

Delaware and Delmarva is a great place to produce food!

And make money doing it!!!



**U.S. spends \$800 billion on food each year!!!**

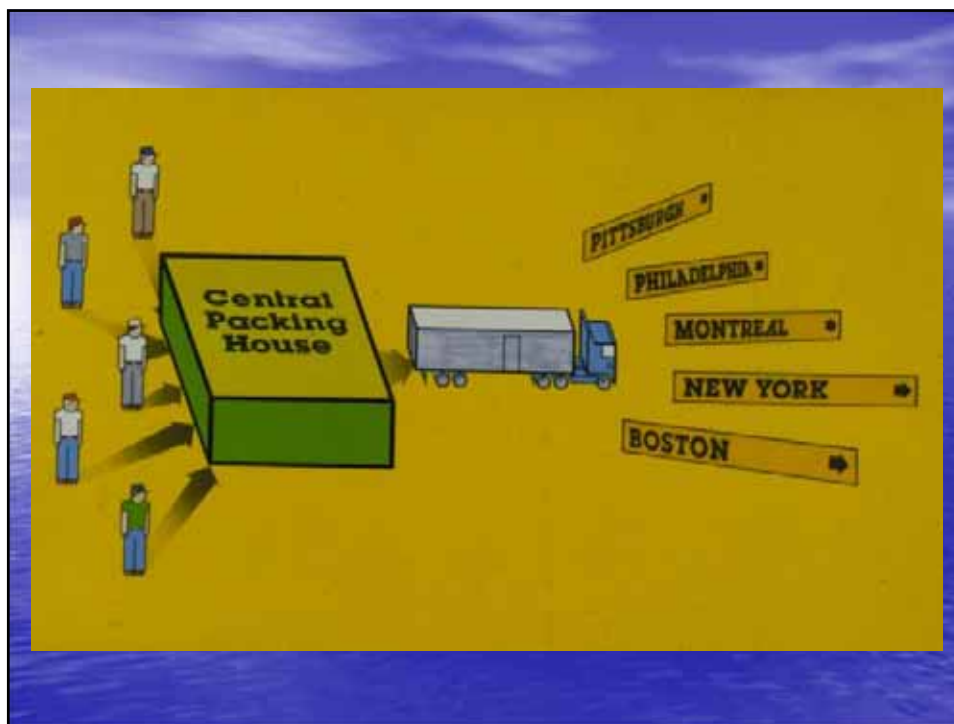
- \$400 billion at retail
- \$400 billion on meals away from home
- How can we help our growers capture more of that?
- Farm Values
  - Fresh Vegetables - \$10 billion
  - Processed Vegetables - \$1.2 billion

## Delaware is Unique

- Land - 2,500 farms
  - 510,000 acres in farms – 39-40% of Delaware
  - 33% of land in Ag preservation districts
    - \* 24% (115,000 acres) now permanently preserved
  - 41% of land area, coupled with forestlands = 76% of Delaware is in open space
- Irrigation – 130,000+ acres (25+%)
- Tradition and Experience
- Proximity to Markets

## "Food Shed"

- 110 million people live within 8 hour drive
  - 1/3 of US population
- Food Shed for East
- Food Shed for Delaware



## Scratch a Little Deeper ---

- 40% of farms have sales of over \$100,000
- That's where the economic power is !
- However, small farm operations are growing and provide value added benefits in numerous ways

## Opportunities or Challenges?

- **Business and Market Development**
  - Vigorous commercial agricultural markets
    - Poultry = birds + grain
    - Vegetable Processing
    - Wholesale specialty crops
      - Fresh vegetables
      - Horticultural & Greens Industry
  - Direct Marketing
    - Connect farmers and consumers
    - Develop a “food shed” for Delawareans
      - Farm to School
      - Farm to Restaurants
      - Farmers Markets
      - CSA’S

## The Vegetable Industry

- **Processing**
- Fresh Market – Shipping
- Fresh Market – Local
  - Wholesale trade to beach/city
    - Don’t underestimate that importance
  - Laurel Auction Market
  - On Farm Markets
  - Farmer’s Markets
  - Farm to School, Farm to Restaurant, CSA

## What Does Processing Crop Production Do?

- **Diversity** – Farm Income and crop rotation
- **Adds Value** – Partnership allows many farmers to reach markets
- **Jobs, Economic Development**
  - 5-7 multiplier effect
- **Stronger Ag Economy** – Proves Agriculture is a viable enterprise

## Nature of Processing Crops

- 50 Million pounds of frozen product
- 70 million jars of pickles
- 800 jobs x 3 processors = 2,400 jobs
- 75 to 100 farmers



## Processors in Delaware

- 1919 – 103 Processors
- 1927 – 71 Processors
  - 8 in New Castle County
  - 27 in Kent County
  - 36 in Sussex County
- 1960 – 29 Processors
  - 2 in New Castle County
  - 11 in Kent County
  - 16 in Sussex County
- 2019 – 2 Processors
  - PicSweet
  - Hanover Foods

## Processing Acreage

• Delaware	41,700
• Maryland	13,900
• New Jersey	10,900
• Pennsylvania	10,550
• Virginia	1,970

## Processing Crop Acreage in Delaware

	<u>1945</u>	<u>Currently</u>
• Peas	3,500	6,000
• Lima Beans	11,400	14,300
• Sweet Corn	4,100	7,300
• Green Beans	1,900	3,000
• Tomatoes	10,500	-----
• Asparagus	1,250	-----
• Pickles	<u>2,000</u>	<u>5,000</u>
• TOTAL	34,650	35,600

## Major Processing Crops in the U.S.

- Sweet Corn 380,100 acres
- Tomatoes 319,300 acres
- Peas 213,800 acres
- Snap Beans 213,700 acres
- Cucumbers 98,600 acres
- Lima Beans 40,730 acres
- Spinach 11,700 acres

## Number of Processors in US that generate production

- Sweet Corn – 28
- Peas – 29
- Lima Beans – 18
- Snap Beans – 28
- Spinach – 13
- Pickles - 30



## The Vegetable Industry

- Processing
- **Fresh Market – Shipping (Walmart, Giant etc.)**
- **Fresh Market – Local**
  - Wholesale trade to beach/city
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  - Laurel Auction Market
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## Fresh Market Veggies

- |                     |                                 |
|---------------------|---------------------------------|
| • Snap beans        | Strawberries                    |
| • Lima Beans        | Sweet Corn                      |
| • Cabbage           | Tomatoes                        |
| • Cucumbers         | Watermelons                     |
| • Potatoes          | Cantaloupes                     |
| • Pumpkins          | Collards, Broccoli, Cauliflower |
| • Hot/sweet Peppers | Lettuce                         |
| • Spinach           | Squash                          |
| • Peas              | Beets, Eggplant, Herbs          |





## Farmer's Markets in Delaware

Name of Market	Total Produce	Total Other Sales	Grand Total
Bethany Beach	\$113,303.00	\$67,714.00	\$181,017.00
Carousel Park	\$38,732.00	\$14,984.00	\$53,716.00
Cool Spring	\$12,928.00	\$21,046.00	\$33,974.00
DSU	\$6,399.00	\$6,586.00	\$12,985.00
Fenwick Island	\$65,895.00	\$40,121.00	\$106,016.00
Georgetown	\$5,772.00	\$5,987.00	\$11,759.00
Harrington	\$4,215.00	\$614.00	\$4,829.00
Historic Lewes	\$353,991.00	\$174,010.00	\$528,001.00
Little Italy	\$502.00	\$1,049.00	\$1,551.00
Milford	\$41,069.00	\$18,819.00	\$59,888.00
Milton	\$26,945.00	\$76,863.00	\$103,808.00
Newark (Coop)	\$65,183.00	\$73,571.00	\$138,754.00
Rehoboth Beach	\$178,807.00	\$132,414.00	\$311,221.00
Sea Colony	\$66,881.00	\$2,080.00	\$68,961.00
Western Sussex	\$16,459.00	\$6,256.00	\$22,715.00
Wilmington	\$36,525.00	\$118,545.00	\$155,070.00
<b>Grand Totals:</b>	<b>\$1,033,606.00</b>	<b>\$760,659.00</b>	<b>\$1,794,265.00</b>

## Fresh to Local

- Farmer's Markets
  - **16 - \$1.8 Million**
  - Lewes, \$450,000
  - **\$1 million represents 1/1000<sup>th</sup> of \$1 Billion Ag Economy in Delaware**
  - Great Connector of Farm to Consumer
  - Great for Communities
- Farm to School

## Farm to School

**Not new**

**125,000 students in public schools**

Not for everyone – continuing to grow

As far as fresh – limited by seasonality

Processed Vegetables and Delaware Meat, Poultry and of course, milk products



**Farm to School**

1. **Market Opportunity**
2. **Nutritional Enhancement**
3. **Educational Opportunity**

**Key Players**

**Memorandum of Understanding between three Cabinet Level Agencies:**

1. **Dept. of Agriculture**
2. **Dept. of Education**
3. **Dept. of Health & Social Services**

## **Local Sustainability & Greening**

- **Environmentally Sound Crop Production Practices**
  - **Judicious application of nutrients**
    - Based on Soil Tests
    - Apply what is needed, not excess for crops
  - **Safe and Judicious application of pesticides**
    - Licensed applicators through state programs
    - Approved & recommended materials by University Extension programs

## Greening & Recycling

- **Growers/Processors/Stores recycles**
  - All cardboard
  - All pallets
  - All lubrication materials & oils
  - Corn Fodder, straw, and other plant material for animal feed and mushrooms
- **Growers recycle**
  - Pesticide containers
  - Lubrication materials & oils

## Interest in Organics

- Difficult to implement on large scale
  - Reliability of Production?
    - Especially in the humid east
      - Diseases & insects & weeds
- Certainly has a place
  - Local sales
  - Some success in drier regions, but then shipping to the markets

## Organics

- United Nations FAO:
  - “To feed the U.S. alone with organic food, we’d need 40 million farmers, up from 1 million today.”
  - “We also need to double food production by 2050 and to suggest organics can solve the challenge is ‘dangerously irresponsible.’”
- Growers and processors have explored this on a small scale and it has not been pragmatic.

## Urban Agriculture



New Castle DE – 27 sites

## Critical Issues

- Water Resources
- Labor
- Food Safety
  - **GAP** (Good Agricultural Practices)
  - **GHP** (Good Handling Practices)
- Implementation of Biotechnology
- New Technologies
- Chesapeake Bay Issues (Nutrient Mgt.)
- Estate Taxes/transfer of operations

## Highlights

- **Reaching consumers with a safe, nutritious, affordable and convenient product**
- Providing significant farm income to farmers – Sustainability
- Best production management practices used in crop production along with handling
- Economic impact & job creation for our communities and State



## Highlights

- Preserve and Expand Market and Business Opportunities
- As regulations are coming – work to ensure fairness and balance
- Support new science-proven technologies
- Communicate with the non-farm public (web, social media, blogs etc.)