GREATER PHILADELPHIA

FOOD SYSTEM STUDY

the FOOD and FARMING ALMANAC

PART 3: Agricultural Resources &
PART 4: The Food Economy
March, 31, 2009
Study Advisory Committee Meeting
OVERVIEW of DVRPC

- Philadelphia’s Metropolitan Planning Organization (MPO), created in 1965
- Interstate, intercounty, and intercity agency
- Prioritize transportation funding
- 2 States, 9 Counties, 353 Municipalities
- Responsible for the region’s Long Range Plan and Air Quality
- Strong “Home-Rule” control of land use
FY09 SCOPE OF WORK

- Part 1: Food Policy Network Analysis
- Part 2: Food Freight Analysis
- Part 3: Agricultural Resources Assessment
- Part 4: The Food Economy
PART 1: PERCEPTIONS & OPINIONS

- Identify stakeholders
- Interview stakeholders
- Inventory the work of area organizations
- Collect Recommendations and Best Management Practices
OPPORTUNITY 1: Proximity

Source: U.S. Census Bureau 2000

ADVANTAGE: Proximity

2000 POPULATION DISTRIBUTION IN THE UNITED STATES

One dot = 15,000 people

Source: U.S. Census Bureau 2000
CHALLENGE:
Rising Costs

CHANGE:
Local, Sustainable, Direct, and Niche Markets

Number of Operating Farmers Markets

Source: USDA Agricultural Marketing Service
PART 2: FOOD DISTRIBUTION

- Food is a “high turnover” commodity
- How do goods move through the region?
- Freight Analysis Framework
  - Origins and Destinations of food
- Supply chain case studies
FOOD FREIGHT COMPARED TO OTHER COMMODITIES

2002 Total Weight of Movements

- All Other Commodities: 71%
- Total Food: 13%
- All Pipeline Movements: 16%
FOOD BY COMMODITY TYPE:
2002 Weight

- Alcoholic Beverages: 1,297.3 tons
- Foodstuffs: 13,721.8 tons
- Milled Grain: 2,914.4 tons
- Meat / Seafood: 2,481.3 tons
- Animal Feed: 784.1 tons
- Other Ag Prods.: 10,025.8 tons
- Cereal Grains: 7,828.5 tons
- Live Animals: 935.0 tons
ORIGINS OF FOOD
(Leg of a trip)

![Bar chart showing the origins of food for different years. The chart includes data from 2002, 2010, and 2035. The chart distinguishes between food from 100 Mile, From Other, From International, and Within Philadelphia CSA.]
DESTINATIONS OF FOOD
(Leg of a trip)

The bar chart shows the destinations of food (tons in thousands) for different years (2002, 2010, 2035) and locations:
- To 100 Mile
- To Other
- To International
- Within Philadelphia CSA

The chart indicates the trend of food transport over the years, with a notable increase in the tonnage of food transported to international destinations by 2035.
PART 3: Agricultural Resources Assessment

• Agricultural Land Base

• Agriculture Industry
PART 3: Agricultural Resources Assessment

- Agricultural Land Base
- Agriculture Industry
### Agricultural Land Base:
#### Quick Facts about the Study Area

<table>
<thead>
<tr>
<th></th>
<th>100-Mile Foodshed</th>
<th>United States</th>
<th>100-Mile Foodshed as part of United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003 Population (persons)</td>
<td>30,954,544</td>
<td>299,398,484</td>
<td>10.3%</td>
</tr>
<tr>
<td>Total Land Area (sq miles)</td>
<td>29,910</td>
<td>3,537,438</td>
<td>0.8%</td>
</tr>
<tr>
<td>Population Density (persons/ sq mile)</td>
<td>1,034.9</td>
<td>84.6</td>
<td></td>
</tr>
<tr>
<td>Total Agricultural Lands (sq miles)</td>
<td>8,123</td>
<td>1,440,775</td>
<td>0.6%</td>
</tr>
<tr>
<td>Number of Farms</td>
<td>45,673</td>
<td>2,204,792</td>
<td>2.1%</td>
</tr>
<tr>
<td>Total Market Value of Agricultural Products Sold</td>
<td>$6,732,916,000</td>
<td>$297,220,491,000</td>
<td>2.3%</td>
</tr>
<tr>
<td>Portion of Land Area Devoted to Agriculture</td>
<td>27.2%</td>
<td>40.7%</td>
<td></td>
</tr>
</tbody>
</table>

10% of the United States’ population lives in the 100-Mile Foodshed
The 100-Mile Foodshed has less than 1% of the nation’s land area
The 100-Mile Foodshed has a population density 12X greater than the nation’s density.

**This is the most dense part of the United States.**

Less than 1% of the United States’ agricultural land is within the 100-Mile Foodshed
However, over 2% of the nation’s farms are within the 100-Mile foodshed
And over 2% of the nation’s value of agricultural products is produced within the 100-Mile Foodshed
Agricultural Land Base:
Total Land in Farms in the 100-Mile Foodshed
Agricultural Land Base:
Total Land in Farms in the United States
Agricultural Land Base: Types of Farmland

2007 Land in Farms

United States

- Cropland: 45%
- Pasture: 44%
- Woodland: 8%
- Other Uses: 3%

100-Mile Foodshed

- Cropland: 73%
- Pasture: 7%
- Woodland: 14%
- Other Uses: 6%
Agricultural Land Base: Number of Farms in the 100-Mile Foodshed

![Bar chart showing the number of farms in the 100-mile foodshed from 1987 to 2007]

- 1987: 40,926
- 1992: 36,991
- 1997: 37,067
- 2002: 43,237
- 2007: 45,673
Agricultural Land Base:
Number of Farms in the United States

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Farms</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987</td>
<td>2,087,759</td>
</tr>
<tr>
<td>1992</td>
<td>1,925,300</td>
</tr>
<tr>
<td>1997</td>
<td>2,215,876</td>
</tr>
<tr>
<td>2002</td>
<td>2,128,982</td>
</tr>
<tr>
<td>2007</td>
<td>2,204,792</td>
</tr>
</tbody>
</table>
Agricultural Land Base: Farms by Size in the United States

<table>
<thead>
<tr>
<th>Acres/Farm</th>
<th>2002</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000 acres or more</td>
<td>100,000</td>
<td>200,000</td>
</tr>
<tr>
<td>50 to 999 acres</td>
<td>200,000</td>
<td>400,000</td>
</tr>
<tr>
<td>10 to 49 acres</td>
<td>400,000</td>
<td>600,000</td>
</tr>
<tr>
<td>1 to 9 acres</td>
<td>600,000</td>
<td>700,000</td>
</tr>
</tbody>
</table>
Agricultural Land Base:
Types of Crops on Cropland, 2007

Total Acres

100-Mile Foodshed

United States

- Field Crops: 70% (100-Mile Foodshed), 52% (United States)
- Berries: 4% (100-Mile Foodshed), 1% (United States)
- Other: 1% (100-Mile Foodshed), 4% (United States)
- Vegetables/Melons/Potatoes: 1% (100-Mile Foodshed), 5% (United States)
PART 3: Agricultural Resources Assessment
- Agricultural Land Base
- Agriculture Industry
PART 3: Agricultural Resources Assessment

- Agricultural Land Base
- Agriculture Industry
Agriculture Industry:
Age of Principal Operators

100-Mile Foodshed
United States

<table>
<thead>
<tr>
<th>Years</th>
<th>1997</th>
<th>2002</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>52.9</td>
<td>53.4</td>
<td>55.2</td>
</tr>
<tr>
<td></td>
<td>54.0</td>
<td>55.3</td>
<td>57.1</td>
</tr>
</tbody>
</table>
### Agriculture Industry: Farm Labor

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2002</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farms that hire labor (farms)</td>
<td>482,186</td>
<td>554,434</td>
<td>-13.0%</td>
</tr>
<tr>
<td>Farm labor (workers)</td>
<td>2,636,509</td>
<td>3,036,470</td>
<td>-13.2%</td>
</tr>
<tr>
<td>Payroll</td>
<td>$21,877,661,000</td>
<td>$18,568,446,000</td>
<td>17.8%</td>
</tr>
<tr>
<td>Farms that hire labor (farms)</td>
<td>10,786</td>
<td>11,837</td>
<td>-8.9%</td>
</tr>
<tr>
<td>Farm labor (workers)</td>
<td>73,242</td>
<td>76,988</td>
<td>-4.9%</td>
</tr>
<tr>
<td>Payroll</td>
<td>$800,735,000</td>
<td>$614,990,000</td>
<td>30.2%</td>
</tr>
</tbody>
</table>
Agriculture Industry:
Market Value of Products Sold, 100-Mile Foodshed

1987 $3,560,149,000
1992 $4,151,775,000
1997 $4,538,841,000
2002 $4,698,799,000
2007 $6,732,916,000

$0  $1,000,000,000  $2,000,000,000  $3,000,000,000  $4,000,000,000  $5,000,000,000  $6,000,000,000  $7,000,000,000  $8,000,000,000

$8,000,000,000  $7,000,000,000  $6,000,000,000  $5,000,000,000  $4,000,000,000  $3,000,000,000  $2,000,000,000  $1,000,000,000  $0

Agriculture Industry:
Value of Livestock and Crop Sales

United States
- 52% Value of crops including nursery and greenhouse
- 48% Value of livestock, poultry, and their products

100-Mile Foodshed
- 55% Value of crops including nursery and greenhouse
- 45% Value of livestock, poultry, and their products
Agriculture Industry:
Market Value of Products Sold, Top Counties in 100-Mile Foodshed

<table>
<thead>
<tr>
<th>Rank</th>
<th>County, State</th>
<th>Number of Farms</th>
<th>Market value of agricultural products sold</th>
<th>% of 100-Mile Total Market Value</th>
<th>Rank in the US of 3,076 counties</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lancaster, PA</td>
<td>5,462</td>
<td>$1,072,151,000</td>
<td>16%</td>
<td>18</td>
</tr>
<tr>
<td>2</td>
<td>Sussex, DE</td>
<td>1,374</td>
<td>$848,942,000</td>
<td>13%</td>
<td>28</td>
</tr>
<tr>
<td>3</td>
<td>Chester, PA</td>
<td>1,733</td>
<td>$553,290,000</td>
<td>8%</td>
<td>49</td>
</tr>
<tr>
<td>4</td>
<td>Berks, PA</td>
<td>1,980</td>
<td>$367,840,000</td>
<td>5%</td>
<td>108</td>
</tr>
<tr>
<td>5</td>
<td>Lebanon, PA</td>
<td>1,193</td>
<td>$257,097,000</td>
<td>4%</td>
<td>206</td>
</tr>
<tr>
<td>6</td>
<td>Adams, PA</td>
<td>1,289</td>
<td>$216,994,000</td>
<td>3%</td>
<td>281</td>
</tr>
<tr>
<td>7</td>
<td>York, PA</td>
<td>2,370</td>
<td>$212,634,000</td>
<td>3%</td>
<td>289</td>
</tr>
<tr>
<td>8</td>
<td>Kent, DE</td>
<td>825</td>
<td>$188,390,000</td>
<td>3%</td>
<td>366</td>
</tr>
<tr>
<td>9</td>
<td>Caroline, MD</td>
<td>574</td>
<td>$186,039,000</td>
<td>3%</td>
<td>372</td>
</tr>
<tr>
<td>10</td>
<td>Dorchester, MD</td>
<td>424</td>
<td>$166,732,000</td>
<td>2%</td>
<td>455</td>
</tr>
</tbody>
</table>
Agriculture Industry:
Market Value of Products Sold, Average per Farm
Agriculture Industry:
Farms by Value of Sales, 100-Mile Foodshed

The graph shows the number of farms by value of products sold/year for the years 2002 and 2007. The value categories are:

- Less than $2500
- $2,500 to $4,999
- $5,000 to $9,999
- $10,000 to $24,999
- $25,000 to $49,999
- $50,000 to $99,999
- $100,000 to $499,999
- $500,000 or more

The data indicates a trend in the number of farms across different value categories for the two years.
Agriculture Industry:
Farms by Value of Sales, United States
Agriculture Industry:
Value of Sales by Commodity Group, 100-Mile Foodshed

Fruits, Vegetables and Nuts
Animal Products
Field Crops
Non Food Items

2007
2002
Agriculture Industry:
Types of Vegetables in the 100-Mile Foodshed

- Watermelons
- Tomatoes in the Open
- Sweet Corn
- Squash, All
- Snap Beans
- Potatoes
- Pumpkins
- Green Lima Beans
- Green Peas
- Cucumbers
- Bell Peppers
- All Other Vegetables

Area

2002
2007
Agriculture Industry:
Vegetables Grown for Fresh Market or Processing in the 100-Mile Foodshed – Top Counties

58% Fresh Market, 44% sold for processing in the 100-Mile Foodshed
### Agriculture Industry:
**Types of Farm Practices – Direct Sales**

#### Value of Agricultural Products Sold Directly to Consumer

<table>
<thead>
<tr>
<th></th>
<th>2007 Sales</th>
<th>% of All Farms Sales</th>
<th>2002 Sales</th>
<th>% Increase (2002 to 2007)</th>
</tr>
</thead>
<tbody>
<tr>
<td>100-Mile Foodshed</td>
<td>$95,408,000</td>
<td>1.4%</td>
<td>$61,716,000</td>
<td>54.6%</td>
</tr>
<tr>
<td>United States</td>
<td>$1,211,270,000</td>
<td>0.4%</td>
<td>$812,204,000</td>
<td>49.1%</td>
</tr>
</tbody>
</table>

#### Most Direct Sales in 2007

<table>
<thead>
<tr>
<th>County</th>
<th>Direct Sales as Part of Total Ag Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hunterdon, NJ</td>
<td>11%</td>
</tr>
<tr>
<td>Morris, NJ</td>
<td>11%</td>
</tr>
<tr>
<td>Monroe, PA</td>
<td>15%</td>
</tr>
<tr>
<td>Mercer, NJ</td>
<td>17%</td>
</tr>
<tr>
<td>Orange, NY</td>
<td>10%</td>
</tr>
<tr>
<td>Bucks, PA</td>
<td>10%</td>
</tr>
<tr>
<td>Westchester, NY</td>
<td>11%</td>
</tr>
</tbody>
</table>

#### Biggest Increase (2002 - 2007)

<table>
<thead>
<tr>
<th>County</th>
<th>Biggest Increase (2002 - 2007)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic, NJ</td>
<td>304%</td>
</tr>
<tr>
<td>Carbon, PA</td>
<td>372%</td>
</tr>
<tr>
<td>Caroline, MD</td>
<td>383%</td>
</tr>
<tr>
<td>Mercer, NJ</td>
<td>762%</td>
</tr>
<tr>
<td>Monroe, PA</td>
<td>989%</td>
</tr>
</tbody>
</table>

#### Biggest Decrease (2002 - 2007)

<table>
<thead>
<tr>
<th>County</th>
<th>Biggest Decrease (2002 - 2007)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Howard, MD</td>
<td>-13%</td>
</tr>
<tr>
<td>Cape May, NJ</td>
<td>-41%</td>
</tr>
<tr>
<td>Dauphin, PA</td>
<td>-27%</td>
</tr>
<tr>
<td>Burlington, NJ</td>
<td>-70%</td>
</tr>
<tr>
<td>New Castle, DE</td>
<td>-52%</td>
</tr>
<tr>
<td>Dauphin, PA</td>
<td>-27%</td>
</tr>
</tbody>
</table>
Agriculture Industry:
Types of Farm Practices – CSAs

<table>
<thead>
<tr>
<th>Top 10 States</th>
<th>CSA Farms</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>953</td>
</tr>
<tr>
<td>Texas</td>
<td>883</td>
</tr>
<tr>
<td>Kentucky</td>
<td>544</td>
</tr>
<tr>
<td>Iowa</td>
<td>487</td>
</tr>
<tr>
<td>Michigan</td>
<td>463</td>
</tr>
<tr>
<td>Missouri</td>
<td>450</td>
</tr>
<tr>
<td>Washington</td>
<td>437</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>437</td>
</tr>
<tr>
<td>Ohio</td>
<td>424</td>
</tr>
<tr>
<td>North Carolina</td>
<td>413</td>
</tr>
<tr>
<td>Total United States</td>
<td>12,549</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Top 10 Foodshed Counties</th>
<th>CSA Farms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lancaster, PA</td>
<td>47</td>
</tr>
<tr>
<td>Carroll, MD</td>
<td>20</td>
</tr>
<tr>
<td>Chester, PA</td>
<td>20</td>
</tr>
<tr>
<td>Baltimore, MD</td>
<td>19</td>
</tr>
<tr>
<td>Berks, PA</td>
<td>18</td>
</tr>
<tr>
<td>Bucks, PA</td>
<td>16</td>
</tr>
<tr>
<td>Cumberland, PA</td>
<td>15</td>
</tr>
<tr>
<td>Hunterdon, NJ</td>
<td>12</td>
</tr>
<tr>
<td>Warren, NJ</td>
<td>12</td>
</tr>
<tr>
<td>Sussex, NJ</td>
<td>11</td>
</tr>
<tr>
<td>Total 100-Mile Foodshed</td>
<td>379</td>
</tr>
</tbody>
</table>

The 100-Mile Foodshed has 2% of the country’s farms and 3% of the country’s CSAs
Agriculture Industry:
Types of Farm Practices – Organic Production

United States
- 26% Harvested Acres
- 24% Converting/Transitioning Acres
- 50% Other Acres (ex. Pastureland)

100-Mile Foodshed
- 13% Harvested Acres
- 32% Converting/Transitioning Acres
- 55% Other Acres (ex. Pastureland)

More than 3% of all Organic Farms
CONCLUSIONS

- Agriculture and other land uses (and different types of agriculture) compete for land
- A significant portion of farmers are transitioning over to higher value products
- There is potential for even more direct sales
- The 100-Mile Foodshed is slightly ahead of US agriculture’s curve
Although the agricultural analysis looked at the 100-mile foodshed, our focus for the food economy is more narrow and we are primarily looking at the Philadelphia Metropolitan Statistical Area (or MSA). However, when data is not available on the MSA level, we will look at the three states of Pennsylvania, New Jersey, and Delaware.
PART 4: The Food Economy

- What We Eat
- How we spend our food dollars
- How important is food to the regional economy
Data on food consumption is only available on the national level, and it’s measured by food availability, which is used as a proxy for actual food consumption. In 2006, the average American ate 1,619 pounds of food a year. The largest type of food in terms of weight was fruits and vegetables at 676 pounds, followed by milk and milk products.
Americans ate more pounds of nearly every category of food in 2006 than they did in 1970 (which is the earliest year we have complete information for). In particular, the amount of added fats & oils increased by more than half during this period. However, Americans consumed 18% less milk & milk products in 2006 than they did in 1970. Again, though, this measures the availability of food and not necessarily actual consumption.
Turning now to beverages, in 2006, the average American drank 179 gallons of beverages per year, not including tap water. The largest category of beverages was carbonated soft drinks, or soda, at 51 gallons per year, followed by bottled water at 28 gallons.
What We Eat:
Beverage Consumption Trends

Beverage consumption trends from 1970 to 2006 have changed more dramatically than food trends because of new types of beverages that started being tracked within this time period. In 1970, Americans on average drank 99 gallons of beverages, which increased to 179 gallons in 2006 (again, excluding tap water). The consumption of soda wasn’t tracked until 1980 and it increased from 34 gallons to 51 gallons per capita. Bottled water consumption increased from less than 2 gallons in 1976 to nearly 28 gallons in 2006.

Source: USDA, ERS, 2008
Turning to the nutrients we receive from our food and beverage consumption, the average American consumes 2,157 calories per day. Caloric intake is greatest for women in their twenties, and men in their thirties.
As household income increases, so does the average daily intake of most nutrients, such as calories…
What We Eat: Fat Intake by Income Group

2005 – 2006, United States

… and grams of fat.

Source: USDA, ARS, 2008
What We Eat:
Sugar Intake by Income Group

2005 – 2006, United States

The opposite is true for the intake of sugar, which decreases as income increases.
Turning now to some health trends, the three states of Delaware, New Jersey, and Pennsylvania have generally had a higher percentage of people with diabetes than the national average. In 2007, New Jersey, Delaware, and Pennsylvania ranked 13th, 17th, and 19th nationwide for the percentage of the population with diabetes.
The counties of the Philadelphia MSA also have a higher incidence of diabetes than the national average. In Philadelphia County alone, 9.7% of adults ages 20 and up had diabetes in 2005.
In terms of obesity, as measured by having a Body Mass Index (BMI) of over 30, the rate of obesity in the three metropolitan divisions of the Philadelphia MSA was close to the national average of about 26% in 2007. And so although Philadelphia’s been called one of the fattest cities, we’re actually at or slightly below the national average for obesity.
Nationwide, the percentage of adults eating the recommended daily intake of five servings of fruits and vegetables has increased gradually over the past few years and was over 24% in 2007. Within the Philadelphia MSA, the Philadelphia Metropolitan Division has long surpassed the national average and has been increasing at a higher rate. On the other hand, the percentage of adults eating enough fruits and vegetables in both the Camden and Wilmington Metropolitan Divisions decreased during this time period and were both lower than the national average in 2007.
Food insecure households are those that are uncertain of having, or are unable to acquire, enough food to meet the needs of all their members because they had insufficient money or other resources for food. Over the past ten years, food insecurity has been lower in the tri-state area than in the nation as a whole. However, this equals nearly 800,000 people in the three states who were food insecure between 2005 and 2007.
An estimated one in five Americans participates in at least one USDA food and nutrition assistance program at some point during the year. One of the largest of these programs is Food Stamps, officially known as the Supplemental Nutrition Assistance Program, or SNAP. Between 2000 and 2008, participation in SNAP increased in the tri-state area, following the national trend. In the three states in 2008, over 1.7 million people (over 800,000 households) participated in SNAP. New Jersey was far below average, with just about 5% of the population using food stamps.
In the Philadelphia MSA (plus Mercer), over 409,000 people participated in SNAP in 2002. Within the MSA, the county with the highest percentage of its population using food stamps was Philadelphia, with over 17% using food stamps, followed by Camden County with 6.5%. This data is from 2002, however, and I’m sure many in this room would attest that these numbers have increased greatly over the past few years.
The largest USDA nutrition assistance program is the National School Lunch Program, which provides low-cost or free lunches to eligible students. In the three states, about 1.9 million students participated in the National School Lunch Program in 2008, and participation has steadily increased over the past few years.

Source: USDA FNS, 2009
PART 4: The Food Economy

- What We Eat
- How we spend our food dollars
- How important is food to the regional economy
PART 4: The Food Economy

• What We Eat
• How we spend our food dollars
• How important is food to the regional economy
This chart compares household expenditures of the United States to the Philadelphia MSA, shown in green. The Philadelphia MSA spends more on housing than the national average, although it spends less on food, transportation, healthcare, and other expenditures.
Within food expenditures, the Philadelphia MSA spends roughly the same percentage on different types of food as the national average, although it spends less on “other food at home” and more on “food away from home.”
The major Northeastern MSAs of Philadelphia, New York, Boston, Washington, DC, and Baltimore all spend roughly the same percentages on the different types of food expenditures. Washington, DC, spends the highest percentage on food away from home, New York spends the highest percentage on meat, and Boston spends the highest percentage on other food at home. Philadelphia comes somewhere in the middle in every category.
How We Spend Our Food Dollars: Household Expenditures by MSAs, 2006

The Philadelphia MSA spends approximately 12% of its total annual expenditures on food, equal to the national average and all major northeastern MSAs.
Although the percentage of food expenditures is roughly the same, the actual amount of expenditures varies greatly due to differences in income and cost of living. Philadelphia has a lower cost of living and a lower average household income than all other major Northeastern MSAs.
The total food dollars spent in each MSA is equal to the annual household expenditures times the total number of households per MSA. With its 2.7 million households, the Philadelphia MSA generates over $15 billion food dollars. The New York MSA, with its 8.7 million households, generates over $61 billion food dollars.
PART 4: The Food Economy

• What We Eat
• How we spend our food dollars
• How important is food to the regional economy
PART 4: The Food Economy

- What We Eat
- How we spend our food dollars
- How important is food to the regional economy
The Food Economy Sectors

- Fishing, hunting, trapping, and ag. support
- Warehousing and storage (refrigerated, farm product)
- Food and beverage manufacturing
- Wholesale trade (grocery, farm product, farm supplies, beverage)
- Food & beverage stores
- Eating and drinking places

To measure the impact of the food economy on the overall economy of the region, we identified these six food-related sectors measured by the US Census Bureau in their Economic Census and annual business surveys. The six sectors include… Within these six sectors are 13 sub-sectors, and these make up the food economy that we will be looking at in the following slides.
Agricultural production and transportation are also key factors in the food economy, but are not included in the following analysis. And this is because agricultural production, which we just heard about from Alison, is measured by the USDA and is not included in the Census Bureau data. Also, transportation is not included because we’re not able to distinguish between food and non-food transportation in the data. So if we combine the first six food economy sectors…
How Important is Food to the Regional Economy: Total Non-Farm Jobs

Philadelphia MSA
Total: 2.5M

2006

279,045
11%

2,279,996
89%

Food employees
Non-food employees

Source: US Census Bureau 2006

...they equaled 11% of all jobs in the Philadelphia MSA in 2006. And again, this is a very conservative estimate considering that agricultural production, food transportation, and other sectors like food science are not included due to limitations in the Census Bureau data. Now we’re going to look a little more closely at these 279,000 jobs in the food economy.
Of those employees in the food economy, over half work in food services and drinking places like bars and restaurants. Another quarter work in food and beverage stores.
About half of the jobs in food services and drinking places are at full-service restaurants, and 35% are at limited-service eating places like cafes or fast-food.
Most employees at food and beverage stores work at supermarkets, followed by specialty food stores and convenience stores.
Looking at the number of establishments now, those six food economy sectors made up 11% of all establishments in the Philadelphia MSA in 2006, the same percentage as jobs. And within those nearly 17,000 establishments, the breakdown between different sectors was very similar to that of employees, with food services and drinking places having the most number of establishments, followed by food and beverage stores.
Taking a closer look at just food manufacturing, we found that Pennsylvania has a very strong food manufacturing base. In terms of value added, which is the total sales value minus the cost of production, Pennsylvania is fourth in the United States, after the major food manufacturing states of California, Illinois, and Texas. And although New York state has more food manufacturing establishments, Pennsylvania actually produces more value.
Over $16 billion was spend on food and alcohol in the Philadelphia MSA annually in 2006-2007. Half, over $8 billion was spent on food at home.
CONCLUSIONS

- Greater Philadelphia has less buying power than other MSAs in the Northeast
- Pennsylvania has a strong food manufacturing base
- The Food Economy is dependent on population and place

Some of our conclusions regarding the food economy are that Greater Philadelphia has less buying power than other MSAs in the Northeast due to its lower average household income and lower cost of living. On the upside, Pennsylvania has a strong food manufacturing base which produced over $12 billion in value added. Lastly, we found that the food economy is highly dependent on population and place.
This is illustrated here, which shows the number of establishments of the non-retail side of the food economy after taking out food and beverage stores and eating and drinking places. The Philadelphia MSA comes in sixth out of all MSAs in the country, after Miami and San Francisco. Those two MSAs have more food-related wholesalers than Philadelphia, not only because they have ocean-side ports unlike Philadelphia, but also because Florida and California are two of the biggest agricultural states.
NEXT STEPS
NEXT STEPS

- Sub-committee of larger SAC; commit to review document, provide feedback, and help form conclusions
- Part 3 Readers (April/May)
- Part 4 Readers (May/June)

Study published August 2009
PLAN FOR SUSTAINABLE FOOD SYSTEM

SCOPE OF WORK:
 Envision a sustainable food system
 Choose indicators that measure sustainability
 Create a Plan with recommendations to shift those indicators towards sustainability
 Measure the region’s progress

Commence work July 2009
NEXT STEPS

- Next Study Advisory Committee meeting on Thursday, 7/30 (TENTATIVE)
- What did we learn from the study?
- Where do we want to go from here?
- How do we move forward?
QUESTIONS
ONE MINUTE REPORTS