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2010 Agricultural Outlook Forum

Organics & Sustainability
Improving Information on Organics

USDA Market News Service Current Reports and Future Initiatives

Michael E. Sheats, Chief
Poultry Market News & Analysis Branch

Crystal Gateway Marriott
Arlington, Virginia
February 18, 2010

What is Market News?

The USDA Market News Service...

- Began on May 16, 1913, when USDA established the Office of Markets to address marketing problems and producer profits.
- Provides real-time coverage of prices, supply, demand, trends, movement, and other pertinent information affecting the trading of agricultural commodities.

What is Market News?

The USDA Market News Service...

- Helps to improve the efficiency of private sector entities in marketing agricultural products, resulting in increased returns to producers and lower costs to consumers.
- Promotes a strategic marketing perspective that assists producers of agricultural commodities in adapting their products and marketing decisions to changing consumer demands, marketing practices, and technologies.

Market News and Organics

- Market News takes advantage of established USDA grades and standards as a common language that all users can easily recognize and understand when using market reports.
- Prior to 2002, no such standards existed for organics.
- This changed in October 2002 when the USDA National Organic Program established a certifiable standard for the production and marketing of organically grown agricultural products.

The Development of Organic Market Information

- Prior to 2002, Market News provided limited market information for organic fruits and vegetables. The new organic standards provided an opportunity to expand this coverage.
- With a standard in place, Market News began to explore ways to respond to the lack of consistent, timely, and unbiased information for organically grown agricultural products.

The Development of Organic Market Information

- In 2003, Market News began providing detailed information for conventional, kosher, and organic turkey products offered by supermarkets during peak holiday promotion periods including Easter/Passover, Thanksgiving, and Christmas/Hanukkah.
- In January 2004, Market News began publishing weekly wholesale market information for organic poultry and eggs in the first market report devoted entirely to organics.

AJ_PY050

Atlanta, GA

Mon. Feb 08, 2010

USDA Market News

MISC. POULTRY: Weekly Certified Organic Poultry and Eggs

Certified Organic Eggs in Cartons

(price per carton delivered to first receivers)

Brown Eggs	Cents/Carton	Mostly
Extra Large doz.	255 - 316	275 - 310
1/2 doz.	173 - 198	173 - 188
Large doz.	225 - 310	265 - 300
1/2 doz.	160 - 189	160 - 178

Certified Organic Young Chicken

(price per pound delivered to first receivers)

Item	Cents/Pound	Mostly
Whole Broiler/Fryer	196 - 300	201 - 214
Boneless/Skinless Breast	575 - 716	660 - 684
Bone-in Breast	360 - 421	367 - 376
Whole Legs	188 - 219	199 - 209
Thighs	199 - 245	209 - 211
Whole Wings	Too Few	Too Few

Note: Certified Organic denotes products grown and processed according to USDA's national organic standards and certified by USDA-accredited State and private certification organizations. For more information, visit <http://www.ams.usda.gov/nop/>.

Source: USDA/AMS Poultry Programs, Market News Branch & Analysis Branch
Atlanta, GA 404.562.5850 Email: PYMNATL@ams.usda.gov
http://www.ams.usda.gov/mnreports/AJ_PY050.txt

Prepared: 08-Feb-10 11:00 AM KDF

The Development of Organic Market Information

- The report was the result of a voluntary cooperative effort between USDA and members of the organic industry who recognized the need for market information for organics.
- Within a few months, the market for organic poultry and eggs experienced a noticeable narrowing of price ranges as marketers incorporated the new information into their marketing decisions.

The Development of Organic Market Information

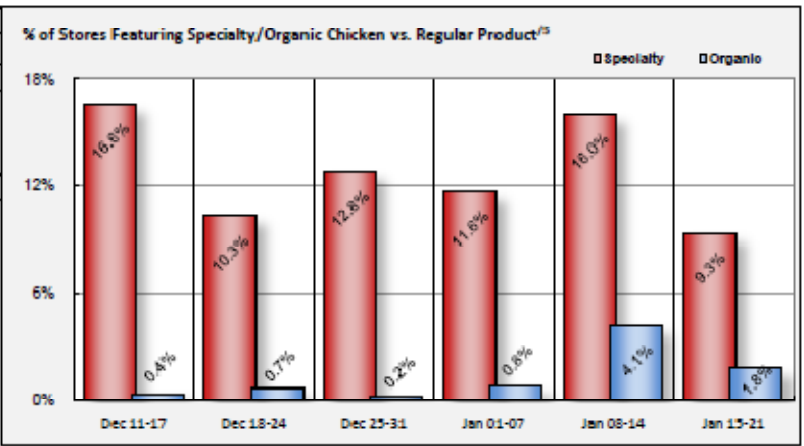
- In 2005, this report was followed by a new report providing information on supermarket feature prices and activity for organic shell eggs.
- In 2006, similar information for organic young chicken products became available.
- In 2007, Market News began reporting prices for organic feed grains in the Upper Midwest and Eastern Cornbelt production regions. Over time, these reports were expanded to include additional organic grains and feedstuffs.



USDA Weekly Retail Chicken Feature Activity - USDA Certified Organic and Specialty Chicken
 Advertised Prices for Chicken to Consumers at Major Retail Supermarket Outlets during the period of 01/15 thru 01/21.
 (prices in dollars per pound, fresh tray-pack product unless otherwise noted)

Fri. Jan 15, 2010

Feature Rate ^{1/}	NATIONAL SUMMARY					
	SPECIALTY CHICKEN			USDA ORGANIC CHICKEN		
	THIS WEEK	LAST WEEK	LAST YEAR	THIS WEEK	LAST WEEK	LAST YEAR
	16.9% of 19,200 outlets	20.6% of 19,200 outlets	10.6% of 18,600 outlets	2.7% of 19,200 outlets	10.5% of 18,600 outlets	1.4% of 18,600 outlets
Activity Index ^{2/}	4,150	7,170	5,160	780	1,710	820
	Stores Wtd Avg	Stores Wtd Avg	Stores Wtd Avg	Stores Wtd Avg	Stores Wtd Avg	Stores Wtd Avg
Whole Fryer	320 1.59	1,550 1.74	1,060 1.79	350 2.95	30 4.99	10 3.29
Bnls/Sknls Breast	940 4.77	3,300 4.90	1,110 4.89	400 6.77	1,680 7.80	610 7.19
Breast Tenders	170 5.96	620 5.01	160 3.84	10 6.99		30 10.99
Split, bn-in Breast	100 2.92	470 2.86	310 4.51			
Whole Wings			10 0.99			
Leg Quarters	420 1.00	120 1.25	110 1.37	-- --	-- --	-- --
Legs		20 2.12	110 1.98			
Thighs	1,050 1.70	370 1.53	1,180 1.73	10 2.99		80 2.99
Drumsticks	1,070 1.71	360 1.50	1,110 1.71	10 2.99		90 3.08
B/S Thighs	80 2.97	270 2.57	210 2.53			



^{3/} % = total store count for Specialty Items/total store count for the same set of regular items.

SPECIALTY	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.			SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
Feature Rate ^{1/}	43.8% of 4,000 sampled outlets			9.5% of 5,100 sampled outlets			12.9% of 3,200 sampled outlets			10.6% of 3,500 sampled outlets			3.0% of 2,400 sampled outlets			14.9% of 1,000 sampled outlets		
Activity Index ^{2/}	Activity Index = 2,730			Activity Index = 520			Activity Index = 300			Activity Index = 420			Activity Index = 110			Activity Index = 70		
	price range	stores	wtd avg	price range	stores	wtd avg	price range	stores	wtd avg	price range	stores	wtd avg	price range	stores	wtd avg	price range	stores	wtd avg
Whole Fryer	1.39 - 2.49	100	1.81	1.39 - 1.48	50	1.44	0.99 - 1.69	90	1.44	1.69	50	1.69	1.19 - 1.59	10	1.19	1.49 - 1.59	20	1.54
Bnls/Sknls Breast	2.99 - 5.99	570	4.78	5.49	110	5.49	2.75 - 4.99	170	4.83	3.99 - 4.99	40	4.26	1.88 - 5.29	30	1.88	4.99 - 5.29	20	5.13
Breast Tenders	5.49 - 5.99	170	5.96															
Split, bn-in Breast	3.49	20	3.49	2.99	20	2.99	1.59 - 2.49	20	2.00				2.99 - 3.29	30	2.99	3.29	10	3.29
Whole Wings																		
Leg Quarters	0.99 - 1.69	10	1.34	0.99	180	0.99	0.89	20	0.89	0.89 - 0.99	200	0.99				1.89	10	1.89
Legs																		
Thighs	1.49 - 2.49	910	1.70	1.69 - 1.99	80	1.74				1.69	60	1.69						
Drumsticks	1.49 - 2.49	930	1.71	1.69 - 1.99	80	1.74				1.69	60	1.69						
B/S Thighs	2.59 - 3.69	20	3.17							3.99	10	3.99	1.99 - 4.49	40	2.25	4.49	10	4.49
ORGANIC	11.8% of 4,000 sampled outlets Activity Index = 590			0.0% of 5,100 sampled outlets Activity Index = 10			0.3% of 3,200 sampled outlets Activity Index = 0			0.0% of 3,500 sampled outlets Activity Index = 0			0.6% of 2,400 sampled outlets Activity Index = 150			1.7% of 1,000 sampled outlets Activity Index = 30		
Whole Fryer	2.49 - 3.99	310	2.78	3.49	10	3.49							2.69 - 7.99	20	2.85	7.99	10	7.99
Bnls/Sknls Breast	5.09 - 9.09	260	6.10										5.09 - 7.99	130	7.99	5.09	10	5.09
Breast Tenders																		
Split, bn-in Breast																		
Whole Wings																		
Legs																		
Thighs	2.99	10	2.99															
Drumsticks	2.99	10	2.99															
B/S Thighs																		

Specialty products are produced from chickens raised on an all vegetable diet without antibiotics and are minimally processed. USDA Certified Organic are products grown and processed according to USDA's national organic standards and certified by USDA-accredited State and private certification organizations. For more information, visit <http://www.ams.usda.gov/nop/>.

Source: USDA Agricultural Marketing Service, Poultry Market News and Analysis - (202) 720-6911 website: <http://www.ams.usda.gov/pymarketnews> 5 of 5



The Development of Organic Market Information

- In 2007, the Market News information database was modified to segregate organic from conventional fruit and vegetable data.
- This information was then made available on the USDA Market News Portal, allowing public access to current and historical market information on organic fruits and vegetables.

The Development of Organic Market Information

- Many of these organic reporting projects were made possible through outside funding.
- The 2002 Farm Bill called upon the USDA's Risk Management Agency (RMA) to develop a separate price series for organics.
- RMA partnered with USDA Market News to provide funding to develop organic market information.

The Development of Organic Market Information

- The 2008 Farm Bill called upon the Secretary to, *“collect and report data on the production and marketing of organic agricultural products.”*
- The Bill also provided temporary funding in support of these efforts.
- In response, Market News began to develop new ways to enhance and expand market news information for organics.

The Development of Organic Market Information

- In October 2008, price information for organic fruits and vegetables, advertised each week in supermarket circulars, became available. At the same time, a “community” was added to the Market News Portal devoted to sharing market information for organic fruits and vegetables.
- In the Fall of 2009, a report encompassing all organic feed grain and feedstuff market information was launched.

**Weekly Snapshot of Organic Retail Features**

This supplemental report is a list of other organic items found in the retail ads of those stores surveyed as part of the National Fruit and Vegetable Report. The prices shown are the range of prices encountered and are not weighted average prices. Descriptions of the items are largely as shown in the retail ads. Prices are in dollars.

Item	Unit of Sale	Price range
Apples, Braeburn	Per pound	0.99 -1.49
Apples, Cameo	Per pound	0.98 -1.99
Apples, Fuji	Per pound	0.99 -1.99
Apples, Fuji	3 pound bag	3.99
Apples, Gala	Per pound	0.99 -1.99
Apples, Gala	3 pound bag	2.99 -3.99
Apples, Golden Delicious	Per pound	1.49
Apples, Granny Smith	Per pound	1.49
Apples, Pink Lady/Cripps Pink	Per pound	1.99
Apples, Red Delicious	Per pound	1.49 -2.79
Arugula, Baby Type	11 ounce container	3.99
Avocados, Hass	Each	0.58 -2.00
Blueberries	4.4 ounce container	3.29
Blueberries	6 ounce container	2.98 -3.99
Blueberries	11 ounce container	4.88
Blueberries	16 ounce container	3.99
Broccoli, Baby Hybrid Type	Per bunch	1.99
Carrots	Per bunch	1.59 -2.99
Carrots	Per pound	0.99 -1.50
Carrots	2 pound bag	1.99
Cauliflower	Per pound	1.58 -1.99
Celery	Each	1.28 -2.49
Cucumbers	Each	0.89 -1.50
Grapefruit, Red	Per pound	1.29
Grapefruit, Red or Pink	Each	0.99 -2.00
Greens, Collard	Each	3.99
Kale, Green	Each	3.99
Lemons	Each	0.50 -0.99
Lemons	Per pound	0.99
Lemons	2 pound bag	2.99 -3.99
Lettuce, Iceberg	Each	1.69 -2.79
Lettuce, Leaf, Red or Green	Each	1.29 -1.58
Lettuce, Romaine	Each	1.29
Lettuce, Romaine Hearts	3 count package	2.50 -2.79
Mangoes	Each	1.48 -1.69
Mangoes	2 count package	2.99

National Organic Grain and Feedstuffs

Des Moines, Iowa

Thu, Jan 28, 2010

USDA Livestock & Grain Market News

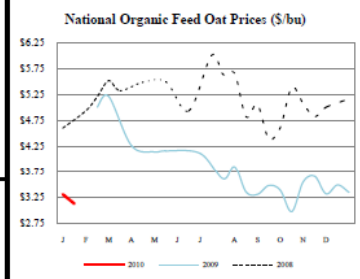
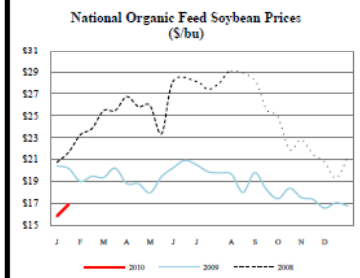
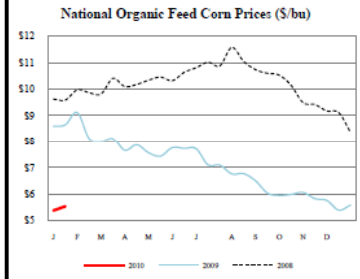
Bi-Weekly Weighted Average Report for the Week Ending 01/27/10

Compared to two weeks ago, national organic grain and feedstuff prices were mixed on light demand and moderate offerings. However, wheat is seeing heavy offerings and light demand. Organic flax meal was reported from \$640 to \$665 per ton in the Upper Midwest region. Prices for food grade white millet were reported from 14 to 18 cents per pound. Organic alfalfa prices were from \$1.00 to \$1.08 per RFQ point.

This report includes information from the following reports and other areas: [Upper Midwest](#) [Eastern Cornbelt](#)
 Prices negotiated spot market, FOB the farm. Prices quoted \$/bushel, except soybean meal, roasted soybeans & hay, \$/ton; sunflowers & spelt, cents/lb

	Price	Weighted Average		
		This Week	2 Weeks Ago	Year Ago
Organic Corn				
Food Yellow	7.00 - 7.50	7.15	7.09	
Feed Yellow	5.00 - 6.40	5.54	5.39	8.66
Organic Soybeans				
Food Grade	19.75 - 23.60	21.32	19.98	
Feed Grade	15.50 - 17.50	16.92	15.84	20.18
Meal	745.00 - 825.00	757.82		
Roasted				
Organic Oats				
Food Grade				
Feed Grade	3.00 - 3.40	3.12	3.30	
Organic Barley				
Feed Grade	3.69 - 4.60	4.22	4.32	
Organic Flax				
Food Grade Brown	23.25 - 25.00	23.94	24.47	
Feed Grade Brown				
Food Grade Golden	28.00 - 30.50	29.13	29.05	
Feed Grade Golden				
Organic Wheat				
Food Grade HRS				
Feed Grade HRS				
Food Grade SRW	6.35 - 6.90	6.46	6.79	
Feed Grade SRW	5.32 - 6.00	5.81	5.83	
Food Grade HRW				
Feed Grade HRW	4.45 - 5.00	4.58		9.07
Food Grade White			7.40	
Food Durum				
Organic Feed Grade Rye			5.33	
Organic Spelt (cleaned)				
Food Grade			40.00	
Organic Sunflowers				
Confectionery				
High Oleic				
Mid Oleic	29.00 - 31.00	30.21		
Organic Field Peas				
Feed Grade			9.51	
Organic Alfalfa				
Supreme				182.50
Premium				165.00
Good				

Organic Contracts	Price	Delivery Period
Feed Grade SRW	6.00 - 6.25	Feb-Mar



USDA Livestock and Grain Market News
 Des Moines, Iowa
 Phone: 515-284-4460
 Email: desm.lgmn@ams.usda.gov
www.ams.usda.gov/USMarketNews

The Development of Organic Market Information

- Also in the Fall of 2009, bi-weekly reporting of advertised prices for organic milk and dairy products was made available to the public.
- This information is complemented by an in-store survey of non-advertised organic dairy price information in Madison, WI, compared with advertised prices for the same location.
- In January 2010, specialty shell egg inventory information, including organic shell egg inventory, was made public.

MD_DA900

DA

MD DA900 Organic Dairy Market Overview

MADISON, WI. January 29, 2010 (REPORTING WEEK 4)

ORGANIC DAIRY MARKET OVERVIEW

The year opened with a continuing increase in the percentage of organic dairy content in supermarket newspaper ads. Organic dairy content this period surpassed the last reporting period, which had surpassed any of the reporting periods in 2009, dating to early October when this survey series began. During the second period, organic dairy ads were included in 48.7% of 9,124 surveyed supermarket ads appearing in newspapers throughout the United States. However, this lags non-organic dairy which appeared in nearly 100% of surveyed ads this period. Also for the first time in this series, three of the six regions of the United States topped 50% of ads having organic dairy content. The Southwest dominated all regions in the percentage of ads for the second consecutive period, with 72.3% organic dairy content. Second was the Northeast with 63.1% organic content, closely followed by the Northwest with 59.1%. Some organic dairy processors report sales results for the opening of 2010 as being better than for the opening of 2009. Organic milk sales from a national perspective are described as "strong" related to expectations by some processors. Sales of organic milk and dairy products are believed to be driven not only by absolute price, but also by the price of non-organic milk and dairy products. A smaller gap is more likely to encourage higher organic dairy sales. The overall national gap is perceived by some organic processors as having narrowed, which helped organic dairy sales. Although most organic milk above single serving size is sold in half gallons and gallons, more placements of organic milk quarts have appeared in recent weeks.

10:30C Eric K. Graf eric.graf@ams.usda.gov

NW_PY022
 Washington, DC

Mon. Feb 08, 2010

USDA Market News

SHELL EGGS: Weekly Shell Egg Inventory (Mon)

Specialty Shell Egg Inventory 2/
 Shell Egg stocks on hand to be marketed as specialty 1/
 (30 Dozen cases - in thousands)

		North Northeast	North Central	South Central	South Atlantic	Pacific	5-Area
Large	Curr Wk	3.9	6.2	3.0	4.0	4.8	21.9
	Change	1.3	-1.3	-0.2	-1.0	-0.5	-7%
Ungraded	Curr Wk	0.0	6.7	3.6	0.0	0.0	10.3
	Change	0.0	3.8	0.5	0.0	0.0	72%
Total Percent	Curr Wk	3.9	12.9	6.6	4.0	4.8	32.2
	Change	50%	24%	5%	-20%	-9%	9%
TOTAL		Number of Cases		Percent Change		Number of Cooperators	
----- Specialty Shell Egg		32.2		9%		39	

1/ Information supplied by a universe of size indicated by the number of cooperators. Cooperators normally have stocks on hand each Monday A.M. and must report in both the current and previous week. This is a representative sample of the U.S. inventory and includes eggs packed for export when in cooperator's coolers.
 2/ Specialty eggs include certified organic, nutritionally enhanced, cage-free, and vegetarian-fed types.

Supporting Activities

- In addition to providing increased organic market information, Market News has been involved in activities in support of organic market reporting including...
 - Participation at organic trade shows.
 - Sponsorship of outreach efforts to identify organic industry information needs.
 - Sponsorship of stakeholder listening sessions.
 - Cooperation with the Organic Trade Association and the Organic Farming Research Foundation.

Challenges to Improving Organic Information

- Difficult to gather information efficiently due to a large number of smaller scale organic producers.
- Many organic products are marketed directly or in limited volumes to local markets.
- Many organic items are seasonally produced (e.g. turkeys) resulting in inconsistent coverage.
- Many organic items are priced on a cost of production basis or priced on long term contracts.
- Many organic producers and marketers are reluctant to share market information freely.

Future Development

- To date, Market News provides market information on a broad range of organically-grown agricultural products in over 11 market reports.
- Beyond expansion of existing reports, work continues with a number of new initiatives including...
 - Reporting farmer prices for organic milk.
 - Reporting the percentage of organic shell eggs on inventory and in production.

Future Development

- Reporting weekly organic chicken and turkey production.
- Development of a new report containing all market data for organic fruits and vegetables.
- Development of a new report serving as the sole source for information relating to organic poultry and egg production, inventory, and wholesale and retail feature.

Future Development

- Expanded access to historical organic data on the USDA Market News Portal.
- Reporting organic beans, peas, and lentils.
- Reporting imported organic grains and feedstuffs.
- Reporting organic livestock and wholesale red meat products.

