

Potato Marketing Fact Sheet

<http://www.uky.edu/Ag/HortBiz/>



Market Trends

- Although potatoes have excellent nutritional qualities, demand for fresh potatoes softened between 1999 and 2002 perhaps due to dieting trends and consumer perception of high carbohydrate levels in tubers.
- Potato consumption rebounded slightly in 2003 but potato prices were still soft.¹
- Consumer interest continues to increase in gold, blue, and red potato varieties. Niche marketers can combine this interest with nutritional information about potatoes to expand specialty potato sales.
- Consumers continue to demand smaller potato quantities. Individually wrapped baking potatoes and 1-5 pound plastic clamshell containers are used for marketing smaller quantities of potatoes to the consumer.

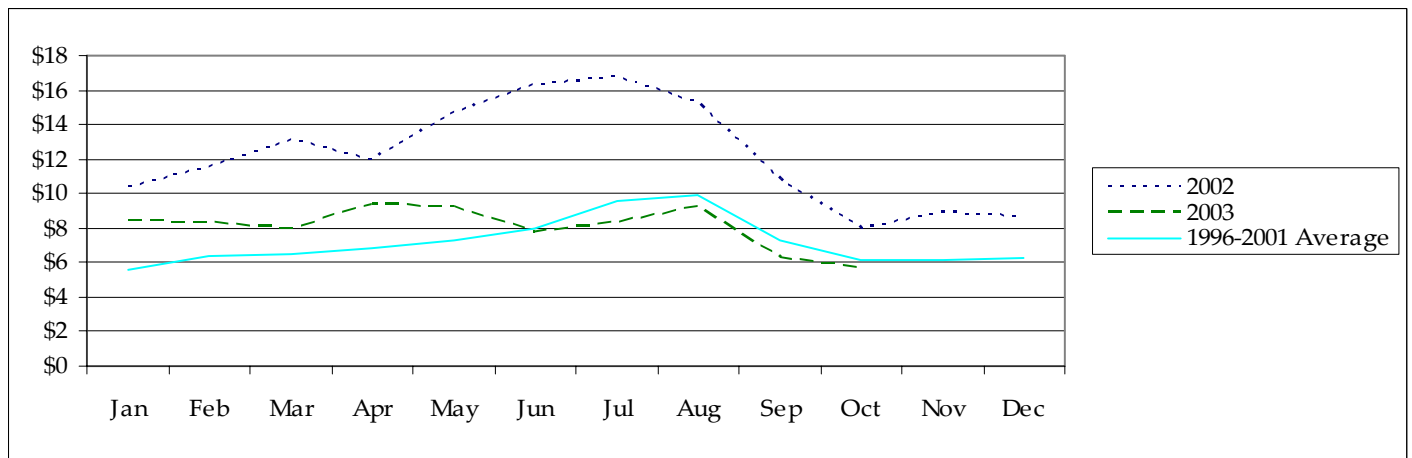
¹ Source: USDA/ERS Vegetables and Melons Outlook VGS-300, Dec. 18, 2003

U.S. Potato Production

	1997	1998	1999	2000	2001	2002
Acres Harvested (1,000)	1,354	1,388	1,332	1,348	1,241	1,294
Yield Per Acre (cwt)	345	343	359	381	358	364
Total Production (1,000 cwt)	467,091	475,771	478,216	513,621	444,766	471,000
Average Price (\$/cwt)	\$ 5.18	\$ 5.08	\$ 5.27	\$ 5.04	\$6.60	\$5.55
Total Value (\$1,000)	2,421,212	2,415,756	2,522,286	2,591,000	2,936,000	2,615,000

Source: USDA/ERS

Fresh (Table Stock) Potato Average f.o.b. Shipping Point Prices
(\$ per cwt)



Source: USDA/ERS

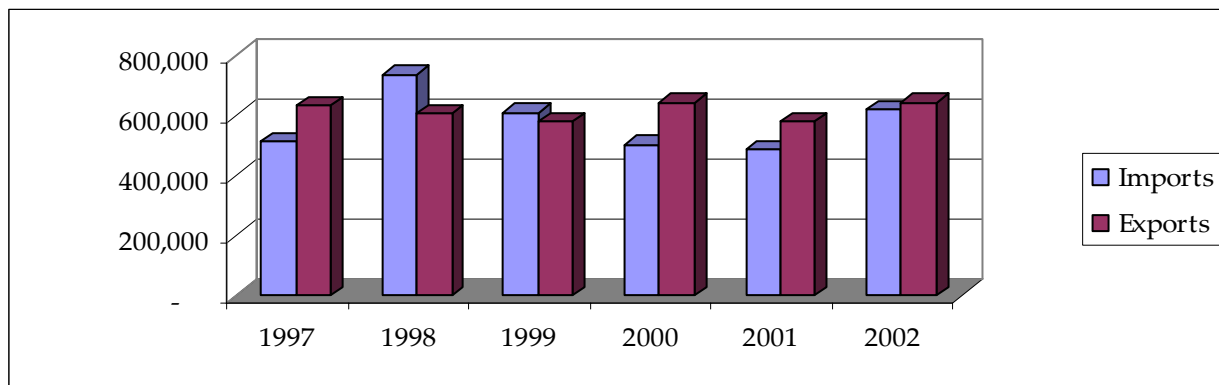
2003 Kentucky Fresh Potato Breakeven Prices

Cwt Per Acre	210	220	230	240	250	255	260	265
Price*	\$10.40	\$9.93	\$9.49	\$9.10	\$8.73	\$8.56	\$8.40	\$8.24

* Price required for \$0 return to land and management

Source: UK Vegetable Production Budget Updates

U.S. Fresh Potato Trade (1,000 cwt)



Potato Harvest by Major Producing Areas

(1,000 cwt)

	1999	2000	2001	2002	2003
Idaho	133,330	152,320	120,200	133,385	123,180
CA, CO, OR, WA	167,684	183,353	151,602	168,020	157,658
MI, MN, ND, WI	93,383	96,953	90,730	87,163	97,585
FL, ME, NY, PA	38,331	35,817	34,840	34,709	36,885
IL, IN, NC, OH, VA	8,415	8,465	8,781	8,676	8,936
All Other States	37,073	36,713	31,735	31,261	34,801

Source: NASS, USDA Potatoes 2003 Summary

Information Sources

USDA Vegetable and Melons Report

<http://www.ers.usda.gov/publications/vgs/>

UF Marketing Information System

<http://mids.ifas.ufl.edu/>

UK Horticulture Budgets

<http://www.uky.edu/Ag/HortBiz/pubs.html>

NASS Vegetable Reports

<http://usda.mannlib.cornell.edu/reports/nassr/fruit/pvg-bban/>

Prepared by Matt Ernst (mernst@uky.edu) and Tim Woods (tawoods@uky.edu), University of Kentucky Department of Agricultural Economics, 400 Charles E. Barnhart Building, Lexington, KY, 40546-0276, Phone 859-257-5762, Fax 859-323-1913.

<http://www.uky.edu/Ag/AgEcon>

Educational programs of the Kentucky Cooperative Extension Service serve all people regardless of race, color, age, sex, religion, disability, or national origin.