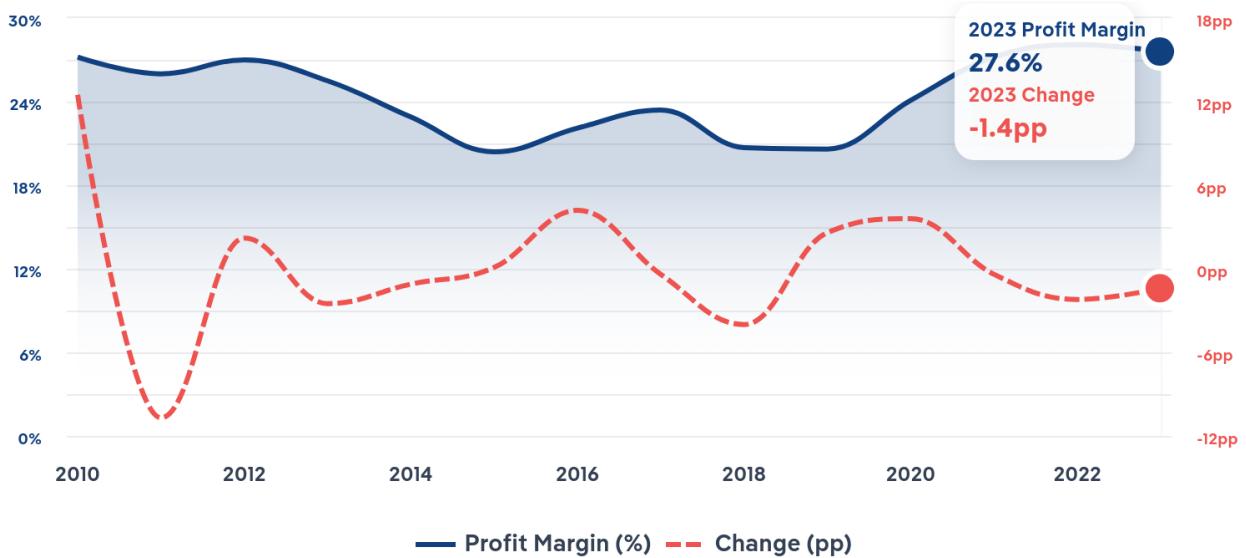
'18-'23 ↑ 6.9 pp

Profit per Business

\$64,610

Profit Margin

Total profit margin (%) and annual change from 2010 – 2023



Current Performance

What's driving current industry performance?

Post-pandemic prices drive revenue and profit growth

- A labor shortage and business shutdowns during the height of the COVID-19 pandemic brought about a shortage of agricultural goods. Many farms were unable to fully harvest their crops, others struggled to bring crops to market due to disruptions in the shipping and distribution sector.
- Revenue surged in 2021 because the shortage and pent-up demand from overseas markets caused agricultural prices to skyrocket.
- Since demand for agricultural goods is relatively consistent, price is the most significant determinant of sector revenue.
- While supply chain disruptions also raised operating costs for most farms, heightened crop prices have surged profit. Profit growth kept farms from exiting the sector during the pandemic.

Healthy eating trends lead to high-margin products, particularly organic crops and ethical meats

- For the past decade, natural food trends have gained momentum and led to growing demand for organic produce, grass-fed beef, free-range chicken and eggs and other high-margin products.
- Organic crops are often costly and require more labor than traditional crops. However, they can also be sold at a higher price, leading to greater revenue and profit.
- Demand for locally grown produce and animal products has also grown as people have become more wary of factory farms. This has created opportunities for small farms to sell produce directly to consumers through farmer's markets, reducing operating costs and avoiding having to work with wholesalers and grocery stores.

Climate-change instigate wilder weather and raise insurance prices

- One of the most significant drivers of volatility in the Agriculture sector is extreme weather conditions. Hurricanes, droughts, floods and wildfires can destroy crops and create shortages, decimating individual farmers from year to year and entire regions of food production over longer periods.
- For the past several decades, extreme weather has become more common as a result of climate change. While food production tends to locate in regions less susceptible to hurricanes and heavy snow, high winds, wildfires, and pest migrations can each devastate crops in their own right.
- According to the Environmental Protection Agency, the amount of land burned by wildfires each year has increased since the 1980s. The 10 years with the largest acreage burned have all coincided with the warmest years on record in the US.
- Through the 2018 Farm Bill, the federal government provides subsidies to farms to reduce revenue volatility and keep farms in business in the event of extreme weather. However, insurance providers are still aiming to raise rates for farmers as their overall risk increases, and further government intervention in 2022 has been implemented to protect double-cropping insurance.

Farmland prices threaten new entrants and push family farmers off their land

- Since the pandemic, banks and investors have purchased farmland to cash in on rising crop and land prices.
- As farmland prices have increased, so have operating costs for small farms that rent. Banks and real estate firms rent farmland and resources to businesses that want to enter the agriculture sector but don't have the initial capital needed to purchase land.
- While farmland prices have less impact on longstanding farms, rising prices create an additional barrier for new agriculture businesses.
- If farmland prices remain high over the long-run consolidation will increase as only large farms will be able to easily afford new land, diminishing the history of the family farmer.

What influences industry volatility?

Severe weather and natural disasters make crop yields unpredictable

- Droughts, floods, storms and wildfires can all quickly disrupt crop yields. The frequency of these severe weather events keeps rising as the climate continues to change.
- Crop shortages can have ripple effects that disrupt supply chains for livestock producers and other agricultural industries. Livestock producers rely on crops for animal feed.
- Crop disruptions like these can take several years to pass completely. As buyers compensate for shortages, crop markets may face surpluses in the years following natural disasters.

Subsidies seek to reduce volatility

- Every five years, Congress passes the Farm Bill, which lays out subsidies for agriculture industries. These subsidies keep farms from going out of business if crop prices fall.
- Farm subsidies kick in if crop prices fall below a certain threshold. Farm subsidies ensure that despite volatile growing conditions, the number of farms in the US rarely declines.

As good as it gets

Industry volatility vs. revenue growth (2018-24 CAGR)



 Key Success Factor

How do successful businesses overcome volatility?

Ability to alter goods and services produced in favor of market conditions

Farms that produce a variety of crops or animals are able to reduce the risk of financial loss if one crop has a poor season.

Plant premium, disease-resistant crops

While some consumers are opposed to genetically modified crops, genetically modified seeds can reduce volatility from crop disease outbreaks, while vaccinations can protect livestock.

Outlook

↓ 2023-28 Revenue CAGR -0.3%

What's driving the industry outlook?

Normalizing prices will diminish revenue

- While the Agriculture sector benefited from inflated crop and meat prices immediately following the pandemic, crop prices will soon return to a pre-pandemic level. As supply chains are reestablished and the labor shortage ends, the US will be left with a surplus of crops, causing prices to fall from their heightened state.
- The need for agricultural goods will remain consistent, but sector revenue will begin to fall with stabilized supply chains and lower crop prices.
- Meat prices are projected to remain high in the coming years because foreign demand for meat has continued to grow and shows no signs of slowing, buoyed by rising international purchasing power and a resulting taste for meat.

The Farm Bill renegotiation will continue to fight volatility with subsidies

- In late 2023, the US Congress passed an extension to the 2018 Farm Bill version, laying out subsidies for the Agricultural sector. Rather than fully update the bill, as Congress is set to do every five years, Congress has instead passed a measure to extend the 2018 bill until September, 2024.
- Farm groups hope the next version of the Farm Bill will include subsidies to assist with farmland purchases and address rising prices.
- As the frequency of severe weather events rises, farm subsidies will be needed to prevent farm bankruptcies. Additionally, after the volatility of the pandemic, farms will want the assurance that their income will be protected in the event of another economic disaster.

Tension with China threatens export growth

- As economic superpowers, the US and China often compete in the global agriculture market, with the US being a greater supplier of crops, particularly high-value crops.
- China's agriculture department aims to find an alternative to traditional animal feed to lessen its dependency on US crop imports. Artificial feeds or alternative sources of animal feed could lead to a significant decline in overseas demand for US feed crops.
- If China's agricultural imports fall, US crop exports will plummet, threatening sector revenue.
- As the US economy has slowed in the wake of a potential recession which has yet to materialize, imports from China have declined, threatening the relationship between the two countries which is already tenuous.

Sustainability will continue to influence agriculture

- As climate change continues to threaten everyday life, more people will likely embrace sustainable lifestyles and diets. This has already been reflected in growing demand for organic, local and sustainable produce.

- While organic growing is less efficient than using pesticides and herbicides, the greater price of organic produces has motivated many farms to embrace these practices. As demand for organic crops keeps rising, more farms will follow suit.
- Livestock production may be threatened by changing lifestyles because red meat is increasingly being viewed as harmful to the environment due to methane gas and water pollution. While meat remains a staple of American diets, meat alternatives have slowly become more commonplace, though the price of slaughtering a cow remains far lower than lab-grown meat.

Life
Cycle

Mature

Why is the industry mature?

Contribution to GDP

The Agriculture Sector's Industry Value Added is expected to outpace GDP over the ten years to 2028, but this is mostly due to inflated prices immediately following the pandemic.

Market Saturation

It is difficult for new companies to enter the agriculture sector because of high start-up costs. However, the sector is prone to shortages that could be avoided with more farms.

Innovation

Cash crops and livestock have had little innovation. While produce farms may cultivate new varieties of fruits and vegetables, most revenue comes from cash crops.

Consolidation

Most farms in the US are small independent businesses with a single location. While large companies dominate some parts of the industry, few businesses have significant market share.

Technology and Systems

Farms and farm service providers have found new uses for automation and artificial intelligence. Technological innovation has mainly affected production operations.

Products and Markets

Find out what the industry offers, where trade is most concentrated and which markets are buying and why.

4. Products and Markets

<https://my.ibisworld.com/us/en/industry/11/products-and-markets>

Largest Market

\$246.8bn

Animals and animal products

Product Innovation

Low

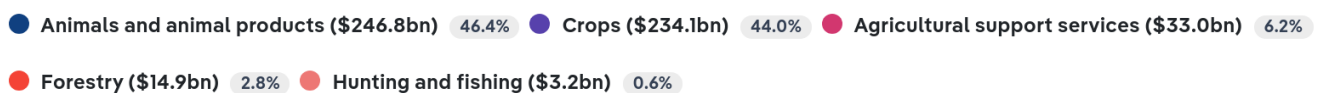
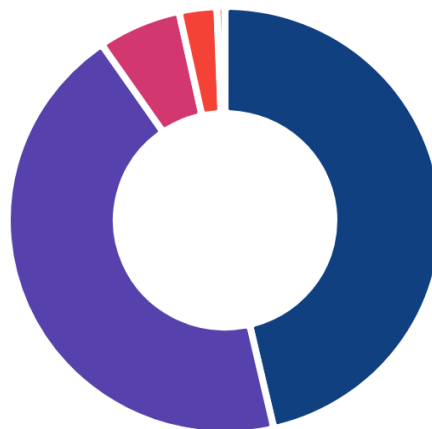
Key Takeaways

- Heightened prices benefit businesses from nearly all segments of the sector including food crop growers, livestock producers and industrial crop producers.
- Health trends support revenue and innovation with sector businesses focusing on high value crops and livestock.

Products and Services

Products & Services Segmentation

Industry revenue in 2023 broken down by key product and service lines.



How are the industry's products and services performing?

Crop sales grow post-pandemic

- While crop production faltered at the onset of the COVID-19 pandemic, crop prices have surged since 2021.
- Federal aid in 2020 helped the sector reestablish production while crop growers in other countries were still struggling.
- Pent-up demand for agricultural products post-pandemic, combined with diminished import competition, spurred double-digit revenue and export growth in 2021 and 2022.

Meat consumption wavers, but meat prices keep growing

- The emergence of lab-grown meat and vegan alternatives has prompted people to eat less meat in recent years.
- Despite a slight decline in per capita meat consumption, meat prices have increased due to increased international demand.
- Unlike crops, meat prices are expected to continue growing as livestock farms embrace high-value trends like grass feeding.

Price growth following the pandemic also supports industrial revenue

- Since the COVID-19 pandemic, continued supply chain disruptions have kept prices high for manufacturing inputs.
- Forestry industries and crop growers that service manufacturing industries have benefited from heightened prices.
- As price conditions return to normal, revenue will fall for these industries.

What are innovations in industry products and services?

Crop cultivation creates opportunities for produce farms

- While the sector's most valuable crops have few varieties, farmers can easily cultivate new varieties of fruits, vegetables and other food crops.
- Food crops lend themselves to innovation because small changes can result in different flavors and textures that can attract consumers looking for something different.
- There is less innovation for crops with industrial uses because the end product needs to be consistent between harvests.

Sustainable living supports new markets

- Food scientists have been looking for more sustainable protein sources as environmental concerns regarding meat production grow.
- Plant-based meats have created a heightened demand for soybeans, peas, mushrooms, beets, corn and other vegetables.
- Some food scientists have begun exploring crickets as an alternative to traditional meat, which could create an insect-farming industry.

 Key Success Factor

What products or services do successful businesses offer?

Produce goods that the market currently favors

Many farms will rotate crops and will specialize in a variety of agricultural products. This reduces annual volatility and can help avoid revenue declines brought on by changing consumer preferences.

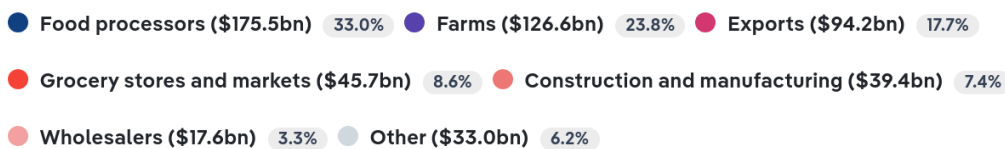
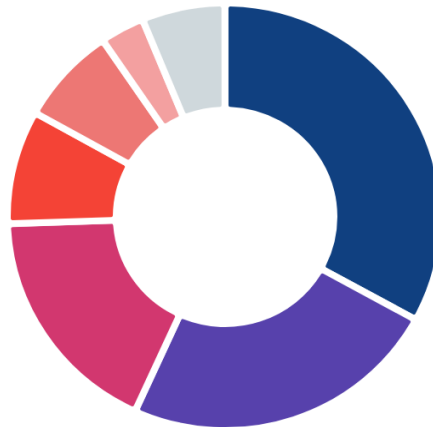
Offer a competitively priced product

As produce and livestock prices shift, farms must adjust their own prices to keep a steady stream of demand despite shifting market conditions.

Major Markets

Major Market Segmentation

Industry revenue in 2023 broken down by key markets



IBISWorld

Source: IBISWorld

What's influencing demand from the industry's markets?

Food crop growers benefit from health-consciousness

- Between food processors and fresh fruit and vegetable markets, food crops will always be a consistent source of revenue for the sector.
- As more consumers have begun choosing organic foods, grass-fed beef and other natural options, revenue from food crops has grown because these products sell for higher prices.
- Healthy eating habits and demand for natural foods don't seem to be going anywhere, so revenue from this segment will remain high over the coming years.

Farm-to-farm sales provide weak, yet steady revenue

- While most agricultural products are sold to other industries, farms rely on one another for seeds, manure, livestock and other inputs.
- A shortage of crops can result in higher operating costs for livestock producers because these parts of the sector rely on each other.
- Agricultural support service industries entirely cater to farms. However, some agricultural suppliers are pushing back against farm-to-farm sharing, particularly seed vendor Monsanto.

Post-pandemic prices support industrial sales growth

- Manufacturing and construction industries use agricultural products, including soybean plastics, biofuels, lumber and tobacco.
- As supply chain disruptions brought on by the pandemic continue, prices for industrial inputs have remained high, benefiting the Agricultural sector.
- As prices stabilize over the coming years, products for industrial use will decline as a share of revenue.

The US remains a net exporter of agricultural goods

- The agriculture sector is one of the only areas where the US is a net exporter because of its large amounts of farmland and federal support for crop growers.
- While the US relies on imports for vegetables and fruits that don't easily grow in its climate, the US is one of the largest exporters of field crops, including corn, soybeans and wheat.
- Trade disruptions in other countries during the pandemic have allowed the US Agriculture sector to further grow its presence in foreign markets.

International Trade

Total Imports

\$85.8bn

'18-'23 ↑ 2.4 %

'23-'28 ↓ 1.6 %

Total Exports

\$85.7bn

'18-'23 ↑ 2.4 %

'23-'28 ↑ 0.7 %

Trade Balance

Net Importer

↓ Deficit: \$-127.3m

International Trade Imports

International Trade: Imports and Exports

Concentration of imports and exports from each country based on industry revenue:

Imports ▾



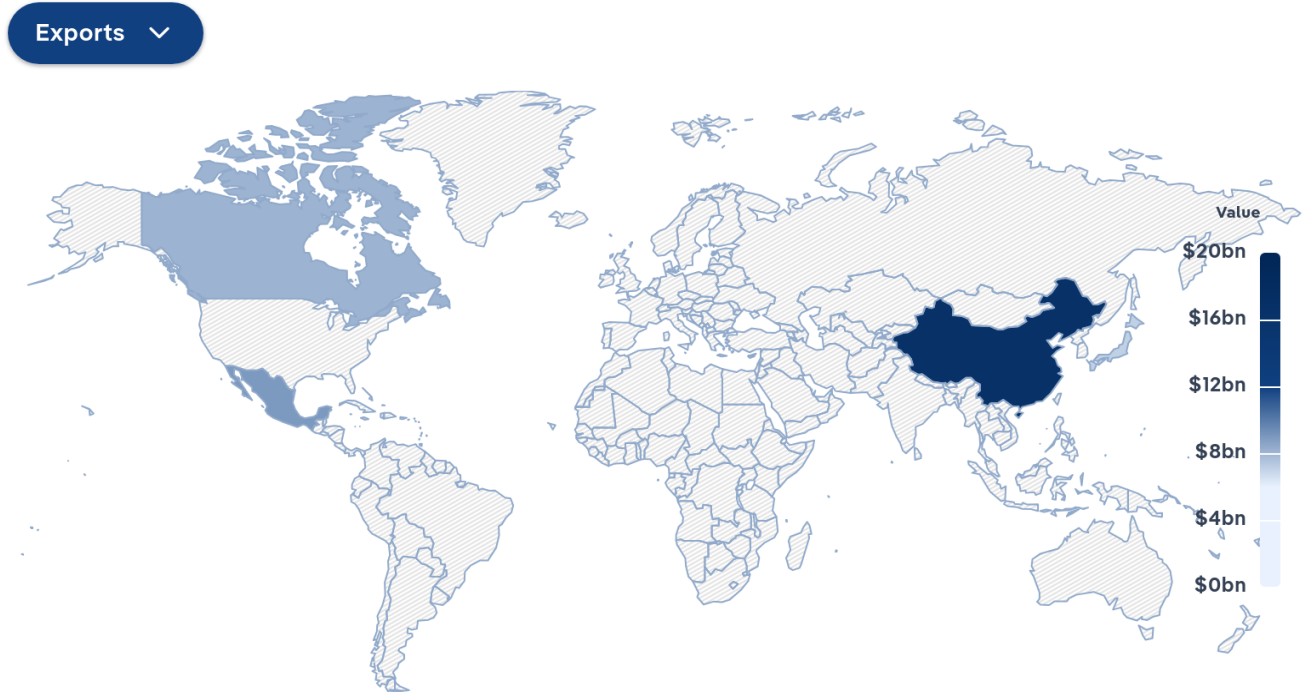
IBISWorld

Source: IBISWorld

International Trade Exports

International Trade: Imports and Exports

Concentration of imports and exports from each country based on industry revenue:



Imports

Moderate

Increasing

What are the industry's import trends?

Agricultural imports begin to recover post-pandemic

- The US relies on imports for limits in the domestic capacity for agriculture. While the US is a net exporter of agriculture, imports do account for a significant share of domestic demand.
- During the COVID-19 pandemic, the value of imports initially fell because other countries struggled with supply chain disruptions.
- Imports have since risen as agriculture prices increase and other countries reestablish their agriculture sectors.

Domestic production meets US agriculture needs, though imported food crops provide dietary diversity

- While the US imports crops and livestock from a wide variety of countries, the majority of imports come from Mexico and Canada.
- The United States-Mexico-Canada Agreement makes it easy for businesses to purchase agricultural goods across the border while protecting US farm interests.
- Mexico is also one of the largest suppliers of citrus fruits and other crops that can only be grown in warm climates.

Exports

Moderate

Increasing

What are the industry's export trends?

Exports grow amid supply chain disruptions

- During the COVID-19 pandemic, many countries struggled to meet global demand for agricultural products.
- With a gap to be filled, the value of US agricultural exports surged, growing further in 2021 as crop and meat prices skyrocketed.
- Export growth has begun to slow as crop growers in other countries have recovered, and agricultural prices have stabilized.

China continues to be the largest export destination for food crops

- Exports to China have consistently accounted for more than a quarter of US agricultural exports. Most of these exports to China are field crops.
- China imports US corn, soybeans and wheat to process into animal feed for its growing livestock production industries.
- China's Department of Agriculture hopes to find an alternative source of animal feed so the country can be less dependent on US crops.

Geographic Breakdown

Discover where business activity is most concentrated in this industry and what's driving these trends.

5. Geographic Breakdown

<https://my.ibisworld.com/us/en/industry/11/geographic-breakdown>

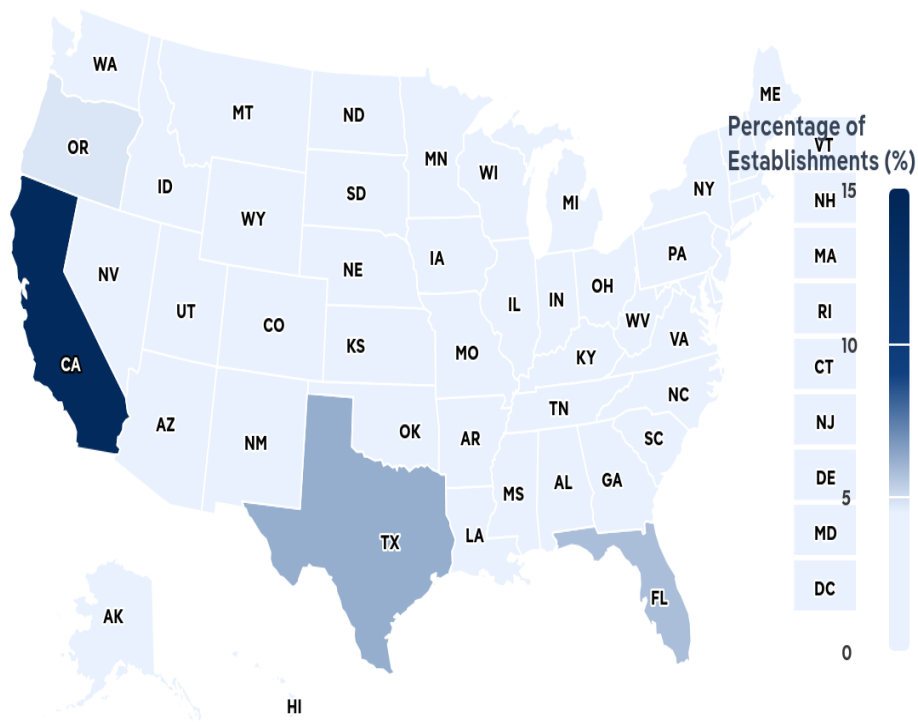
Key Takeaways

- **Climate and farmland determine location for some parts of the sector because many crops have specific location needs.**
- **Farms benefit from proximity to markets because having food processors and ports close by reduces shipping costs.**

Business Locations

Business Concentration

Percentage of total industry Establishments in each region



Source: IBISWorld

Percentage of total industry Establishments,Population in each region

County	Establishments Units	Population %
California	14.0	
Texas	6.2	
Florida	5.8	
Oregon	4.8	

Washington	4.2
Georgia	3.4
Minnesota	3.1
Iowa	3.0
New York	2.8
Colorado	2.7
North Carolina	2.6
Illinois	2.5
Arkansas	2.4
Pennsylvania	2.4
Michigan	2.1
Wisconsin	2.1
Alabama	2.0
Idaho	2.0
Virginia	1.9
Arizona	1.8
Missouri	1.8
Mississippi	1.7
Indiana	1.6
Louisiana	1.6
Montana	1.6
Nebraska	1.6
Ohio	1.6
South Carolina	1.6
Kansas	1.5
Kentucky	1.5
Massachusetts	1.2
Oklahoma	1.2
New Jersey	1.1
Maryland	1.0
North Dakota	0.9
South Dakota	0.9
New Mexico	0.8

Tennessee	0.7
Utah	0.7
Maine	0.6
Connecticut	0.5
Vermont	0.5
Nevada	0.4
New Hampshire	0.4
Wyoming	0.4
Alaska	0.2
Delaware	0.2
West Virginia	0.2
Hawaii	0.1
Rhode Island	0.1
District of Columbia	0.0

Where are industry businesses located?

Population in the West and Southeast creates markets for agricultural goods

- Like most sectors, farms and farm service providers benefit from being close to key markets.
- Highly populated regions like the West and the Southeast are home to the largest shares of sector establishments because these regions provide proximity to food processors and manufacturers.
- These coastal regions also provide port access, allowing lower exporting costs.

Farmland availability keeps farms on the Plains

- The Agriculture sector has a high concentration of establishments in the Plains region, because the Plains have the most available farmland.
- Rural areas with open fields are best suited for growing field crops like soybeans, corn and wheat, as well as raising livestock that need open spaces.

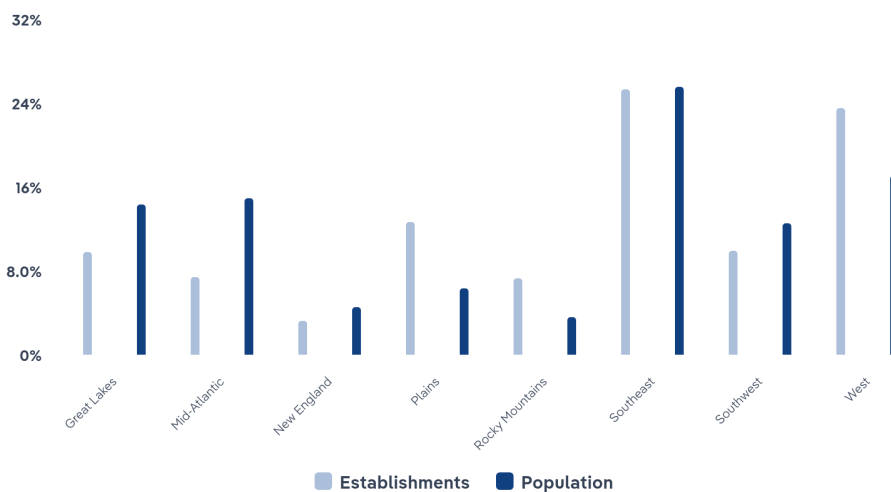
Climate conditions limit location options for many crops

- While some crops can adapt to the weather in a given region, some crops have specific growing conditions.
- Citrus fruit can only grow in humid environments like Florida, while some field crops require a short rainy season.
- At the sector level, location distribution balances out, but some industries within the sector only exist in a small number of states.

Agriculture, Forestry, Fishing and Hunting in the US

West has the largest spread of businesses compared to its population

Share of Establishments (%) vs. share of population (%):



☆ Key Success Factor

How do businesses use location to their advantage?

Appropriate climatic conditions

Some crops need specific growing conditions and can only grow in certain states.

Proximity to key suppliers

Farms can reduce production costs by establishing close to seed, fertilizer and feed producers.

Competitive Forces

Uncover challenges and benefits in the operating environment, digging into market share, buyer and supplier power and key success factors for operators.

6. Competitive Forces

<https://my.ibisworld.com/us/en/industry/11/competitive-forces>

Key Takeaways

- Imports represent the greatest source of competition because some crops can only be grown in certain climates.
- Agricultural substitutes can't be substituted, because nearly all food is produced using crops or livestock.

Concentration

Low

Market Share Concentration

Combined market share of the four largest companies in this industry



IBISWorld

Source: IBISWorld

What impacts the industry's market share concentration?

Family farms account for most crop growing and livestock raising

- While large companies get involved in the Agriculture sector, most farms are small independent establishments.
- Farm owners and their families perform most of the farm labor in the US. Nonemployers account for more than 90.0% of farms in the sector.

- Nonemployer farms are typically longstanding establishments with a consistent production capacity and product blend.
- However, the capability to invest in technology-driven food production has given a financial advantage to massive farms, compounding the existing leverage larger farms have on commodity prices and their lower risk from larger average yields.

Supply chain structure hides concentration

- While the sector doesn't appear to have a high market share concentration level, the structure of livestock production makes ownership less clear.
- For example, Tyson Foods doesn't own any chicken farms but supplies chickens and feed to several thousand independent chicken farms.
- While large companies like Tyson don't directly participate in livestock farming, they remain major players in the sector.

Barriers to Entry

High

Increasing

What challenges do potential industry entrants face?

Legal

- Farms must ensure that their crop-growing and livestock-raising processes comply with USDA standards. Farms can't sell agricultural products in the US without meeting these standards.

Start-Up Costs

- In recent years, farmland prices have risen as banks and investors have capitalized on heightened agricultural prices. This price growth has benefited longstanding farms but limited opportunities for new entrants.

Differentiation

- Cultivating new varieties of crops can help new farms gain an edge in an otherwise saturated market. Meanwhile, trends like organic growing or grass feeding can also help new farms stand out.

Capital Expenses

- The Agriculture sector has become increasingly capital intense as farm equipment has advanced. An operator must have access to significant equipment to enter the sector successfully.

 Key Success Factor

How can potential entrants overcome barriers to entry?

Must comply with government regulations

Farms must comply with US Department of Agriculture standards to sell crops in the United States.

Guarantee supply of key inputs

Depending on their specialty, farms need a reliable supply of seeds, fertilizer, livestock and other agricultural inputs. The quality of these inputs often has a direct effect on the quality of the farms products.

Substitutes

 Low Steady

What are substitutes for industry services?

Imports

- Imports satisfy a large portion of domestic demand for agricultural products. However, the US remains a net exporter of crops and livestock.
- When the US faces a shortage of agricultural goods, other countries fill in the gap. However, national security concerns dissuade long-term food reliance on other countries.
- Due to climate, the US must import certain crops that can only grow in warmer environments. For example, the US imports its entire banana supply from tropical countries.

Agriculture is the base of nearly all food

- There are very few substitutes for agricultural goods because nearly all food is derived from the Agriculture sector.
- While there have been advances with lab-grown meat and vitamin and mineral supplements, these products are still made using some form of vegetation.

Buyer & Supplier Power

Supply Chain

Direct and indirect supplier and buyer industries related to this industry



Source: IBISWorld

What power do buyers and suppliers have over the industry?

Buyers: quality and availability

Moderate Steady

- Buyers purchase crops and livestock based on who can most efficiently meet their needs.
- The volatile nature of agriculture means that farms may not always be able to meet the demands of their customers.
- Grocery wholesalers tend to work with the same farms, but if a farm has a poor crop, the wholesaler will need to find another supplier.

Suppliers: Market control

High Steady

- Agriculture industries are often beholden to large suppliers with high market shares in their respective industries.

- GMO seed manufacturers dominate the seed market, while meat processing companies provide contracts for livestock producers.
- In certain parts of the sector, it is near impossible for farms to work with different suppliers.

☆ Key Success Factor

How do successful businesses manage buyer & supplier power?

Establish supply contracts for key inputs

Volatile weather, disease and other unpredictable factors can disrupt supply chains and raise input prices. Having supply contracts can reduce this volatility.

Ensure appropriate pricing policy

Agricultural goods are commodities that frequently fluctuate in price. To maintain a steady market for goods, agricultural companies must keep track of price trends and keep prices competitive.

Companies

Find out which companies hold the most market share and how revenue, profit and market share have shifted over time for these leaders.

7. Companies

<https://my.ibisworld.com/us/en/industry/11/companies>

Key Takeaways

- **Tyson controls a major portion of meat production, but due to the company's ownership structure Tyson does not operate farms directly.**
- **Cargill and Bayer command the market for seeds because genetically modified seeds have become the standard for most crops.**

Market Share

Industry Market Share by Company

Industry-specific company revenue as a share of total industry revenue



Source: IBISWorld

Chart displays current year only in the PDF version of this report. You can view and download chart for all other years associated with this industry on my.ibisworld.com.

Companies

Company	Market Share (%) 2023	Revenue (\$m) 2023	Profit (\$m) 2023	Profit Margin (%) 2023
Tyson Foods, Inc.	7.9	42,153.0	-314.9	-0.7
Cargill, Incorporated	2.2	11,700.0	1,700.0	14.5
Bayer Corp	0.7	3,745.6	108.3	2.9
Syngenta Ag	0.1	783.1	87.3	11.1

Tyson Foods, Inc.

Company Details

Industry Revenue (2023)	\$42.2bn
Industry Profit (2023)	-\$314.9m
Total Employees (2023)	142,000
Industry Market Share (2023)	7.9%

Description

Tyson Foods is a public company headquartered in Arkansas with an estimated 139,000 employees. In the US, the company has a notable market share in at least eight industries: Agriculture, Forestry, Fishing and Hunting, Manufacturing, Meat, Beef & Poultry Processing, Tortilla Production, Beef & Pork Wholesaling, Chicken & Turkey Meat Production, Hot Dog & Sausage Production, Rendering & Meat Byproduct Processing and Manufacturing. Their largest market share is in the Rendering & Meat Byproduct Processing industry, where they account for an estimated 59.5% of total industry revenue and are considered a Golden Goose because they display medium to strong market share and strong profit, but slower revenue growth than some of their peers.

Brands and Trading Names

- Advancepierre Foods
- Big Az
- Bosco's Pizza
- Fast Fixin
- IBP
- Keystone Foods

Other Industries

- Beef & Pork Wholesaling in the US
- Chicken & Turkey Meat Production in the US
- Hot Dog & Sausage Production in the US
- Manufacturing in the US
- Meat, Beef & Poultry Processing in the US
- Rendering & Meat Byproduct Processing in the US
- Tortilla Production in the US

Company's Industry Revenue, Market Share, and Profit Margin Over Time

Year	Industry Revenue (\$ million)	Market Share (%)	Profit Margin (%)
------	-------------------------------	------------------	-------------------

2008	24636	7.8	7.6
2009	22858	7.8	7.6
2010	25176	7.8	7.6
2011	28676	7.8	7.6
2012	31461	7.8	7.6
2013	32276	8.0	7.6
2014	34509	8.1	7.6
2015	31306	8.3	7.6
2016	30300	8.5	7.6
2017	31500	8.5	7.6
2018	32400	8.7	7.7
2019	34060	9.3	6.5
2020	34104	9.4	7.0
2021	38009	8.7	9.3
2022	43229	8.1	8.3
2023	42153	7.9	-0.7

What's impacting Tyson Foods, Inc.'s performance?

Tyson Foods commits to sustainable growth with strong environmental and quality assurance

- Tyson Foods ensures high standards of food safety and quality by adhering to rigorous USDA and FDA inspections, enhancing consumer trust and market credibility. The company actively participates in sustainability initiatives such as the Science Based Targets initiative (SBTi), positioning itself as an industry leader in environmental stewardship. Through strategic partnerships, including with the USDA and the World Resources Institute, Tyson Foods leverages external expertise and funding to drive impactful environmental and community initiatives. By integrating sustainability principles into its core business strategy and establishing dedicated governance, Tyson Foods solidifies its long-term commitment to responsible growth and operational excellence.

Cargill, Incorporated

Company Details

Industry Revenue (2023)	\$11.7bn
Industry Profit (2023)	\$1.7bn
Total Employees (2023)	155,000
Industry Market Share (2023)	2.2%

Description

Cargill is a private company headquartered in Minnesota with an estimated 155,000 employees. In the US, the company has a notable market share in at least seven industries: Farm Animal Feed Production, Industrial Chocolate Production, Soybean Processing, Agriculture, Forestry, Fishing and Hunting, Animal Food Production, Meat, Beef & Poultry Processing, Corn, Wheat & Soybean Wholesaling and Agriculture, Forestry, Fishing and Hunting. Their largest market share is in the Industrial Chocolate Production industry, where they account for an estimated 24.1% of total industry revenue.

Brands and Trading Names

- Acco Feeds
- Angus Pride
- Cargill Animal Nutrition
- Cargill DCI
- Champion's Choice Agricultural Salt
- Circle T Beef
- Diamond V
- EWOS
- Excel Corporation
- Good Nature
- Grolux
- NatureWorks LLC
- Nutrena
- Promote
- Provimi
- Purina
- The Chompery

Other Industries

- [Animal Food Production in the US](#)
- [Corn, Wheat & Soybean Wholesaling in the US](#)

- [Farm Animal Feed Production in the US](#)
- [Industrial Chocolate Production in the US](#)
- [Meat, Beef & Poultry Processing in the US](#)
- [Soybean Processing in the US](#)

Company's Industry Revenue, Market Share, and Profit Margin Over Time

Year	Industry Revenue (\$ million)	Market Share (%)	Profit Margin (%)
2008	4326	1.4	20.0
2009	4620	1.6	20.0
2010	4803	1.5	20.0
2011	6510	1.8	20.0
2012	8633	2.2	20.0
2013	10049	2.5	20.0
2014	11371	2.7	20.0
2015	11269	3.0	20
2016	10500	2.9	20
2017	10800	2.9	21.3
2018	11300	3.0	17.7
2019	11100	3.0	17.1
2020	11300	3.1	14.2
2021	11700	2.7	14.5
2022	11700	2.2	14.5
2023	11700	2.2	14.5

What's impacting Cargill, Incorporated's performance?

The company values sustainability

- The company aims to promote sustainability through its efforts to protect the environment while continuing to deliver consumer, customers and society their necessary goods. For example, the company has been working on incorporating new technology that would enable it to make zero-carbon shipping possible. Moreover, the company has focused efforts toward the production of meat alternatives that are plant-based, as well as creating meat that is better for the environment and more humane. Additionally, the company is furthering the implementation of regenerative agricultural practices across millions of acres. Furthermore, by 2025, the company is expected to lower its absolute operational emissions to 10%.

Cargill Incorporated helped restaurants maintain food supply throughout pandemic

- During the COVID-19 (coronavirus) pandemic, Cargill Incorporated was helpful with keeping the food supply chain moving. In an effort to assist restaurant owners and food makers, company employees worked hard and long hours. In fact, the company was recognized by McDonald's for helping to ensure that their most popular food remained on the menu (chicken nuggets in Asia and beef in the United States). Additionally, the company received recognition by the supply chain cooperative of Arby's for having continuously supplied the restaurant with the necessary frying oil, turkey and roast beef to keep operations running.

Bayer Corp

Company Details

Industry Revenue (2023)	\$3.7bn
Industry Profit (2023)	\$108.3m
Total Employees (2023)	101,369
Industry Market Share (2023)	0.7%

Description

Bayer is a public company headquartered in Germany with an estimated 101,369 employees. In the US, the company has a notable market share in at least five industries: Agriculture, Forestry, Fishing and Hunting, Soybean Farming, Corn Farming, Pesticide Manufacturing, Biotechnology and Agriculture, Forestry, Fishing and Hunting. Their largest market share is in the Pesticide Manufacturing industry, where they account for an estimated 41.6% of total industry revenue.

Other Industries

- [Biotechnology in the US](#)
- [Corn Farming in the US](#)
- [Pesticide Manufacturing in the US](#)
- [Soybean Farming in the US](#)

Company's Industry Revenue, Market Share, and Profit Margin Over Time

Year	Industry Revenue (\$ million)	Market Share (%)	Profit Margin (%)
2008	204	0.1	17.7
2009	189	0.1	17.7
2010	208	0.1	17.7
2011	237	0.1	17.7
2012	260	0.1	17.7
2013	267	0.1	17.7
2014	286	0.1	17.7
2015	259	0.1	17.7
2016	251	0.1	17.7
2017	212	0.1	12.9
2018	1197	0.3	22.0
2019	3514	1.0	2.9

2020	3613	1.0	2.9
2021	3746	0.9	2.9
2022	3746	0.7	2.9
2023	3746	0.7	2.9

What's impacting Bayer Corp's performance?

Bayer announces full year 2021 results

- Bayer AG (Bayer) released their 2021 Annual Report, which highlights their financial performance over the past year along with forward looking statements. In 2021, the company stated that group sales totaled 44.1 billion euros, up 8.9% year over year. Within this, the Crop Science division experienced double-digit sales growth while Pharmaceuticals experienced slight declines, attributed to extensive forward-looking investments. Overall, the company stated that despite the challenging conditions brought by the COVID-19 (coronavirus) pandemic, Bayer had a successful year with business performing markedly better than expected in all divisions.

Bayer AG closes acquisition of Monsanto in 2018

- In 2018, Bayer announced the acquisition of Monsanto, creator of "Roundup" and many other successful pesticides, for \$63.0 billion. At the time, Monsanto was a promising pesticide and seed manufacturer. The next few years, though, have spelt disaster for the deal. The deal has resulted in a 30.0% loss in value for Bayer, one of the worst acquisitions since Time Warner purchased AOL. Bayer was saddled with class-action lawsuits from Monsanto's unsafe products, ranging from DDT and Agent Orange to Roundup. Bayer has since sold off its animal health segment to Elanco.

Bayer continues to work towards becoming a carbon-neutral company

- In Bayer AG (Bayer) 2021 Annual Report, the company highlighted its progress in the transformation toward becoming a carbon-neutral company. In 2021, the company stated that Bayer reduced its direct and indirect greenhouse gas emissions by 11.5% and is on track to become a carbon neutral company by 2030. According to the company, a contributing to this decrease was that Bayer concluded agreements in 2021 covering around 600,000 megawatt-hours of green electricity, raising its share within the electricity mix to about a quarter.

Syngenta Ag

Company Details

Industry Revenue (2023)	\$783.1m
Industry Profit (2023)	\$87.3m
Total Employees (2023)	30,000
Industry Market Share (2023)	0.1%

Description

Syngenta Ag is a private company headquartered in Switzerland with an estimated 30,000 employees. In the US, the company has a notable market share in at least four industries: Agriculture, Forestry, Fishing and Hunting, Wheat, Barley & Sorghum Farming, Pesticide Manufacturing, Biotechnology and Agriculture, Forestry, Fishing and Hunting. Their largest market share is in the Pesticide Manufacturing industry, where they account for an estimated 9.9% of total industry revenue.

Brands and Trading Names

- ADAMA
- Syngenta Crop protection
- Syngenta Group China
- Syngenta Seeds

Other Industries

- [Biotechnology in the US](#)
- [Pesticide Manufacturing in the US](#)
- [Wheat, Barley & Sorghum Farming in the US](#)

Company's Industry Revenue, Market Share, and Profit Margin Over Time

Year	Industry Revenue (\$ million)	Market Share (%)	Profit Margin (%)
2008	541	0.2	10.6
2009	502	0.2	10.6
2010	553	0.2	10.6
2011	630	0.2	10.6
2012	691	0.2	10.6
2013	709	0.2	10.6
2014	758	0.2	10.6

2015	687	0.2	10.6
2016	665	0.2	10.6
2017	779	0.2	12.1
2018	929	0.3	12.0
2019	738	0.2	12.0
2020	826	0.2	11.5
2021	783	0.2	11.1
2022	783	0.1	11.1
2023	783	0.1	11.1

What's impacting Syngenta Ag's performance?

Syngenta Group acquired a biologicals company in 2020

- In October 2020, the newly formed Syngenta Group acquired Valagro, a leading producer of biologicals, driving the company's goals to provide downstream farmers with more complementary product and technology offerings to increase sustainability and resiliency to external forces, such as weather. Valagro has operated as an independent brand within the company, utilizing the resources of the Syngenta Crop Protection business unit to drive growth. Valagro has a strong existing portfolio of natural solutions for pest, disease control and crop improvement, adding to Syngenta Group's crop protection business.

Syngenta Group launched in 2020 as a global agricultural science leader

- Syngenta Group Co. Ltd. (Syngenta Group) officially launched in June 2020, combining the strengths of its global companies, Syngenta AG, ADAMA and Sinochem. Through the launch, the company became a leader in agricultural science and innovation with over \$23.0 billion in combined sales in 2019. Syngenta Group now updates under four key business units: Syngenta Crop protection, Syngenta Seeds, ADAMA and Syngenta Group China. Through the new group, the company's diversified agricultural solutions will drive new innovations, technology and services to agricultural customers.

ChemChina expands with purchase of company in 2016

- In 2016, ChemChina announced its landmark \$43.0 billion deal with major player Syngenta AG. The agreement has slingshot Syngenta into one of the world's most prominent pesticides and seed companies, serving a wide range of emerging and developed nations. The deal will also support both companies' balance sheets, creating opportunities for heavy research and development investment and further strategic acquisitions. The value comes amid a consolidation spree within the Pesticide Manufacturing industry where rivals like Dow Chemical Company and Bayer AG have also completed deals.

You can view and download company details on my.ibisworld.com.

External Environment

Understand the demographic, economic and regulatory factors positively and negatively affecting the industry.

8. External Environment

<https://my.ibisworld.com/us/en/industry/11/external-environment>

Key Takeaways

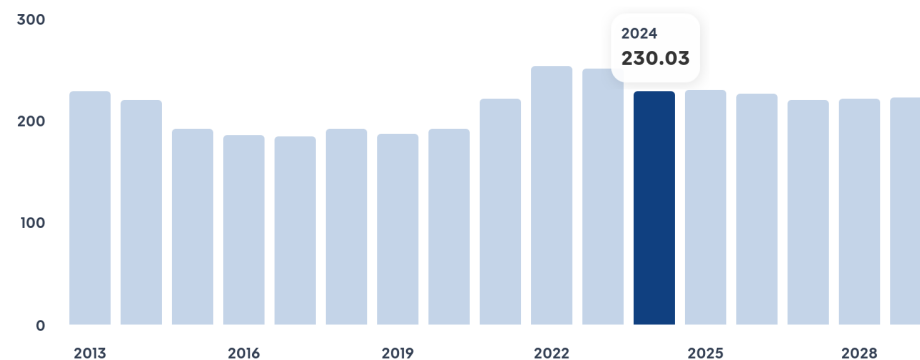
- **Agricultural prices are rising, but as supply chains normalize, crop prices will begin to fall over the next five years.**
- **Farm subsidies help reduce volatility by providing assistance if crop prices fall below a certain point.**

External Drivers

What demographic and macroeconomic factors impact the industry?

Price of feed

Index



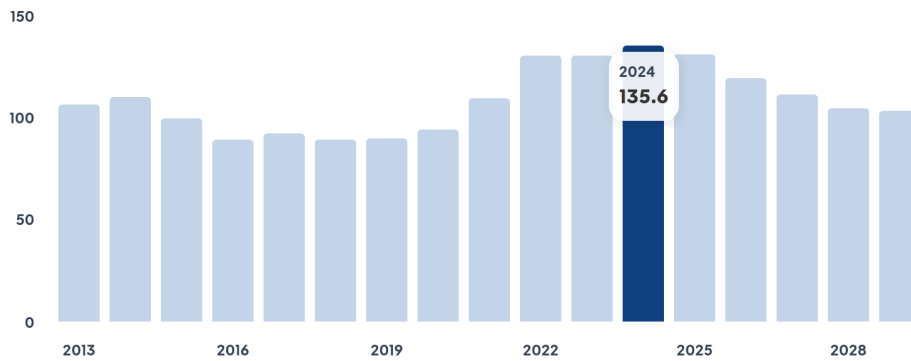
IBISWorld

Source: IBISWorld

Feed is one of the largest input costs for livestock industries. As the price of feed increases, livestock producers pass the increased cost onto consumers, resulting in increased revenue. Additionally, livestock feed is produced by crop growers, so higher feed prices generate higher revenue for crop growers. In 2023, the price of feed is projected to decrease, posing a potential opportunity for the industry.

Agricultural price index

Index

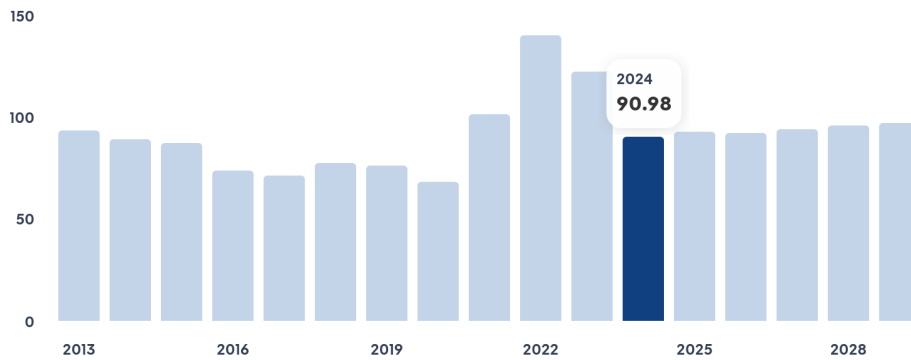


Source: IBISWorld

The agricultural price index measures the prices received for all agricultural products including crops and livestock. As prices increase, farms are generating more revenue. The agricultural price index is a strong indicator of sector performance. In 2023, the agricultural price index is expected to increase.

Price of fertilizer

Index

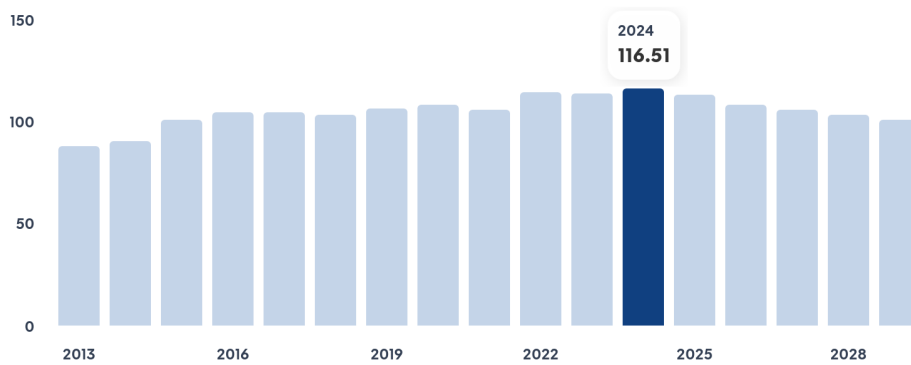


Source: IBISWorld

Fertilizer is a major input cost for crop growers because fertilizer is needed to grow crops. As fertilizer prices increase, crop growers are likely to pass cost increases onto buyers, resulting in increased revenue. In 2023, the price of fertilizer is expected to grow.

Trade-weighted index

Index



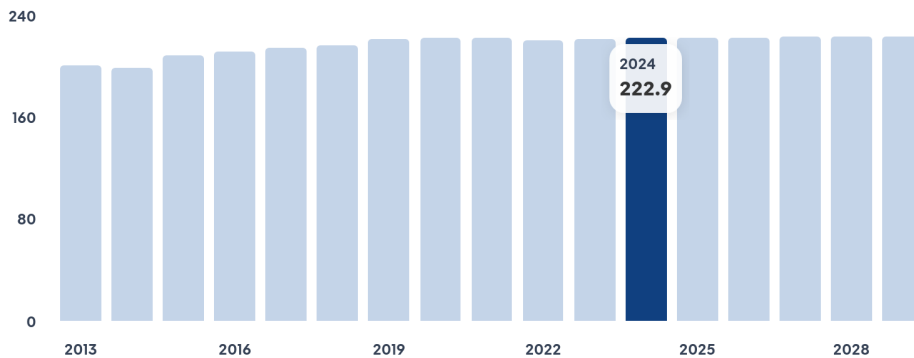
IBISWorld

Source: IBISWorld

The trade-weighted index (TWI) measures the value of the US dollar relative to United States’ largest trade partners. As the US dollar appreciates, foreign goods become relatively less expensive, creating competition from imports. In 2023, the TWI is expected to increase.

Per capita meat consumption

Pounds (lb)



IBISWorld

Source: IBISWorld

While the sector includes both crops and livestock, these products compete with each other. As per capita meat consumption increases, vegetable consumption declines. Crops represent a greater portion of sector revenue, so as meat consumption increases, overall revenue declines. In 2023, per capita meat consumption is expected to rise, posing a potential threat to the industry.

Regulation & Policy

High

Steady

What regulations impact the industry?

US Department of Agriculture

The USDA oversees the regulation of most animal-based agriculture operations in the US. This includes setting meat price limits, inspecting meat quality and regulating food safety for the highly perishable foods it oversees. The USDA's purview is limited to meat and animal products, excluding most fish and whole eggs. The agency also controls the Center for Nutrition Policy and Promotion, which establishes dietary regulations, and the Food and Nutrition Service, which handles supplemental nutrition programs.

The Environmental Protection Agency

The EPA is charged with guiding the use of agriculture chemicals and pesticides to ensure minimal environmental damage and safeguard consumers. While not concerned with food products themselves, the EPA helps inhibit producers from using substances that could negatively impact soil conditions, compromise water resources, or pose health risks to consumers. Additionally, these regulations guide the acceptable technique and timings for applying pesticides to control exposure and mandates adherence to safe levels of pesticide residues in food. The EPA regulates the Agriculture sector through policies, including the Clean Water Act, the Clean Air Act and the Federal Insecticide, Fungicide and Rodenticide Act.

The Food and Drug Administration

Contrary to popular belief, the FDA regulates most of the food products consumed in the United States. The agency sets and enforces regulations related to the growing, harvesting, processing, packaging, storing, and transporting of all food products besides meat and some animal products. The FDA employs consistent inspections, product testing, and tracking of processes at production facilities. The FDA considers nutritional facts' authenticity, latent allergen data, or any ingredient misrepresentation. Furthermore, the FDA has the authority to mandate a food recall to protect consumers.

Assistance

High

Steady

What assistance is available to this industry?

2018 Farm Bill

Every five years the Farm Bill lays out subsidies for agricultural products. The farm bill also lays out specific regulations for certain commodities. If crop prices drop below a predetermined point, farms can collect subsidies. The most recent version of the Farm Bill was passed in 2018. While the bill is set to be updated in 2023, it may be delayed until 2024.

National Farmers Union

The NFU is an industry association representing family farms, fishers and ranchers. The NFU provides education for member farms, promotes cooperation between farms and supports legislation representing farms. The NFU was founded in 1902 and has historically advocated for co-operative rights and fair market access for farmers. The organization has divisions in 33 states.



Financial Benchmarks

Understand average costs for industry operators and compare financial data against key ratios and financial benchmarks broken down by business size.

9. Financial Benchmarks

<https://my.ibisworld.com/us/en/industry/11/financial-benchmarks>

<p>Profit Margin 27.6 % ↑ Higher than sector</p>	<p>Average Wage \$11,773 ↓ Lower than sector</p>	<p>Largest Cost Purchases 27.0% of Revenue</p>
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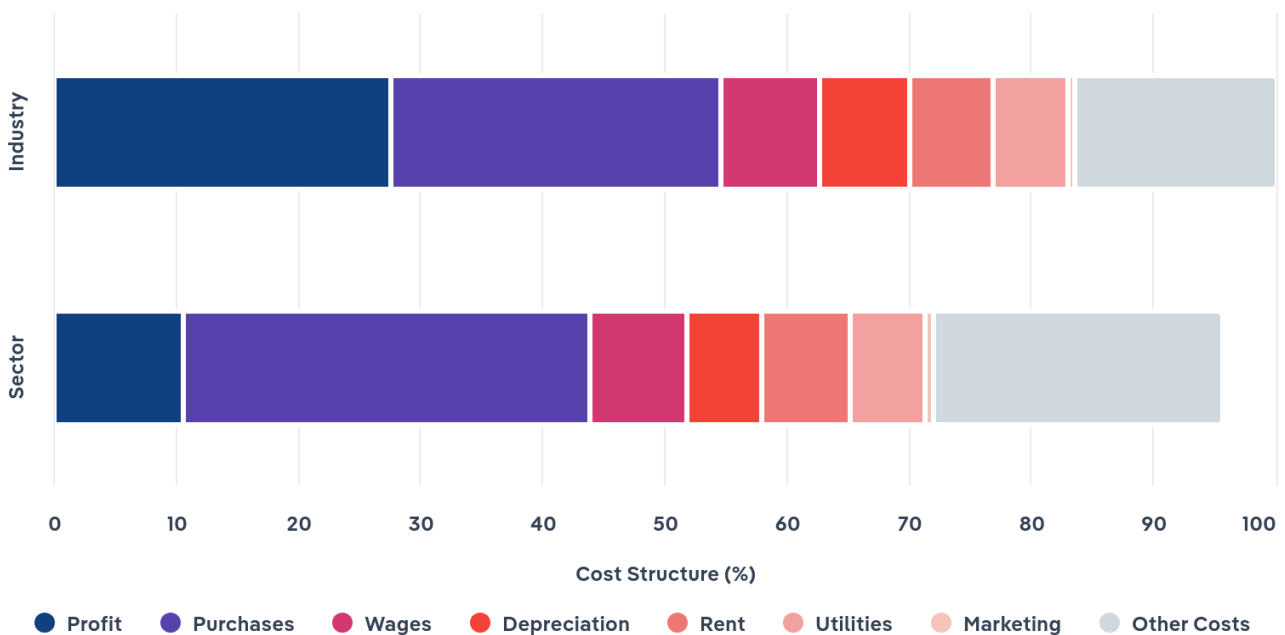
Key Takeaways

- Crop shortages supported profit growth immediately following the pandemic because agricultural prices surged.
- Family farms keep labor costs low because nonemployer farms dominate the sector and have minimal wage costs.

Cost Structure

Cost Structure Benchmarks

Average operating costs by industry and sector as a share (%) of revenue 2023



Source: IBISWorld

Chart displays current year only in the PDF version of this report. You can view and download chart for all other years associated with this industry on my.ibisworld.com.

What trends impact industry costs?

Family labor keeps wages low

- A majority of farms in the US are independent nonemployer establishments. On these farms, the owners and their families are the labor force.
- The cost of family labor is included in profit, because profit determines what money is left for the owner and their family.
- This trend explains the sector's unusually high profit margins and low labor costs.

Surging agricultural prices support profit growth

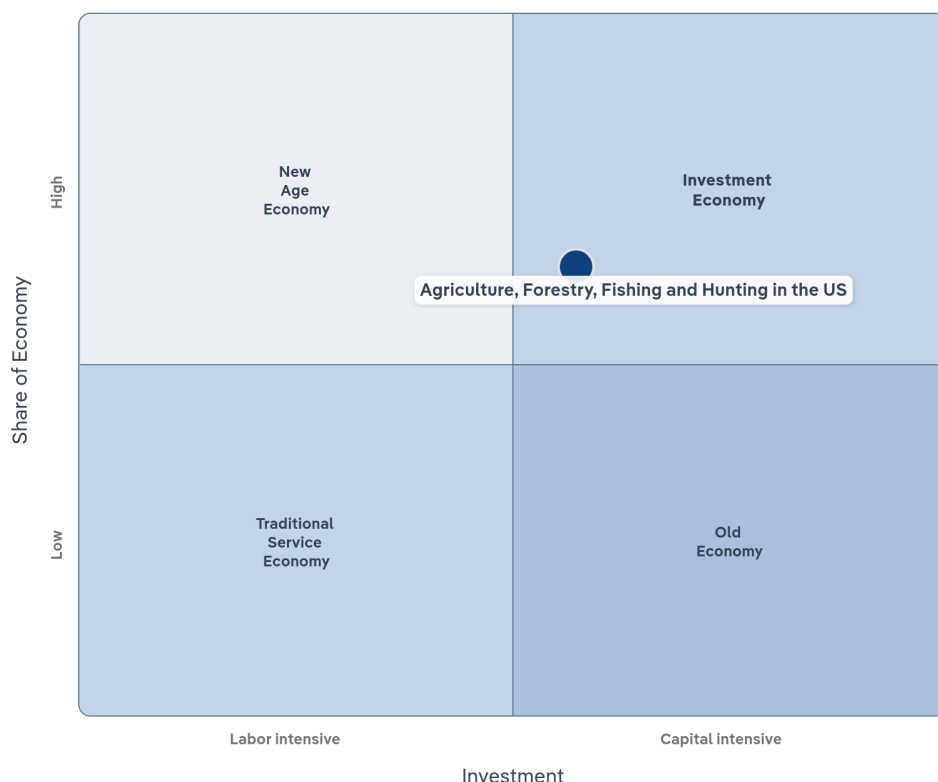
- Beginning during the COVID-19 pandemic, global shortages have led to surging crop and meat prices.
- The US Agriculture sector has been better prepared to capitalize on supply chain disruptions than other countries, so US farms have seen profit rise.
- When supply chains return to normal in the coming years, agriculture prices will fall, and profit will follow.

Increased automation drives capital expenditure and depreciation

- Agricultural services have become increasingly capital intense. Harvesting, planting, feeding and milking equipment have all become increasingly automated.
- While some farms share resources to reduce total capital expenditure, depreciation costs have still grown as agricultural technology has advanced.
- Depreciation costs have also grown as farm equipment has become increasingly difficult to repair due to the use of intricate computer systems.

Capital investment drives growth

Share of economy vs. Investment



IBISWorld

Source: IBISWorld

Key Ratios

Year	Revenue per Employee (\$)	Revenue per Enterprise (\$ Million)	Employees per Estab. (Units)	Employees per Ent. (Units)	Average Wage (\$)	Wages/Revenue (%)	Estab. per Enterprise (Units)	IVA/Revenue (%)	Imports/Demand (%)	Exports/Revenue (%)
2004	108,735	0.2	1.4	1.5	9,442	8.7	1.0	41.5	11.7	11.7
2005	106,941	0.2	1.5	1.5	10,094	9.4	1.0	42.4	12.8	12.8
2006	104,139	0.2	1.5	1.5	10,344	9.9	1.0	40.8	14.4	14.4
2007	116,951	0.2	1.4	1.5	11,429	9.8	1.0	45.4	13.1	13.1
2008	124,989	0.2	1.4	1.5	11,452	9.2	1.0	38.8	13.1	13.1
2009	116,021	0.2	1.4	1.5	11,114	9.6	1.0	36.4	12.6	12.6
2010	125,962	0.2	1.4	1.5	10,418	8.3	1.0	44.4	13.3	13.3
2011	140,821	0.2	1.4	1.5	9,972	7.1	1.0	42.5	14.0	14.0
2012	153,795	0.2	1.5	1.5	11,912	7.7	1.0	43.1	12.6	12.6
2013	151,460	0.2	1.5	1.5	11,770	7.8	1.0	41.6	13.3	13.4

2014	155,943	0.2	1.5	1.5	12,330	7.9	1.0	38.9	13.8	13.8
2015	137,379	0.2	1.5	1.6	11,385	8.3	1.0	36.6	14.9	14.9
2016	128,986	0.2	1.5	1.6	12,055	9.3	1.0	38.8	16.2	16.1
2017	131,403	0.2	1.5	1.6	12,544	9.5	1.0	40.2	16.8	16.8
2018	129,093	0.2	1.5	1.6	11,650	9.0	1.0	37.2	17.1	17.1
2019	125,783	0.2	1.5	1.6	11,791	9.4	1.0	37.4	17.4	17.4
2020	123,799	0.2	1.5	1.6	12,813	10.3	1.0	41.6	17.5	17.5
2021	142,556	0.2	1.5	1.6	11,734	8.2	1.1	43.2	17.5	17.5
2022	148,240	0.2	1.6	1.6	11,827	8.0	1.1	43.6	15.5	15.5
2023	144,820	0.2	1.5	1.6	11,773	8.1	1.1	43.2	16.1	16.1
2024	142,017	0.2	1.5	1.6	11,727	8.3	1.1	42.9	16.0	16.3
2025	141,365	0.2	1.5	1.6	11,716	8.3	1.1	42.8	15.7	16.6
2026	141,281	0.2	1.5	1.6	11,715	8.3	1.1	42.8	15.6	16.7
2027	140,578	0.2	1.5	1.6	11,703	8.3	1.1	42.8	15.5	16.8
2028	139,479	0.2	1.5	1.6	11,685	8.4	1.1	42.7	15.4	16.9
2029	138,916	0.2	1.5	1.6	11,676	8.4	1.1	42.6	15.3	17.0
2030	138,361	0.2	1.5	1.6	11,666	8.4	1.1	42.5	15.2	17.1

*Figures are inflation adjusted to 2023

Key Statistics

Discover 14 years of historical, current and forward-looking industry performance data in table format.

10. Key Statistics

<https://my.ibisworld.com/us/en/industry/11/key-statistics>

Industry Data

Values

Year	Revenue (\$ Million)	IVA (\$ Million)	Establishments (Units)	Enterprises (Units)	Employment (Units)	Exports (\$ Million)	Imports (\$ Million)	Wages (\$ Million)
2004	372,169.1	154,597.9	2,364,797	2,267,619	3,422,725	43,511.8	43,521.0	32,316.4
2005	365,439.6	155,102.2	2,350,158	2,253,589	3,417,218	46,829.3	46,649.3	34,493.0
2006	354,119.1	144,546.9	2,336,469	2,240,283	3,400,462	50,940.8	50,979.5	35,174.1
2007	413,448.8	187,575.6	2,464,492	2,368,886	3,535,219	53,988.3	54,019.6	40,404.1
2008	441,880.4	171,599.9	2,461,683	2,366,337	3,535,366	57,755.1	57,729.5	40,487.3
2009	407,422.6	148,342.4	2,464,436	2,369,435	3,511,627	51,413.8	51,406.1	39,026.5
2010	443,396.6	196,802.2	2,468,219	2,373,114	3,520,076	58,911.9	58,926.6	36,672.4
2011	494,736.4	210,317.5	2,448,511	2,352,927	3,513,238	69,510.1	69,479.4	35,032.9
2012	532,842.4	229,799.9	2,371,403	2,274,643	3,464,629	67,237.5	67,130.5	41,271.3
2013	527,182.9	219,528.8	2,368,433	2,270,206	3,480,680	70,418.0	70,349.5	40,968.9
2014	542,995.4	211,336.1	2,351,183	2,250,854	3,482,016	74,873.2	74,890.1	42,934.8
2015	478,549.6	175,272.6	2,336,351	2,234,223	3,483,415	71,409.9	71,393.8	39,658.0
2016	450,014.9	174,634.2	2,332,810	2,229,380	3,488,870	72,616.2	72,771.4	42,057.7
2017	456,359.9	183,567.3	2,316,120	2,211,675	3,472,987	76,731.7	76,814.8	43,565.8
2018	446,561.7	166,014.0	2,301,537	2,195,556	3,459,232	76,143.6	76,203.9	40,301.7
2019	434,080.5	162,321.4	2,294,873	2,187,875	3,451,035	75,425.0	75,367.0	40,692.0
2020	423,670.1	176,457.1	2,289,858	2,181,099	3,422,246	74,191.2	74,143.7	43,849.4
2021	487,480.1	210,670.7	2,281,988	2,171,603	3,419,573	85,209.7	85,195.9	40,125.3
2022	558,958.9	243,581.3	2,421,922	2,292,080	3,770,633	86,524.9	86,495.7	44,596.6
2023	531,953.5	229,602.2	2,395,593	2,272,376	3,673,208	85,710.1	85,837.4	43,243.8
2024	510,559.0	218,919.3	2,375,387	2,257,616	3,595,055	83,025.1	81,331.7	42,159.9
2025	512,070.0	219,360.6	2,396,116	2,277,867	3,622,323	84,928.1	79,339.5	42,440.7
2026	520,957.1	223,118.9	2,433,909	2,313,274	3,687,385	86,954.6	80,003.3	43,197.8
2027	524,263.8	224,151.6	2,465,476	2,344,025	3,729,335	88,078.3	79,784.2	43,645.8
2028	524,261.8	223,767.4	2,494,391	2,373,095	3,758,727	88,666.3	79,047.4	43,921.0
2029	524,874.2	223,475.3	2,515,058	2,393,863	3,778,368	88,972.1	78,890.3	44,114.8

2030	529,959.3	225,438.1	2,550,499	2,427,968	3,830,257	90,459.8	78,856.7	44,685.4
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*Figures are inflation adjusted to 2023

Annual Change

Year	Revenue %	IVA %	Establishments %	Enterprises %	Employment %	Exports %	Imports %	Wages %
2004	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2005	-1.8	0.3	-0.6	-0.6	-0.2	7.6	7.2	6.7
2006	-3.1	-6.8	-0.6	-0.6	-0.5	8.8	9.3	2.0
2007	16.8	29.8	5.5	5.7	4.0	6.0	6.0	14.9
2008	6.9	-8.5	-0.1	-0.1	0.0	7.0	6.9	0.2
2009	-7.8	-13.6	0.1	0.1	-0.7	-11.0	-11.0	-3.6
2010	8.8	32.7	0.2	0.2	0.2	14.6	14.6	-6.0
2011	11.6	6.9	-0.8	-0.9	-0.2	18.0	17.9	-4.5
2012	7.7	9.3	-3.1	-3.3	-1.4	-3.3	-3.4	17.8
2013	-1.1	-4.5	-0.1	-0.2	0.5	4.7	4.8	-0.7
2014	3.0	-3.7	-0.7	-0.9	0.0	6.3	6.5	4.8
2015	-11.9	-17.1	-0.6	-0.7	0.0	-4.6	-4.7	-7.6
2016	-6.0	-0.4	-0.2	-0.2	0.2	1.7	1.9	6.1
2017	1.4	5.1	-0.7	-0.8	-0.5	5.7	5.6	3.6
2018	-2.1	-9.6	-0.6	-0.7	-0.4	-0.8	-0.8	-7.5
2019	-2.8	-2.2	-0.3	-0.3	-0.2	-0.9	-1.1	1.0
2020	-2.4	8.7	-0.2	-0.3	-0.8	-1.6	-1.6	7.8
2021	15.1	19.4	-0.3	-0.4	-0.1	14.9	14.9	-8.5
2022	14.7	15.6	6.1	5.5	10.3	1.5	1.5	11.1
2023	-4.8	-5.7	-1.1	-0.9	-2.6	-0.9	-0.8	-3.0
2024	-4.0	-4.7	-0.8	-0.6	-2.1	-3.1	-5.2	-2.5
2025	0.3	0.2	0.9	0.9	0.8	2.3	-2.4	0.7
2026	1.7	1.7	1.6	1.6	1.8	2.4	0.8	1.8
2027	0.6	0.5	1.3	1.3	1.1	1.3	-0.3	1.0
2028	0.0	-0.2	1.2	1.2	0.8	0.7	-0.9	0.6
2029	0.1	-0.1	0.8	0.9	0.5	0.3	-0.2	0.4
2030	1.0	0.9	1.4	1.4	1.4	1.7	0.0	1.3

*Figures are inflation adjusted to 2023

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