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Agriculture, Forestry, Fishing and Hunting • 11

Agriculture, Forestry, Fishing and Hunting in the US

Cornucopia of possibility: Sector revenue has been elevated by elevated crop and livestock prices, though many of these have begun to decline from 2022 peaks

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About

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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Standard Report

About This Industry

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.

Codes

2022	11-Agriculture, Forestry, Fishing and Hunting
2017	11-Agriculture, Forestry, Fishing and Hunting

What's Included

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

Companies

- Tyson Foods, Inc.

Related Industries

Domestic industries

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

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.

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

Revenue	Employees	Businesses
$586.5bn	**5m**	**2m**
'20-'25 ↑2.7 %	'20-'25 ↓1.7 %	'20-'25 ↓1.7 %
'25-'30 ↓0.5 %	'25-'30 ↓0.7 %	'25-'30 ↓1.0 %
Profit	Profit Margin	Wages
$117.9bn	**20.1%**	**$54.7bn**
'20-'25 ↑2.3 %	'20-'25 ↓0.4 pp	'20-'25 ↑0.8 %
		'25-'30 ↓0.7 %

Five-year growth rates display historic and forecast CAGRs

Major Players

Company	Revenue	Market Share
Tyson Foods, Inc.	$14.9bn	2.5%
Other Companies	$571.5bn	97.5%

Products and Services

Item	Revenue	Market Share
Crops	$261.6bn	44.6%
Animals and animal products	$253.3bn	43.2%
Agricultural support services	$55.7bn	9.5%
Forestry	$12.9bn	2.2%
Hunting and fishing	$2.9bn	0.5%

Key External Drivers

Key External Drivers	Impact
Agricultural price index	Positive
Producer Price Index: Feed	Positive
Price of fertilizer	Positive
Trade-weighted index	Negative
Population	Positive

Key Takeaways

Performance

- In the first half of the current period, the agriculture sector saw a boost in revenue due to skyrocketing prices. Despite higher operational costs, the demand and price surge helped farms thrive. Even as agricultural prices have fallen since earlier spikes, they have remained above previous levels and left overall revenue elevated.
- Climate change is creating significant threats to yearly yields and production. Farmers who can adapt by adopting precision agriculture techniques and resilient crop varieties will be better positioned to weather these challenges.
- US agricultural prices are poised to continue their decline, though yields may improve due to technology. When combined with strong global production and competition, this creates major pressure on farmer incomes.

Products and Markets

- China's retaliatory tariffs will harm US agricultural exports, forcing farmers to find alternative markets. Chinese demand for US products is expected to plummet amid elevated tariffs on products like soybeans and poultry, impacting demand for domestic producers and altering production levels.
- The industry will face declining revenue due to reduced export volumes and lower global competitiveness. High tariffs, compounded by previous trade conflicts, will erode market share in China, benefiting competitors like Brazil while US farmers struggle with long-term disruptions in trade patterns.
- Demand for agricultural services grows as climate change necessitates pest protection and resource-efficient practices. Forestry services are seeing increased interest, especially with the growing threat of wildfires.
- Farm-to-farm sales may be small, but they're crucial for the sector's stability. Farms rely on each other for essential inputs such as seeds. However, major seed companies and machinery manufacturers often embed contractual restrictions or exclusive licensing requirements into their sales terms, which can restrict farmers' ability to share or resell patented seeds, reducing the flexibility and autonomy that farm-to-farm exchanges once provided.
- The livestock sector is seeing strong prices amid shifting consumption trends and drought-induced supply constraints. Consumer health concerns and climate conditions are driving changes in meat production and marketing.

SWOT

Strengths	High Profit vs. Sector Average
	Low Customer Class Concentration
	Low Product/Service Concentration
Weaknesses	Low Revenue per Employee
	High Capital Requirements
Opportunities	High Revenue Growth (2020-2025)
	High Performance Drivers
	Price of fertilizer
Threats	Low Revenue Growth (2025-2030)
	Producer Price Index: Feed

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	

Executive Summary

Cornucopia of possibility: Sector revenue has been elevated by elevated crop and livestock prices, though many of these have begun to decline from 2022 peaks

The US agricultural industry has been shaped by fluctuations in crop prices, production levels and yields. While prices for core US crops such as corn and wheat remain above historical averages, they have moderated from the peaks seen in 2021-2022. This moderation has clashed with high production costs, particularly for inputs like seeds and fertilizers, which have not decreased in line with prices and revenues. Purchase costs also stand to worsen as tariffs imposed by the US have the potential to drive up prices for imported agricultural inputs. As a result, farmers are encountering tighter profit, even as industry revenue has grown overall. Despite the pressures from input costs, technological advancements such as precision agriculture are helping to offset some challenges by improving efficiency and production. Overall, revenue has grown at a CAGR of 2.7% to reach an estimated $586.5 billion after a decrease of 2.6% in 2025.

In tandem with these price and production shifts, consumer preferences are exerting significant influence over the agricultural landscape. The demand for sustainable and ethically produced livestock products is rising, prompting producers to adapt their practices to meet changing consumer expectations. This shift comes amid severe drought conditions forcing cattle herd liquidations, a move that has boosted revenues through higher prices and sales volumes but ultimately stresses long-term supplies. Meanwhile, climate change continues to introduce strong production fluctuations, as evidenced by altering pest and disease patterns and extreme weather events disrupting traditional farming cycles. Adaptation strategies, such as planting drought-resistant crops and investing in climate-smart technologies, are becoming increasingly common as farmers strive to maintain resilience.

In the coming five years, the sector will struggle to maintain revenue as prices decline in key segments and climate change adds a great deal of volatility. Sector revenue is forecast to decline at a CAGR of 0.5% to reach $573.3 billion in 2030. Crop prices are projected to decline over the next decade, while yields are expected to trend upward due to ongoing technological advancements. Despite drops in overall export revenue and competition from producers such as China and Brazil, emerging markets, particularly in Asia and Africa, will present new avenues for growth as demand for diverse agricultural products increases. Additionally, the potential for income generation through participation in carbon markets and adoption of nature-positive farming practices offers promising revenue diversification. The increasing frequency of extreme seasons and weather events, however, will make production planning challenging and exaggerate farmers' dependence on agricultural services, agrochemicals, irrigation and other expenses, putting pressure on profit as farmers try to maintain yields.

Performance

Key Takeaways

In the first half of the current period, the agriculture sector saw a boost in revenue due to skyrocketing prices. Despite higher operational costs, the demand and price surge helped farms thrive. Even as agricultural prices have fallen since earlier spikes, they have remained above previous levels and left overall revenue elevated.

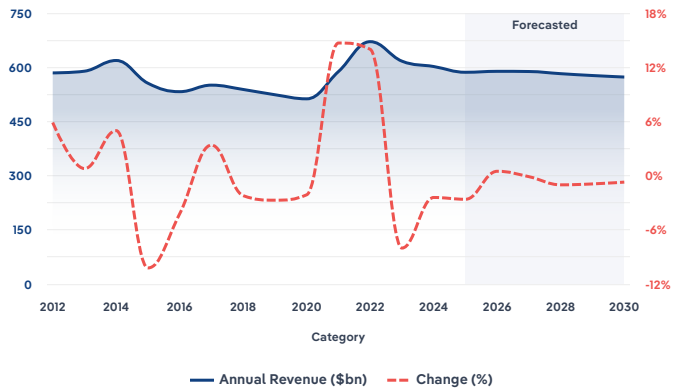
Climate change is creating significant threats to yearly yields and production. Farmers who can adapt by adopting precision agriculture techniques and resilient crop varieties will be better positioned to weather these challenges.

US agricultural prices are poised to continue their decline, though yields may improve due to technology. When combined with strong global production and competition, this creates major pressure on farmer incomes.

Performance Snapshot

Revenue

Total value ($) and annual change from 2012 – 2030. Includes 5-year outlook.



Revenue
$586.5bn
'20-'25 ↑2.7 %
'25-'30 ↓0.5 %

2025 Revenue Growth
2.6 % Decreasing

Revenue Volatility
Moderate

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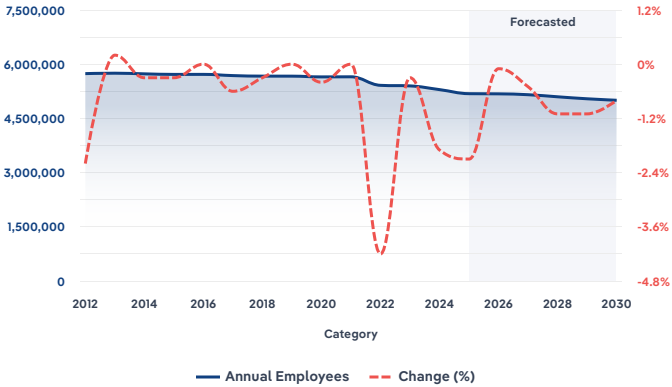
Source: IBISWorld

Employees

Total number of employees and annual change from 2012 – 2030. Includes 5-year outlook.



Source: IBISWorld

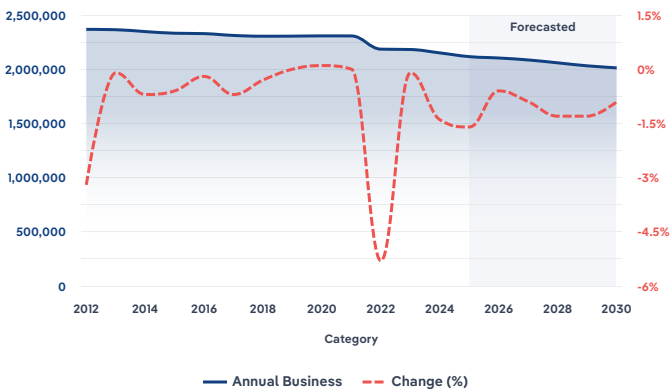
Employees
5m
'20-'25 ↓1.7 %
'25-'30 ↓0.7 %

Employees per Business
2
'20-'25 ↑0.0 %
'25-'30 ↑0.3 %

Revenue per Employee
$113k
'20-'25 ↑4.5 %
'25-'30 ↑0.3 %

Business

Total number of businesses and annual change from 2012 – 2030. Includes 5-year outlook.



Source: IBISWorld

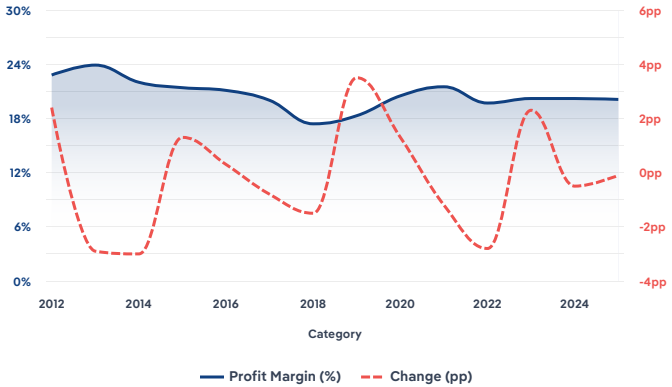
Businesses
2m
'20-'25 ↓1.7 %
'25-'30 ↓1.0 %

Employees per Business
2
'20-'25 ↑0.0 %
'25-'30 ↑0.3 %

Revenue per Business
$277.2k
'20-'25 ↑4.5 %
'25-'30 ↑0.6 %

Profit Margin

Total profit margin (%) and annual change from 2012 – 2030



Total Profit
$117.9bn '20-'25 ↑2.3 %

Profit Margin
20.1% '20-'25 ↓0.4 pp

Profit per Business
$55,709

IBISWorld

Source: IBISWorld

Current Performance

↑ 2020-25 Revenue CAGR +2.7%

What's driving current industry performance?

Crop farmers' revenues ebb and flow with volatile prices

- Recent USDA reports indicate that prices for core US crops have moderated from their 2021-2022 peaks but remain above historical averages. Crop yields and prices for products like corn, soybeans and wheat are showing mixed trends.
- The USDA projects a record-high corn yield for 2025/26 at 188.8 bushels per acre, with total production forecast at 16.7 billion bushels, driven by increased planted area and favorable conditions. Despite strong yields, prices are expected to soften, with the season-average corn price projected at $3.9 per bushel, down from previous years due to ample global supplies and higher ending stocks.
- Soybean production is forecast slightly lower at 4.34 billion bushels, with an average yield of 52.5 bushels per acre. The season-average soybean price for 2025/26 is projected to be $10.10 per bushel, marking a modest increase from 2024/25 but still reflecting global market competition and higher stocks. Domestic crushing demand is expected to rise, while exports may remain subdued.
- Wheat production is forecast at about 1.9 billion bushels for 2025/26, with a national average yield of 52.6 bushels per acre. Despite improved export prospects for Hard Red Winter wheat, overall prices are trending lower, with the season-average wheat price projected at $5.30 to $5.40 per bushel, down from recent highs as a result of growing stocks and somewhat softer demand.
- These price and yield trends are reshaping farm economics. All of these crop prices are down from previous highs, and while moderated prices are easing input costs for livestock producers and food manufacturers, they're squeezing crop farmers' profit. Despite lower prices compared to recent peaks, production costs remain elevated. The USDA estimates the cost to produce one acre of corn at $897 and soybeans at $662 per acre in 2025; these are both higher than 2024 levels. This cost pressure is influencing planting decisions, with wheat acreage projected to decline in favor of more profitable crops like cotton and sorghum.
- Farmers are adapting to these market dynamics by adjusting crop rotations, investing in yield-enhancing technologies, and exploring value-added markets. The USDA and agricultural extension services are providing guidance on risk management strategies and market diversification to help farmers navigate this volatile environment.

Climate change has challenged the US agricultural industry stability and demands innovation

- Climate change has intensified extreme weather events, with droughts, floods and storms becoming more frequent and severe. The USDA Climate Hubs report that these changes are altering growing seasons, shifting pest and disease patterns, and impacting crop yields across the United States.
- Farmers are adopting various adaptation strategies to mitigate climate change impacts. These include planting drought-tolerant crops, adjusting planting dates, diversifying crop rotations and implementing water conservation techniques. Extension services, such as those

from the University of California Cooperative Extension, are providing guidance on climate-smart agriculture practices tailored to specific regions. The USDA's Natural Resources Conservation Service (NRCS) reports that adaptation through changing planting dates and selecting better crop varieties could potentially offset yield declines and even result in yield increases for some crops.

- While adjusting to new climate conditions is essential for maintaining production, the investments required to do so can be substantial. Farmers are already struggling to balance incomes with high input prices, and using specialized seeds, developing extensive irrigation systems and increasing fertilizer and pesticide use have only added on to purchase costs.
- Farmers can look to government subsidies and university research for support. These programs are increasingly oriented around helping farmers challenged by climate change. Programs like USDA's EQIP also offer farmers financial aid to reduce their own impact on the environment to slow climate change and combat the issue at its root. The USDA's Climate-Smart Agriculture initiative has seen increased participation, indicating a growing focus on sustainable farming practices that enhance both adaptation and mitigation efforts.

The livestock industry is adapting to changing consumer preferences and market pressures amid drought-driven herd liquidation

- Severe drought conditions across the western United States have forced significant cattle herd liquidations over the past few years. The USDA reports that droughts contribute to declining average herd sizes as intensity increases, with ranchers selling larger quantities of market and breeding stock.
- Drought-induced liquidations have led to temporary increases in rancher revenues due to higher prices and sales volumes but also stressed long-term farm incomes. The Kansas City Federal Reserve found in 2023 that while drought has a short-term positive effect on rancher revenues, it negatively impacts earnings overall.
- Consumer preferences for livestock products are also evolving, with increasing interest in the sustainability of production practices as well as the quality of life of the animals.
- The interplay between drought, herd liquidation and changing consumer preferences is reshaping the livestock industry. While drought forces supply contractions, evolving consumer demands for sustainable and ethically produced meat push producers to adapt their practices, with more seeking organic, carbon-neutral or grass-fed labels. This combination is likely to keep upward pressure on prices, with the USDA, for example, projecting fed steer prices to average $227.1/cwt in 2025 as of August, up from $187.1/cwt in 2024.
- Livestock producers have responded to high prices by increasingly marketing their stock rather than retaining or breeding them. Extension services such as the Texas A&M AgriLife Extension, University of Illinois Extension and Kansas State Research and Extension are actively advising producers on strategies to balance partial herd liquidation with feed purchasing decisions. These university-led programs provide critical, localized guidance on cost management, market timing and risk mitigation to help farmers maximize profit amid price volatility and changing input costs.

Precision agriculture revolutionizes farming practices, boosting efficiency and sustainability

- Precision agriculture technologies, including GPS-guided equipment, soil sensors and data analytics, have gained significant traction over the past five years. In an industry where high demand for expensive inputs such as seeds and agrochemicals can decimate a farm's profitability, increasing the efficiency of these products' use and expanding yields has been a boon to farmers.
- A 2025 study from Michigan State University highlighted that close to 24.0% of farmed land is graded as low-yielding. These pieces of land are often treated the same as the rest, leading to overuse of fertilizers and pesticides and poor production. Using tech like soil sensors allows farmers to instead target specific areas of need and use precisely the amount of care and inputs needed, where it is needed.
- A study by Purdue University found that farmers perceive an average net benefit of almost $90 per acre from precision agriculture, with a benefit-cost ratio of 9.7 to 1. This suggests a much higher payoff than previous studies, attributed to whole-farm system benefits.
- As costs for core inputs continue to fluctuate, precision agriculture has allowed its adopters to strengthen their profit and reduce the damage that huge input commodity price swings can have. Farmers should continue to collaborate with university extension services to explore and learn more about precision agriculture practices or look to government grants to improve the efficiency of their equipment and processes.

Volatility

Moderate

What influences industry volatility?

Severe weather and natural disasters make crop yields unpredictable

- Droughts, floods, storms and wildfires directly impact crop yields, causing significant fluctuations. As climate change progresses, the frequency of these severe weather events continues to rise, making the agriculture sector more volatile.
- Livestock producers depend on crops for animal feed, so any disruption in crop yields can ripple through the agricultural supply chain. This dependency underscores the interconnectedness of agricultural industries.
- Crop shortages often lead to market imbalances. While shortages increase prices in the short term, markets may experience surpluses in subsequent years as production compensates. This cyclical nature of supply and demand creates ongoing volatility.

Agricultural commodity prices fluctuate due to supply and demand imbalances

- Agricultural commodity prices are highly volatile due to the inelastic nature of food supply and demand in the short term. Unexpected changes in output often require large price adjustments to restore market equilibrium, leading to significant price swings. For example, weather events or crop diseases can cause sudden supply shortages, while changes in consumer preferences or economic conditions can rapidly shift demand.
- This volatility is more pronounced in agriculture compared to other sectors due to the biological nature of production and the essential role of food. The USDA reports that agricultural price volatility has increased in recent years, with some commodities experiencing price swings of over 50.0% within a single year.

Changes in consumer behavior affect demand for specific agricultural products

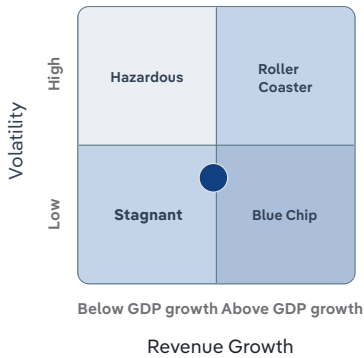
- Consumer preferences and behaviors can rapidly shift demand for agricultural products, contributing to revenue volatility. For example, health trends have led to increased demand for plant-based proteins and organic produce, while concerns about climate change have influenced meat consumption patterns.
- These shifts can cause significant revenue fluctuations for producers, particularly those specializing in specific commodities. The agriculture industry generally experiences more volatility from consumer behavior changes than stable consumer goods sectors, as food choices are more susceptible to health, environmental and cultural influences.

Government policies and regulations significantly impact agricultural revenue stability

- Agricultural subsidies, trade policies and environmental regulations can rapidly alter market conditions, leading to revenue volatility. Depending on the subsector, government subsidies can make up a significant portion of industry operators' income. As these dry up or increase, farmers' and agricultural service providers' ability to operate and expand can be severely restricted or boosted, respectively.
- Changes in farm bill programs, such as crop insurance and price support mechanisms, can significantly affect farmers' risk exposure and income stability.

Stagnant

Industry volatility vs. revenue growth (2020-2025 CAGR)



IBISWorld

Source: IBISWorld

Key Success Factors

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

↓ 2025-30 Revenue CAGR -0.5%

What's driving the industry outlook?

Agricultural prices and yields face downward pressure amid changing market dynamics

- The USDA projects a general downward trend in crop prices between 2025/26 and 2029/30. Corn prices are expected to decline 4.1% over the remainder of the projection period. World soybean prices are forecast to drop 4.9%, while wheat prices grow by 11.8% through 2030. The overall agricultural price index is expected to decline by 9.0%.
- Despite potential price declines for many key products, yields for a majority of products are projected to increase due to technological advancements and improved farming practices. Corn production is expected to rise almost uninterrupted throughout the decade, with soybean production projected by the USDA, as of February 2025, to climb from 4.48 billion bushels in 2024/25 to 4.87 billion bushels in 2033/34.
- The combination of lower crop prices and higher costs for inputs such as fertilizer could squeeze farm profitability. This can lead to consolidation in the agricultural sector and drive the adoption of cost-saving techniques. The drop in agricultural prices will benefit consumers and food manufacturers but may necessitate structural changes in farming operations to maintain profit.
- Farmers may need to reconsider their crop mix moving forward and lean more heavily on products with less dramatic forecasted price declines. However, this may not be possible for farmers in climates that only support a limited variety of crops.

Climate change intensifies agricultural volatility and degrades soil health

- Climate change will continue to significantly impact crop yields in the coming years, with NASA studies indicating potential declines of 24.0% for maize and increases of 17.0% for wheat by 2030 under high greenhouse gas emission scenarios. A June 2025 study published in Nature found that global agricultural production declines the equivalent of 120 kcal per person per day for each 1°C rise in global mean surface temperature (GMST). Simultaneously, soil health is deteriorating due to increased temperatures and changing precipitation patterns, leading to reduced soil organic carbon and nitrogen across regions like the inland Northwest. Pest problems are also increasing as life cycles are extended by warm winters and breeding and hatching cycles are impacted.
- Wildfires, exacerbated by climate change, are becoming more frequent and severe in the United States. In 2025, 46,323 wildfires have burned more than 4.1 million acres across the country by August, surpassing the 10-year average of 40,513 fires and 5.3 million acres burned, as reported by the National Interagency Fire Center. The increasing frequency and severity of wildfires are significantly impacting agricultural production and ecosystem health. Fires reduce sunlight for photosynthesis, damage soil quality and disrupt supply chains. The shift in forest composition due to changing fire patterns is altering habitats, with some areas transitioning from forests to shrublands or grasslands. These changes have far-reaching consequences for agriculture, biodiversity and rural economies.
- As these issues persist and, in many cases, worsen over the outlook period, farmers will need to ramp up their purchases of agrochemicals, utilities and resilient seed varieties, threatening profit. Agricultural services providers, including forestry services, will see increased demand for their offerings as farmers, timber tract operators and the Forest Service look to protect their lands from pests, fires and soil degradation and invest in precision agriculture for more efficient resource use.

Emerging markets provide opportunities for US farmers in the face of decreasing exports

- As agricultural prices and competition from developing crop and livestock sources such as Brazil and China intensify, exports will trend down alongside overall industry revenue. New growth opportunities, particularly in Asia and Africa, will help mitigate this drop in demand for US farmers.
- The depreciation of the US dollar after 2026 is expected to provide some support for US agricultural exports, making them more competitive in global markets. A weaker dollar can enhance the attractiveness of US agricultural products abroad, allowing US farmers to capture a larger share of export markets despite overall declines in export volumes.
- The August 2025 USDA WASDE and export sales reports highlight Southeast Asia's growing demand for US agricultural products. Vietnam and Bangladesh have shown particularly strong cotton consumption, with recent export activity indicating robust interest in US fiber for the 2025/26 season. Corn exports to the region remain steady, as Vietnam continues to increase its imports in response to expanding feed grain needs driven by livestock and aquaculture growth. Thailand has emerged as another key growth market, with a major USDA trade mission earlier this year emphasizing new opportunities for US agricultural exports.
- Africa is emerging as a major market for agricultural trade and investment. The USDA Economic Research Service (ERS) projects that the continent's population will reach 3.4 billion by the end of this century. Coupled with rapid urbanization and rising incomes, this is driving increased demand for a diverse range of food products, including consumer-oriented goods like beverages, prepared cereals, poultry meat and dairy products, as well as intermediate goods such as soy meal, vegetable oils and other feeds.
- ERS research also indicates that the African Continental Free Trade Area (AfCFTA), launched in 2021, has the potential to further expand these opportunities by promoting economic integration and intraregional trade. However, progress has been slow due to ongoing negotiations on tariffs, intellectual property and investment protocols.
- While opportunities in traditional markets such as China may not be as plentiful as they once were in the coming years, agricultural producers who can create strong bonds within some of these up-and-coming markets will be able to better bear future export revenue declines.

Carbon markets and nature-positive farming are positioned to unlock new revenue streams for farmers

- Carbon credits represent the right to emit one metric ton of CO2 or equivalent greenhouse gases. Farmers can earn these credits by implementing practices that sequester carbon in soil or reduce emissions, such as no-till farming, cover cropping, and improved nutrient management. Once verified, farmers can sell these credits to businesses looking to offset their emissions.
- Carbon markets offer farmers a new opportunity to generate income by implementing sustainable practices that sequester carbon. The USDA reports that farmers and ranchers can generate carbon credits by adopting practices to reduce emissions or sequester carbon on their land. These practices include no-till farming, cover cropping and agroforestry. As noted in South Dakota State University Extension's analysis of carbon markets' role in agriculture, there is an opportunity for producers to increase their earnings by selling carbon credits to large carbon emitters, helping to diversify their revenue and increase financial resilience. Participation has remained low up to this point, currently at just 3.0% of surveyed farmers, measured by the USDA, but SDSU's report notes that demand is growing.
- Nature-positive farming practices can not only generate carbon credits but also improve soil health, leading to better water retention, reduced erosion, and increased fertility. This can result in long-term productivity gains and cost savings for farmers.
- The USDA is actively working to ensure farmers, ranchers, forest landowners and tribal communities have opportunities to participate in carbon markets. The department also releases assessments of current market activity, barriers to participation and opportunities to improve farmers' and forest landowners' access to carbon markets.

Life Cycle

Mature

Why is the industry mature?

Contribution to GDP

Despite the significant volatility seen by the agriculture industry over the current period, its contribution to the US GDP remained consistent, with established, mature market segments continuing to grow in line with the broader economy. Strong price increases for crops, livestock and essential industry services further drove the industry's expansion.

Market Saturation

The agriculture industry is highly saturated, with nearly total acceptance of its products globally. Most agricultural goods, such as grains, fruits and vegetables, are daily essentials. Growth opportunities are limited as the market is mature, and expansion typically depends on innovation or capturing market share from competitors rather than creating new demand.

Innovation

Innovation in agriculture primarily targets production efficiency and sustainability improvements rather than creating new product categories. Advancements in precision farming, crop genetics and sustainable practices are more common than novel food products. While organic and plant-based alternatives have gained traction, most innovation aims to optimize existing product lines and production methods, reflecting the industry's mature stage.

Consolidation

The agricultural landscape in the US is mainly comprised of small, independent farms, each typically limited to a single location. While some sub-industries contain large corporations, few businesses hold significant market share, maintaining a diverse and decentralized market.

Technology and Systems

The agriculture industry is leveraging advanced technologies to enhance operational efficiencies rather than developing new products. Connected systems, IoT devices, soil sensors, livestock tracking chips and more are enabling real-time data collection and analysis, allowing farmers to make more informed decisions. Genomic testing has also allowed farmers to better identify and proliferate prized crop and livestock traits.

Life Cycle

Indication of the industry's stage in its life cycle compared to similar industries

*Growth is based on change in share of economy combined with change in establishment numbers

IBISWorld

Source: IBISWorld

Products and Markets

Key Takeaways

China's retaliatory tariffs will harm US agricultural exports, forcing farmers to find alternative markets. Chinese demand for US products is expected to plummet amid elevated tariffs on products like soybeans and poultry, impacting demand for domestic producers and altering production levels.

The industry will face declining revenue due to reduced export volumes and lower global competitiveness. High tariffs, compounded by previous trade conflicts, will erode market share in China, benefiting competitors like Brazil while US farmers struggle with long-term disruptions in trade patterns.

Demand for agricultural services grows as climate change necessitates pest protection and resource-efficient practices. Forestry services are seeing increased interest, especially with the growing threat of wildfires.

Farm-to-farm sales may be small, but they're crucial for the sector's stability. Farms rely on each other for essential inputs such as seeds. However, major seed companies and machinery manufacturers often embed contractual restrictions or exclusive licensing requirements into their sales terms, which can restrict farmers' ability to share or resell patented seeds, reducing the flexibility and autonomy that farm-to-farm exchanges once provided.

The livestock sector is seeing strong prices amid shifting consumption trends and drought-induced supply constraints. Consumer health concerns and climate conditions are driving changes in meat production and marketing.

Largest Market
$261.6bn Crops

Product Innovation
Low

Products and Services

How are the industry's products and services performing?

Crop production in 2025 faces a complex outlook due to weather extremes and market uncertainties

- The performance of US crop production in 2025 is mixed, with crops like corn showing strength while other core products, such as soybeans, face significant challenges amid ongoing weather concerns and market uncertainties.
- Corn plantings have increased in 2025, and production is expected to rise, as reported by Iowa State University's Ag Decision Maker. Per USDA forecasts, prices are anticipated to drop in response, averaging $3.9 per bushel.
- Soybean acreage is forecast to decrease, with production facing slight declines and prices projected to drop to $10.10 per bushel, according to the USDA's August 2025 estimates.
- Wheat prices are expected to stay high, ranging from $6.50 to $7.50 per bushel, influenced by global supply constraints and demand.
- Extreme weather poses significant risks for many of the US's essential crops, with prolonged droughts and intense rainfall regularly impacting major crop-growing regions. The South and Northeast are particularly vulnerable to these conditions.
- Global shifts, including increased soybean output from South America, add pressure to US market share.

Meat consumption wavers, but meat prices have stayed strong

- The emergence of plant-based alternatives and health concerns has prompted many to eat less meat in recent years, particularly red meats like beef. The inflation of food prices has also pushed customers to select lower-cost meat options, such as choosing chicken over premium beef cuts for their protein source.
- Despite a slight decline in per capita meat consumption, meat prices have increased due to increased international demand and short livestock supplies. Persistent drought conditions have discouraged herd rebuilding and led many farmers to prioritize marketing their livestock rather than retaining them for herd rebuilding.

Climate change has created new opportunities for agricultural services providers

- The increasing occurrence of extreme weather events and seasons has created expanded demand for agricultural support services. The EPA's 2025 report on the impacts of climate change on agriculture notes that warm winters have created an increased need for pest protection while droughts and floods threaten yields.
- The Forest Service, a significant customer of forestry services, has undergone major budget restructuring for FY 2026. Instead of increasing its own budget, the Forest Service requests $2.3 billion

in discretionary appropriations for core programs, reflecting a substantial decrease from FY 2025 and the elimination of several initiatives. In a pivotal change, wildfire risk management funding, including most firefighting operations, is now transferred to the newly created US Wildland Fire Service under the Department of the Interior, which requests $6.55 billion for FY 2026 to address wildfire suppression, firefighter pay and expanded wildfire response capacity.

- This transition reflects intensifying federal efforts to combat rampant forest fires across many areas of the US, while the Forest Service's own budget priorities for FY 2026 are now focused on conservation, infrastructure and climate change adaptation outside firefighting.

The forestry industry sees renewed demand amid interest rate cuts and sustainable practices

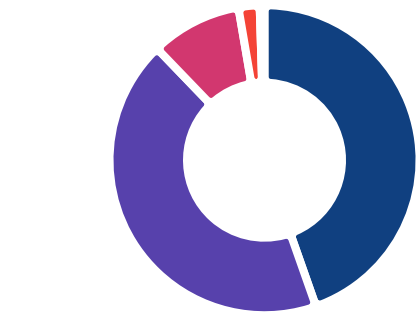
- This segment includes businesses that produce timber with harvesting cycles of greater than 10 years, supplying wood for construction, manufacturing and other industrial purposes.
- The forestry and logging industry has been supported by increases in construction and industrial activity, though the momentum from late 2024 interest rate cuts has moderated. Growth continues to be marked by a strong focus on sustainable forest management practices.
- Lumber prices have remained volatile in the current period but have stabilized in more recent years. 2025 prices are forecast to be 2.6% higher than the previous year.
- Concerns around the environmental impacts of logging have motivated major players like Weyerhaeuser to create sustainability plans, aiming to protect the biodiversity and ecosystems of their managed lands. They are also collaborating with The Nature Conservancy on a multiyear project to advance climate-smart forestry and research forest carbon sequestration.

Consumer preferences propel fish sales but challenge hunting and trapping

- This segment includes sales of seafood, trapped and hunted animals and animal products. It also includes businesses that operate hunting and fishing preserves.
- Fish sales have benefited in recent years from health concerns over red meat and positive perceptions around fish consumption. However, spiking input and energy costs have challenged fishery profit, and these producers have struggled to pass costs on to customers who are quick to substitute other proteins when seafood products become too expensive.
- Negative perceptions around hunting and trapping have hurt demand for goods from commercial trappers. Meanwhile, the decreasing availability of public hunting land and increasing leisure time have helped maintain sales of private fishing and hunting preserve services.

Products & Services Segmentation

Industry revenue in 2025 broken down by key product and service lines.



IBISWorld

Source: IBISWorld

What are innovations in industry products and services? Low

Robotics, sensing and biotech help to reshape modern production

- Agriculture, forestry, fishing, and hunting industries are integrating advanced robotics, autonomous machinery and sensor-based field systems into their operations to make them more precise, resilient and environmentally conscious.
- Producers are increasingly using drone swarms, smart application tools and remote monitoring to adapt to variable weather and optimize input use, with measurable improvements in soil health and water stewardship.
- Forestry companies can now retrofit equipment with cutting-edge sensing and geospatial technology to enable selective harvesting and promote ecosystem health, supporting compliance with evolving conservation and biodiversity standards.
- Smaller operations often struggle to secure the funds needed for advanced digital management and traceability solutions, making access to specialized financing programs or public subsidies essential for broad-based technology adoption and sector-wide sustainability gains.

Genetics and regenerative approaches drive climate-resilience

- Breakthroughs in genetics, including advanced crop breeding and gene editing, are enabling producers to develop plant and animal varieties with greater resilience to drought, pests and disease, resulting in more reliable yields and improved food quality.
- Regenerative agriculture, centered on practices like biological soil amendments, diverse crop rotations and carbon-focused land

management, is gaining momentum as producers seek to improve soil fertility, enhance biodiversity and reduce the sector's environmental impact.

- These innovations are fostering a shift toward adaptive and climate-resilient farming systems, aligning with growing regulatory expectations and consumer preferences for sustainable, traceable products.
- The up-front investment and technical learning curve for both genetics and regenerative methods can be challenging for producers without targeted support, making extension services and incentive programs crucial for widespread transformation.

☆ Key Success Factors

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

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

Food processors face pressure to innovate healthier products while managing volatile input costs

- Food processors, including major players like Tyson Foods and General Mills, are adapting to changing consumer preferences for healthier and more sustainable food options. Expanding offerings in high-value substitutes such as certified organic foods, gluten and lactose-free options and other niches has allowed processors to grow revenue and establish new markets.
- Volatile commodity prices are impacting processors' margins, with the USDA's Food Price Outlook forecasting continued fluctuations in agricultural input costs throughout 2025. Passing these costs onto consumers has allowed processors to grow revenue and protect against larger profit declines but made it difficult to compete, particularly in the international market.
- Food processors' revenues have benefitted from growing consumer spending and disposable incomes that allow consumers to spend more on processed foods and opt for upgraded food alternatives.
- This market segment also includes manufacturers of animal feeds, which have performed strongly throughout the current period, buoyed by a healthy livestock sector and high pet care and nutrition spending.

Farm demand for agricultural inputs fluctuates with commodity prices and weather patterns

- Farms, including crop and livestock producers, represent a significant market for seeds, feed and other agricultural inputs.
- The USDA projects as of February 2025 that net farm income will increase in 2025, primarily driven by a surge in government disaster and economic assistance, rather than stronger market prices or rising sales volumes.
- Despite this rebound, the farm economy's underlying health remains challenged by low commodity prices, ongoing market uncertainty and the risk of new tariffs increasing input costs, which may still constrain purchasing power for essential inputs across the sector.
- Drought conditions have persisted in 2025, affecting 25.7% the US as of the National Integrated Drought Information System's August 2025 update, with severe impacts in the Northwest, Rockies, Northeast and southern Plains. This continues to drive strong demand for drought-resistant seeds, crop protection services and water-efficient irrigation solutions across major agricultural regions.

Grocery stores and markets increase focus on local and organic produce to meet consumer demand

- While inflation and supply chain volatility have challenged supermarket profit, steady increases in food-at-home price inflation, as measured by the USDA's Economic Research Service (ERS), have kept overall revenues strong.
- Increasing disposable income has expanded consumers' demand for organic and premium meats, fruits and vegetables, which has, in turn, boosted demand for these products from this market segment.
- The rise of online grocery shopping is also reshaping competition in the sector, with traditional brick-and-mortar stores facing pressure to develop robust e-commerce capabilities or risk losing market share to digital-first competitors. Industry farmers and ranchers will need to solidify relationships with grocers who can provide personalized online shopping experiences to benefit from this growing segment.

Demand from industrial markets is on the rise due to biofuel mandates and sustainability initiatives

- Industrial markets, including biofuel producers, textile manufacturers and timber processors, have increased demand for agricultural products.
- The Renewable Fuel Standard (RFS) continues to drive ethanol and other renewable fuel production. The EPA's finalized total renewable fuel volume requirement is set at 22.33 billion gallons for 2025, up from 20.94 billion gallons in 2023, a 6.6% increase over two years. The EPA has also proposed even higher requirements for future years, indicating continued federal support. These targets are intended to spur advanced biofuel uptake and reinforce the role of renewable fuels in US energy markets.
- Sustainability initiatives in apparel and packaging industries are boosting demand for natural fibers and biodegradable materials derived from agricultural sources.
- According to the USDA, industrial hemp production for fiber and other uses increased by 25.0% in 2024 compared to the previous year, reflecting growing industrial applications, though production has stayed stable in 2025.

Wholesalers adapt to e-commerce trends and changing supply chain dynamics

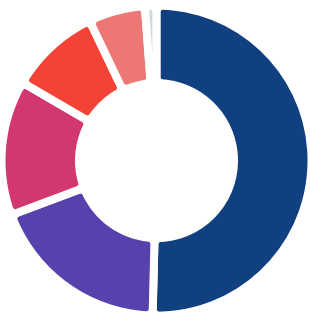
- Large grain wholesaling companies include Cargill, Scoular, Tronson Grain and Pacificor, while major livestock wholesaling companies include Smith Farms, East Carolina Stockyard and South Texas Cattle Marketing. Many large wholesalers are vertically integrated and operate in processing and retailing as well as wholesale.
- Wholesalers in this market segment make it easy for downstream customers to source agricultural products without having to establish relationships with a wide array of small farmers, an important function in such a fragmented industry.
- The threat of wholesaler bypass has been exaggerated by the rise of digital platforms and communications that make it easier for farms and farm co-ops to connect directly with retailers, threatening wholesalers' position in the agricultural supply chain.

Other niche markets show varied growth patterns influenced by industry-specific trends

- This segment includes diverse markets such as horse owners, tobacco processors and agricultural brokers.
- Despite recent declines in the US horse population, trending down from 7.2 million to 6.6 million in 2023, the American Horse Council's 2023 Economic Impact Study highlights that the industry is still expanding, growing in jobs and spending. This has positively impacted revenues for horse producers and service providers.
- Cigarette sales in the US have continued to decline. In 2024, total sales dropped another 9.2% year-over-year, reaching 6.9 billion packs sold nationally as reported by the CDC foundation. This pattern is reinforced by persistently high state and federal taxes, now averaging $1.91 per pack at the state level and $1.01 federally, as well as the growing popularity of vaping, nicotine pouches and other alternative products. The steep decline in sales has further reduced revenues for US tobacco farmers.

Major Markets Segmentation

Industry revenue in 2025 broken down by key markets



- **Food processors ($295.6bn)** 50.4%
- **Farms ($110.8bn)** 18.9%
- **Grocery stores and markets ($82.7bn)** 14.1%
- **Construction and manufacturing ($55.7bn)** 9.5%
- **Wholesalers ($34.6bn)** 5.9%
- **Other ($7.0bn)** 1.2%

IBISWorld

Source: IBISWorld

International Trade

Total Imports		Total Exports		Trade Balance	
$83.2bn	'20-'25 ↑1.5 %	**$82.5bn**	'20-'25 ↓2.7 %	**Net Importer**	Deficit: $-723.0m
	'25-'30 ↓1.0 %		'25-'30 ↓0.1 %		

Imports

Moderate Increasing

What are the industry's import trends?

US agricultural import values are projected to decline in 2025, driven down low global prices

- The United States, despite its strong production and supplies, often relies on imports due to domestic capacity limitations. Imports play a

crucial role in meeting the nation's agricultural demand. The increasing volatility of industry yields caused by climate change and extreme weather events has made imports more important to local buyers in the face of unpredictable shortages.

- Agricultural import values have dropped in 2024 and 2025, marking a shift from overall import increases over the current period. In 2025, global oversupply, especially for grains and oilseeds, has led to lower world market prices. While the US continues to import substantial amounts of food and agricultural goods, the falling prices mean total import values drop even if import volumes remain steady or increase in certain categories. Because overall US agricultural revenues have moderated due to soft domestic and international prices, but import volumes for certain goods are stable or up, imports as a share of industry revenue are actually forecast to increase between 2024 and 2025.
- Major import sources for US agricultural products include Canada, Mexico, Chile and Peru, reflecting the importance of both neighboring countries and South American trade partners whose proximity and beneficial trade agreements encourage imports.
- Despite the projected decline, imports of horticultural and tropical products like fruits, nuts and sugar are still forecasted to rise by the USDA.
- The appreciation of the US dollar in 2025 has increased the relative value of US products compared to international substitutes, encouraging domestic buyers to stock up on imported goods and limiting further decreases in import volumes.

Tariffs reshape US agricultural imports, affecting both competitiveness and input costs

- In 2025, the US has enacted new import tariffs covering a wide range of agricultural products, with rates adjusted frequently throughout the year and applied both to consumer goods and key production inputs like fertilizers, machinery and seeds.
- These tariffs are designed to shield domestic producers by increasing the cost of foreign goods and making US-grown products more competitive in local markets. As a result, imports of targeted goods become less attractive for buyers, narrowing foreign suppliers' market share.
- However, tariffs have a wider ripple effect, raising the price of agricultural inputs crucial to US production. For example, costs for imported fertilizers, equipment and chemicals have risen, forcing US farmers to pay more and prompting some to delay or reduce purchases, which can negatively impact productivity and margins.
- Ultimately, when higher input costs are passed down the supply chain, prices for US agricultural products are raised, partially offsetting the competitive advantage offered by tariffs. This dynamic can make US goods less attractive in both domestic and international markets.

Exports

Moderate | Decreasing

What are the industry's export trends?

US agricultural exports face challenges in 2025, continuing downward trend

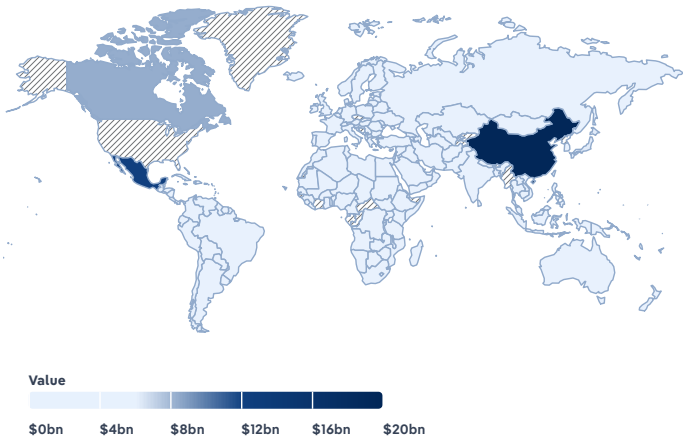
- Agricultural exports are projected to experience a slight decrease in 2025, continuing a decline that began after a significant spike in 2021 and 2022. This decline is attributable to factors such as reduced demand from key markets, strong international competition and lower unit values for major commodities.
- Retaliatory tariffs, especially those enacted by China in response to recent US trade moves, have the potential to significantly reduce export revenues for American agricultural producers by decreasing demand for US goods in some international markets and forcing producers to find new buyers or accept lower prices.
- Despite the decline, some sectors like livestock and dairy exports are performing well, with beef and dairy products showing particular strength. Mexico, Canada and Australia have emerged as top export destinations.
- The declining export trend poses significant challenges for US agricultural producers, potentially leading to reduced revenues and market share in international markets. This particularly impacts sectors that are heavily reliant on exports, forcing them to explore new international markets or diversify their product offerings. As some historical markets build up their own production and limit their demand for US exports, domestic producers can increasingly look towards growing markets, particularly those in Africa and Southeast Asia.

China and Brazil pursue agricultural self-reliance, reshaping global trade dynamics

- Over the current period, China has intensified its focus on agricultural independence, with President Xi Jinping declaring food security a top national priority. In 2024, China unveiled its latest set of policy guidelines for agricultural development, setting a goal to become an agricultural power and emphasizing rural growth and domestic food security. Similarly, Brazil has been increasing its agricultural productivity and expanding its global market presence by rapidly extending its supplies of core crops and acreage of agricultural land, as noted in the USDA's analysis of Brazil's growth.
- These efforts by China and Brazil are significantly impacting global agricultural trade patterns. China's push for self-sufficiency, particularly in key crops like soybeans, is reducing its reliance on US imports. Meanwhile, Brazil's increased production and export capacity are filling the gap in global markets, leading to increased global stocks of many agricultural products and decreasing the US's market share and the value of US goods.

International Trade: Exports

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



IBISWorld

Source: IBISWorld

Total Imports

$83.2bn

'20-'25 ↑1.5 %

'25-'30 ↓1.0 %

Total Ex

$82.

Geographic Breakdown

Key Takeaways

The Midwest and Great Plains remain crucial for US crop production, leveraging fertile soils and strong infrastructure.
Challenges include supply chain sensitivity and adapting to climate impacts to sustain dominance.

The West and Southwest excel in diverse production despite drought pressures, with California leading in fruits and nuts.
Water scarcity is reshaping agricultural practices, prompting efficient irrigation investments.

Business Locations

State	Estab. Units	Estab. %	Population %
Texas	236935	11.2	9.3
Iowa	88775	4.2	1.0
Missouri	88805	4.2	1.8
California	86424	4.1	11.5
Ohio	77387	3.7	3.5
Illinois	72456	3.4	3.7
Kentucky	70116	3.3	1.3
Minnesota	70378	3.3	1.7
Oklahoma	70413	3.3	1.2
Tennessee	63726	3.0	2.1
Wisconsin	62852	3.0	1.7
Florida	58276	2.8	7.0
Kansas	56163	2.7	0.9
Indiana	55457	2.6	2.0
Pennsylvania	54487	2.6	3.8
Michigan	51826	2.4	3.0
North Carolina	51196	2.4	3.3
Oregon	50646	2.4	1.2
Georgia	49455	2.3	3.3
Alabama	45462	2.1	1.5
Washington	47445	2.2	2.3
Arkansas	44172	2.1	0.9
Nebraska	45528	2.1	0.6
Virginia	45406	2.1	2.6
Colorado	39052	1.8	1.8
Mississippi	37737	1.8	0.9
New York	36757	1.7	5.8

State	Estab. Units	Estab. %	Population %
Louisiana	30515	1.4	1.3
South Dakota	29215	1.4	0.3
Idaho	28336	1.3	0.6
Montana	27659	1.3	0.3
South Carolina	28521	1.3	1.6
North Dakota	25584	1.2	0.2
West Virginia	24653	1.2	0.5
New Mexico	21650	1.0	0.6
Arizona	18750	0.9	2.2
Maine	18616	0.9	0.4
Utah	18153	0.9	1.0
Maryland	14714	0.7	1.8
New Jersey	12185	0.6	2.8
Massachusetts	11085	0.5	2.1
Wyoming	11234	0.5	0.2
Vermont	7911	0.4	0.2
Alaska	7160	0.3	0.2
Connecticut	5783	0.3	1.1
Hawaii	6836	0.3	0.4
New Hampshire	5359	0.3	0.4
Nevada	3718	0.2	1.0
Delaware	2533	0.1	0.3
Rhode Island	1489	0.1	0.3
District of Columbia	36	0.0	0.2

You can access and download additional years of data, including district-level data, at my.ibisworld.com.

Where are industry businesses located?

The Midwest and Great Plains remain a major hub for US crop production

- The Midwest and Great Plains, including states like Iowa, Illinois, Nebraska, Kansas, and parts of Minnesota and the Dakotas, are recognized as the “Corn Belt” and “Wheat Belt” due to fertile soils, a favorable continental climate and access to river and rail infrastructure.
- Businesses in these regions cluster around large-scale crop production such as corn, soybeans, wheat and sorghum, as well as livestock operations, supported by strong agribusiness supply chains, grain processing, ethanol plants and agricultural equipment manufacturers.
- The flat landscape and moderate to ample rainfall benefit high-volume, mechanized farming, while local universities, such as Iowa State and the University of Nebraska, and research institutes foster innovation, knowledge sharing and extension services for producers.
- Economic incentives include longstanding federal farm support, crop insurance and established commodity market access, helping businesses manage climate and price risks.
- In recent years, supply chain disruptions and shifting export demands have underscored the region’s sensitivity to global markets, but its central logistics infrastructure keeps it indispensable for US agriculture.
- The Midwest and Great Plains also host a dense concentration of food processing facilities, including mills, meatpacking plants,

dairy processors and ethanol refineries, which serve as a consistent source of local demand for industry goods.

The West and Southwest face rising drought pressure yet remain leaders in diverse crop and livestock production

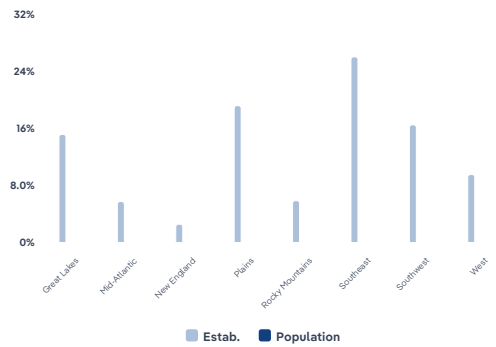
- The West and Southwest, including California, Arizona, New Mexico, Nevada and the western edge of Texas, are central to US fruit, vegetable and nut industries, as well as cattle production in Texas, in part due to their varied climates, expansive growing seasons, and established infrastructure for irrigation and export.
- California is especially dominant, providing a wide range of crops such as grapes, almonds, citrus, berries and tomatoes, along with major dairy and specialty crop sectors, supported by state-of-the-art water management systems and agricultural technology.
- Ongoing drought has intensified across much of the West and Southwest, causing severe groundwater challenges, as reported by NPR in August 2025. Water scarcity is now a fundamental risk factor shaping production choices and prompting investments in efficient irrigation, conservation and novel crop varieties.
- Livestock production remains strong in Texas, with cattle, calves and poultry thriving due to resilient pasturelands and robust supply chain networks, even as drought impacts rangeland quality and water availability for herds.

The Southeast leverages unique climate to diversify production but faces risks from extreme weather

- The Southeast, encompassing states such as Georgia, Florida, Alabama, Mississippi, Louisiana and North and South Carolina, is distinguished by its warm, humid climate and generous rainfall, resulting in a broad range of crop and livestock offerings, including cotton, corn, peanuts, poultry, tobacco, fruits, vegetables, cattle and aquaculture.
- This region's conditions are ideal for long growing seasons and high-intensity production but also foster risks from hurricanes, flash floods, extreme rainfall and storms. A single weather event can disrupt hundreds of farms and dramatically alter annual outlooks.
- Recent seasons have seen significant challenges, including flash droughts and excessive precipitation leading to flooding and crop disease pressure. For example, in parts of North Carolina, saturated soils have affected corn, soybeans and tobacco, complicating pollination and yield forecasts.
- The impact of weather volatility extends to livestock and aquaculture, with extreme heat increasing feed and water requirements and storms challenging infrastructure and animal welfare.
- The region benefits from strong support networks, including leading land grant universities like the University of Georgia, Auburn University and NC State, state-funded extension services and disaster recovery programs, which have helped producers adapt through crop insurance, advanced forecasting and climate-resilient breeding.

Plains has the largest spread of businesses compared to its population

Share of Estab. (%) vs. share of population (%)



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Source: IBISWorld

Key Success Factors

How do businesses use location to their advantage?

Appropriate climatic conditions

Some crops require unique climates or soil types and can only thrive in specific states, such as citrus in Florida, almonds in California, or cranberries in Wisconsin, limiting where certain agricultural businesses can operate.

Ensure irrigation water is available

Reliable water access, whether through rainfall, irrigation, or aquifer systems, is essential for crop health and stability, helping farmers withstand droughts and produce consistently high yields across growing seasons.

Competitive Forces

Key Takeaways

Compliance with USDA standards is essential for farms selling in the US. Without meeting these regulatory benchmarks, farms can't distribute their agricultural products in the market, ensuring quality and safety for consumers.

High supplier power, particularly for inputs like fertilizers, shapes terms and pricing in agriculture. Farmers negotiate supply contracts to mitigate input volatility, while buyers drive competition with quality and price demands.

Concentration **Low**	Competition **High** Steady	Barriers to Entry **High** Increasing
Substitutes **Low** Steady	Buyer Power **Moderate** Steady	Supplier Power **High** Steady

Concentration Low

What impacts the industry's market share concentration?

Family farms account for most crop growing and livestock raising

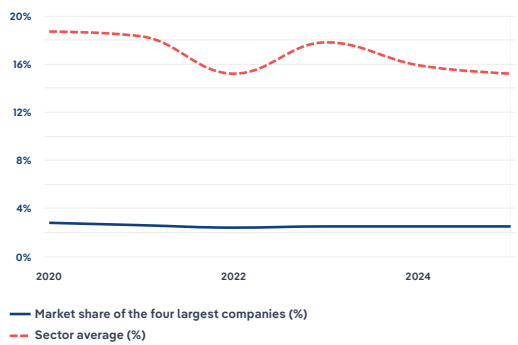
- Family farms dominate the US agriculture sector, making up the majority of crop and livestock operations. Despite this, nonemployer farms account for over 90% of these farms, indicating that family members perform most of the labor.
- Larger farms benefit from the financial leverage provided by technology-driven food production. This advantage compounds their existing strength in setting commodity prices and reduces their risk by allowing them to achieve higher average yields. Their ability to invest in technology further consolidates market share, pulling it away from smaller, traditional family farms.

Supply chain structure hides concentration

- While the agriculture sector doesn't show a high market share concentration, livestock production's supply chain structure can obscure true ownership. Large companies, such as Tyson Foods, and farming cooperatives play crucial roles without directly owning livestock farms, complicating the perception of market share concentration.
- Tyson Foods, for instance, supplies chickens and feed to thousands of independent farms, significantly influencing farm operations. This indirect control allows larger corporations to maintain substantial influence over the industry without direct farm ownership, affecting market dynamics and perceived market concentration.
- Many farms operate within co-ops, which allow them to aggregate their buyer and supplier power, hold stronger control over prices, benefit from economies of scale and share in large contracts with food processors, crop services providers and more.

Market Share Concentration

Combined market share of the four largest companies in this industry



IBISWorld

Source: IBISWorld

☆ Key Success Factors

How do successful businesses handle concentration?

Secure economies of scale

This allows agricultural businesses to reduce production costs per unit by increasing output, making them more competitive in a concentrated market.

Develop a skilled labor force

Skilled workers enhance productivity and innovation, which is essential for maintaining competitiveness and efficiency in the agriculture 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 and cannot sell agricultural products in the US without meeting them. Product labeling is also highly regulated, and producers must abide by the growing and processing practices laid out by the USDA to market food products under labels such as organic.

Start-Up Costs

- Entrants to the sector must face steep initial investment costs, including acquiring large areas of land and supplies of specialized heavy machinery, agrochemicals, seeds, feed and more. Investment in effective irrigation systems has also become increasingly important as droughts become more frequent and severe with climate change.

Differentiation

- Cultivating new varieties of crops can help new farms gain an edge in an otherwise saturated and commoditized 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-intensive as farm equipment has advanced. Purchasing and maintaining precision equipment to keep yields competitive can represent a substantial expense, particularly for small farms that cannot leverage economies of scale. Regular essential purchases of core inputs such as fertilizers, pesticides, seeds and breeding stock also keep spending high and access to financing crucial for industry businesses.

☆ Key Success Factors

How can potential entrants overcome barriers to entry?

Operate in a location with appropriate water supply, soil type and climate

This ensures optimal crop growth and productivity, reducing costs and increasing yield reliability. It's essential for sustainable agricultural operations and mitigating environmental challenges.

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 farm's 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

- Agricultural goods hold a unique position in the global market due to the limited availability of substitutes. This is largely because the vast majority of food consumed worldwide originates from the agriculture sector.
- Despite technological advancements leading to the development of lab-grown meat and an array of vitamin and mineral supplements, these innovations still fundamentally rely on plant-based ingredients. Consumer perception also remains a hurdle, with a 2022 study from the Journal of Environmental Psychology finding that 35% of meat-eaters and 55% of vegetarians believe cultured meat is "too disgusting to eat."

☆ Key Success Factors

How do successful businesses compete with substitutes?

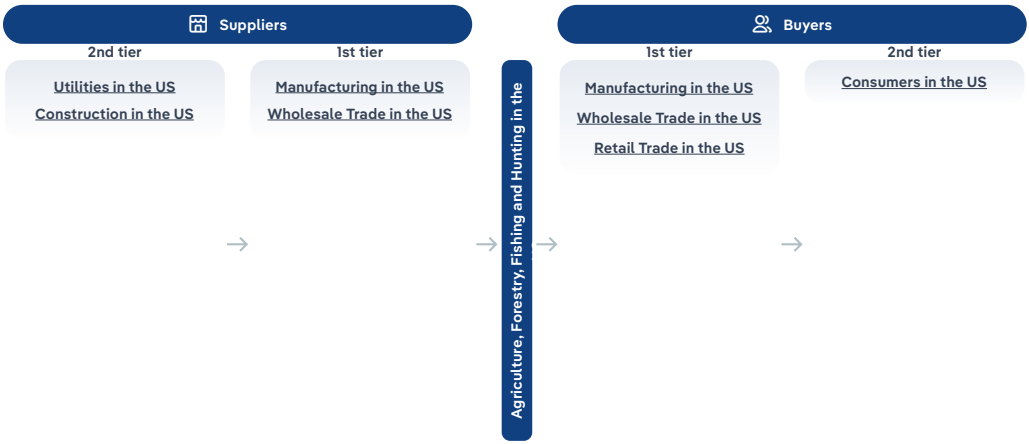
Invest in new technology to enhance operational efficiency and quality

In agriculture, adopting new technologies can boost productivity and improve crop quality, helping to effectively compete against substitutes.

Develop a wide and expanding product range

This diversification reduces risk and allows farmers to respond flexibly to changing consumer demands, providing an edge over substitute products.

Buyer & Supplier Power



IBISWorld

Source: IBISWorld

What power do buyers and suppliers have over the industry?

Moderate | Steady

Buyers: Quality and availability

- Buyers hold significant leverage over the agriculture sector since they prioritize efficiency and reliability in meeting their needs. Their demands for quality and availability can influence farming practices and drive competition among suppliers.
- Agricultural volatility can strain farms that struggle to keep pace with customer demands. This uncertainty forces farmers to adapt quickly or face losing business to more reliable suppliers.
- Grocery wholesalers primarily maintain relationships with certain farms, yet they're quick to seek alternative suppliers if a farm experiences a poor crop yield. This flexibility underscores the necessity for farms to consistently deliver quality produce.

High | Steady

Suppliers: Market control

- Large suppliers of essential, specialized agricultural inputs, such as fertilizers, crop protectants and proprietary technology, hold substantial market power in the sector due to their high market shares and consolidated control. This dominance allows them to significantly influence terms of trade, input pricing and product access, often limiting the choices available to farmers. As a result, producers frequently have little leverage in negotiating supply contracts or comparing competing offers, which can impact input costs and operational flexibility.
- The dominance of GMO seed and agricultural machinery manufacturers in the seed and equipment markets narrows farmers' options, especially in regions where one or two firms command a strong local presence. Farmers with limited alternatives are often compelled to form long-term relationships or exclusive agreements with these suppliers, committing to their product ecosystems for several planting seasons. This arrangement can make it difficult to switch providers or adapt to market changes, reinforcing suppliers' influence over farming practices, technology adoption and future input decisions.

Key Success Factors

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 whose prices frequently fluctuate. To maintain a steady market for goods, agricultural companies must monitor price trends and keep prices competitive.

Companies

Key Takeaways

Influential corporations like Tyson Foods shape farming operations indirectly. By supplying essentials like chickens and feed to independent farms, they exert substantial influence over the industry without directly owning the farms.

Small, regional players make up the majority of the industry. While there is a high degree of consolidation among the sector's buyers and suppliers, including food processors, agrochemical producers and farm machinery manufacturers, this is not the case for farmers and agricultural service providers.

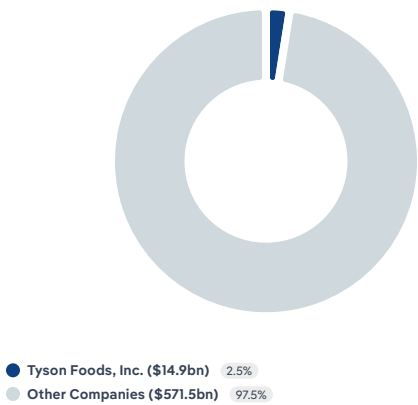
Major Players

Company	Revenue	Market Share
Tyson Foods, Inc.	$14.9bn	2.5%
Other Companies	$571.5bn	97.5%

Market Share

Industry Market Share by Company

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



IBISWorld

Source: IBISWorld

Companies

Company	Market Share (%) 2025	Revenue ($m) 2025	Profit ($m) 2025	Profit Margin (%) 2025
Tyson Foods, Inc.	2.5 ↘	14,909.4 ↗	501.4 ↘	3.4 ↘

Tyson Foods, Inc.

Company Details

Industry Specific Revenue (2025)	$14.9bn
Industry Profit (2025)	$501.4m
Company Employees (2025)	139,000
Market Share (2025)	2.5%

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 six industries: Agriculture, Forestry, Fishing and Hunting, Meat, Beef & Poultry Processing, Tortilla Production, Chicken & Turkey Meat Production, Hot Dog & Sausage Production, Rendering & Meat Byproduct Processing and Tortilla Production. Their largest market share is in the Rendering & Meat Byproduct Processing industry, where they account for an estimated 50.6% of total industry revenue.

Brands & Trading Names

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

Other Industries

- Chicken & Turkey Meat Production in the US
- Hot Dog & Sausage Production 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	Market Share (%)	Revenue ($m)	Profit ($m)	Profit Margin (%)
2020	2.8	11,834.5	597.3	5.0
2021	2.6	12,935.5	579.5	4.5
2022	2.4	15,047.5	1,151.3	7.7
2023	2.5	14,803.3	-442.5	-3.0
2024	2.5	14,808.0	388.8	2.6
2025	2.5	14,909.4	501.4	3.4

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

External Environment

Key Takeaways

The Farm Bill is a lifeline for many farmers facing low crop prices. This legislation provides crucial financial subsidies and regulations, helping stabilize the agricultural economy during challenging times.

Three federal agencies play pivotal roles in agricultural regulation. The USDA, EPA and FDA collectively oversee areas like food safety, environmental protection and product quality, ensuring safe and sustainable farming practices nationwide.

Regulation & Policy
High Steady

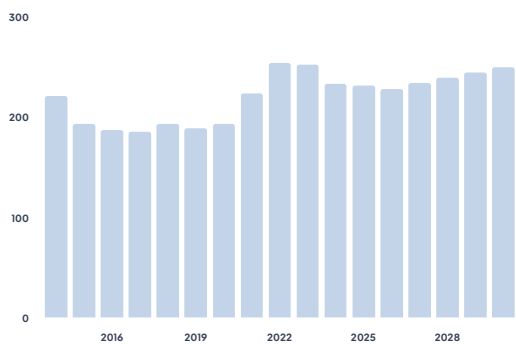
Assistance
High Steady

External Drivers

What demographic and macroeconomic factors impact the industry?

Producer Price Index: Feed

Index

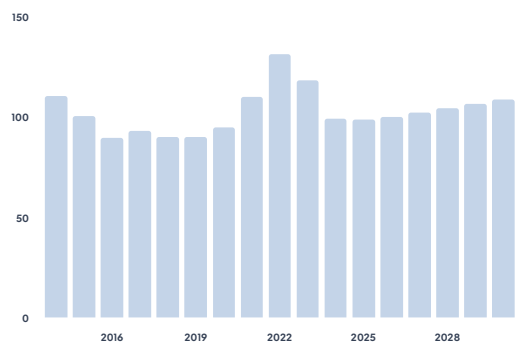


IBISWorld Source: IBISWorld

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. The decreasing price of feed poses a potential threat to the industry.

Agricultural price index

Index



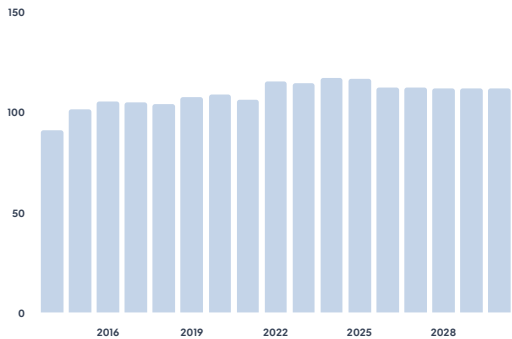
IBISWorld Source: IBISWorld

The agricultural price index serves as a comprehensive measure of the prices received for all agricultural products, including both crops and livestock. When this index sees an upward trend, it typically indicates that farms are generating more revenue from their products. This index acts as a strong indicator of overall sector performance, reflecting both market demand and the potential profitability of agricultural enterprises.

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. The growth of the price of fertilizer presents a major opportunity for the agricultural industry revenue growth.

Trade-weighted index

Index

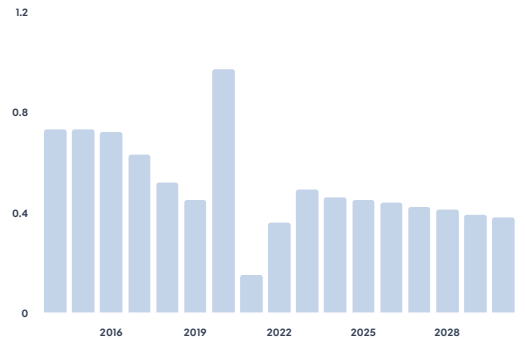


IBISWorld Source: IBISWorld

The trade-weighted index (TWI) assesses the value of the US dollar relative to the currencies of the United States' largest trading partners. When the US dollar appreciates, foreign goods become relatively less expensive in the US market, leading to increased competition from imports. This shift can challenge domestic producers who may struggle to compete with the lower-priced foreign goods. Consequently, a stronger US dollar can have significant implications for domestic agricultural sectors, affecting export competitiveness.

Population

Growth



IBISWorld Source: IBISWorld

Population growth significantly drives revenue in the agricultural sector by expanding the consumer base and increasing demand for food products. As more people require sustenance, both crop and livestock producers see higher sales volumes. This rise in demand encourages investments in agricultural technologies and infrastructure, enhancing productivity and profitability. Ultimately, a growing population catalyzes economic growth within the agriculture industry, boosting revenue streams.

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 inspecting meat and poultry quality, setting safety and labeling standards, and regulating food safety for the highly perishable foods it oversees. The USDA does not set direct price limits on meat but instead ensures transparency and fair competition in meat markets through reporting and regulatory enforcement. Its purview includes meat, poultry and processed egg products (not shell eggs, which are regulated by the FDA), while most fish are excluded. The agency also controls the Center for Nutrition Policy and Promotion, which establishes dietary regulations and the Food and Nutrition Service, which manages supplemental nutrition programs.

The Environmental Protection Agency

The EPA provides crucial assistance to the agriculture sector through regulations that minimize environmental damage and protect consumer health. By overseeing the use of agricultural chemicals and pesticides, the EPA ensures adherence to safe levels of pesticide residues, safeguarding soil and water resources. Policies like the Clean Water Act and the Federal Insecticide, Fungicide and Rodenticide Act guide acceptable application techniques, controlling exposure and promoting sustainable farming practices. In 2025, new regulatory reforms have streamlined certain pesticide requirements while enhancing protections for water and endangered species.

The Food and Drug Administration

The FDA regulates most 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 process tracking 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?

Government
2018 Farm Bill and 2025 extension

The American Relief Act of 2025, signed into law on December 21, 2024, extended the Agriculture Improvement Act of 2018 (2018 Farm Bill) for one year through September 30, 2025. This extension guarantees the continuity of crucial agricultural programs, including safety-net, price support and conservation initiatives. Key programs like the Conservation Reserve Program (CRP), Marketing Assistance Loans (MAL) and various disaster assistance programs remain operational. The extension provides stability for farmers and ranchers while allowing policymakers additional time to craft a comprehensive new Farm Bill. This continuity is particularly important given the evolving challenges in agriculture, such as climate change impacts and market volatilities.

Government
Crop insurance subsidies

The US Department of Agriculture (USDA) provides subsidies for crop insurance to help farmers mitigate risks from natural disasters and market fluctuations. In July and August 2025, the USDA announced enhancements specifically for beginning farmers and ranchers: eligibility for premium support was expanded from five to ten years, and higher subsidy rates were introduced for their initial crop years, making coverage more accessible. Improvements also included higher coverage levels and new insurance options for both crop and livestock producers. These advancements offer more robust financial stability during droughts, floods or pest outbreaks, reducing uncertainty and encouraging investment in high-value crops.

Government
Conservation Reserve Program (CRP)

The Conservation Reserve Program (CRP), administered by the United States Department of Agriculture (USDA), incentivizes farmers to retire environmentally sensitive land from active agricultural production. Instead, these lands are planted with species that enhance ecological health. This initiative is beneficial for the forestry and logging subsectors as it encourages sustainable land use practices. Currently, the USDA is allocating over $1.7 billion to participants in the program, highlighting the significant investment in promoting long-term environmental stewardship and sustainability across agricultural landscapes.

Non-government
Industry associations

Industry associations like the American Farm Bureau Federation (AFBF) and the National Farmers Union (NFU) offer vital support to the agriculture sector. These organizations serve as advocates for farmers' interests at the state and national levels, influencing policy decisions that impact their livelihoods. They provide a unified voice for the diverse needs of farmers, representing them in discussions on issues such as trade, regulations and conservation. Furthermore, industry associations offer resources such as educational programs, market information and networking opportunities, aiding farmers in improving their business practices and adapting to changing market conditions. These associations are essential in shaping agricultural policy and promoting the long-term sustainability of farming.

Non-government
Specialized financing for modernizing farm equipment

Access to modern farm machinery is essential for boosting productivity and efficiency, but the high cost can be a barrier for many agricultural businesses. Specialized financing options, like equipment loans and leases from John Deere Financial and Farm Credit Mid-America, provide farmers with flexible solutions to acquire necessary equipment without significant upfront capital. These programs offer competitive rates, tailored repayment plans and the ability to upgrade equipment regularly. Government-backed options, such as the Farm Service Agency (FSA) loans, further support new or small operations by providing low-interest financing.

Financial Benchmarks

Key Takeaways

Farmers have struggled to maintain profit in the face of high input costs. As agricultural prices have deflated, the prices of core purchase expenses have not dropped as steeply.

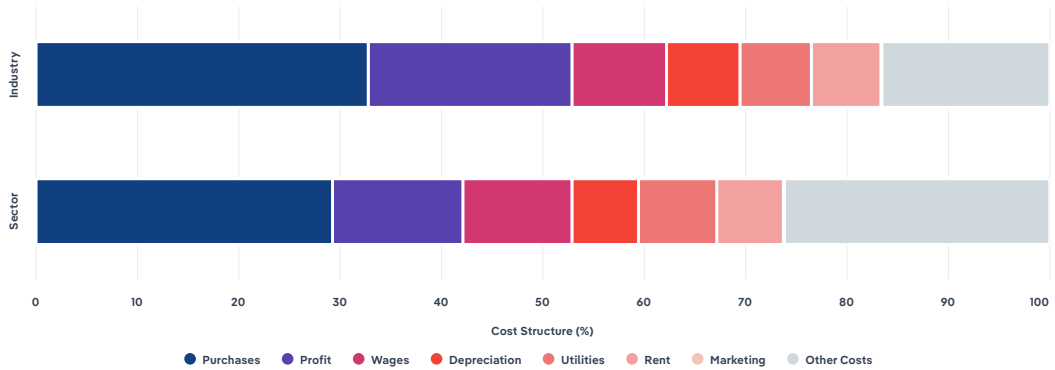
Family farms keep labor costs low. Nonemployer farms dominate the sector and have minimal wage costs. Farms can also limit wage expenses by relying on part-time and seasonal labor.

Persisting utility cost increases strain agricultural budgets, with energy-intensive operations facing significant impacts. Droughts drive up water expenses, further stressing the cost structure of farms.

Profit Margin	Average Wage	Largest Cost
20.1 % Higher than sector	$10,560 Lower than sector	Purchases 32.8% of Revenue

Cost Structure Benchmarks

Average operating costs by industry and sector as a share (%) of revenue 2025



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Source: IBISWorld

Cost Structure Benchmarks

Operating costs	Industry (%)	Sector (%)
Purchases	32.8	29.33
Other	100	-
Profit	20.1	12.77
Wages	9.3	10.78
Other	100	-
Depreciation	7.3	6.56
Utilities	7	7.78

Operating costs	Industry (%)	Sector (%)
Rent	6.9	6.58
Other	100	-
Marketing	0.1	0.10
Other Costs	16.5	26.10
Taxes	14.7	-
Repair and Maintenance	29	-
Insurance	17.1	-
Other	39.2	-

What trends impact industry costs?

Profit in the agriculture sector faces has faced pressure amid elevated input costs

- Agricultural sector profits have been volatile, with a slight downward trend from 2020 to 2025 due to increasing input costs outpacing revenue growth.
- Drivenb by driven by weaker prices for commodities like soybeans and wheat, as large global harvests have increased supplies, farmer incomes declined in 2023 and 2024. Meanwhile, input costs remain elevated, with farmers reporting significant increases in expenses for seeds, fertilizer and equipment repairs. Although net farm income is forecast to surge in 2025 due to an unprecedented rise in government disaster and relief payments, as noted in the Farm Bureau's February 2025 article on the subject, this does not signal genuinely improved market conditions. Commodity prices are still weak and input costs high, so the rebound primarily reflects temporary aid rather than true sector recovery.
- Reduced profit is challenging farmers' ability to reinvest in their operations and maintain financial stability, causing many to delay planning for the upcoming growing season, which could have significant impacts on 2025/26 and 2026/27 marketing year production.

Purchase costs have climbed due to global supply chain disruptions and inflationary pressures

- Input costs for US farmers, such as fertilizers, seeds, and agrochemicals, remain historically elevated, but most have stabilized or declined moderately from their 2021–2022 peaks; recent years have brought some relief, especially for fuel and fertilizer.
- Despite cooling, production expenses are still projected to be 7% above the 20-year average in 2025, as reported by the USDA, and remain a significant factor limiting profit.
- Crude oil and global supply chain disruptions continue to influence input prices, but recent volatility is less pronounced than during prior spikes; costs for fuel are lower than their high points, even as machinery and labor remain expensive.
- The price impact from the Russia-Ukraine conflict persists, but supply chain adjustments have curbed the worst fertilizer price spikes seen during 2022–2023.
- High crop prices previously elevated seed and feed costs, but as crop prices have softened heading into 2025, pressure on some input costs has eased, though profit for producers remains tight.

Family-run operations and other forms of unpaid labor keep 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. For these operations, the cost of family labor is included in profit. This creates high profit levels and low wage costs for much of the sector.
- The US farm workforce is aging as fewer young immigrants enter agriculture, raising the average age of foreign-born farmworkers by nearly 7 years from 2006 to 2022. In 2025, the average age of foreign-born farmworkers continues to trend upward, nearing 60 years for the overall US farm workforce. Real wages for nonsupervisory farmworkers rose by 2.1% annually over five years leading up to 2023, as reported by the USDA. The number of certified H-2A positions has also increased over sevenfold from 48,000 in 2005 to 378,034 in 2023, illustrating increased reliance on legal, seasonal foreign labor. This number grew further in 2024, reaching over 380,000.
- Despite upward wage pressures, the increasing acceptance of automation and precision agriculture methods, paired with strong industry growth, has meant that revenue increases have outpaced wage growth and lessened its proportion of revenue over the past five years.

Increased automation drives capital expenditure and depreciation

- Agricultural services have become increasingly capital-intensive. 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 in the current period as agricultural technology has advanced. This trend has outpaced the manufacturing sector, indicating agriculture's accelerated adoption of advanced machinery and precision farming technologies.
- Depreciation costs have also grown as farm equipment has become increasingly difficult to repair due to the use of intricate computer systems.

Utility expenses climb due to rising energy costs and increased technology adoption

- Utility costs in the agricultural sector have increased from 2020 to 2025, primarily driven by higher electricity and fuel prices.
- Rising global electricity demand, driven by economic recovery and increased AI power needs, coupled with geopolitical tensions affecting oil supply, are pushing electricity and oil prices higher in 2025.
- Livestock operations, particularly those with climate-controlled facilities like poultry and hog farms, require significant energy for heating, cooling and ventilation systems and have been hit particularly hard by these utility cost increases.
- The increased occurrence of droughts has amplified many farmers' need for water and irrigation, increasing their expenditures on these.

High yields and declining rural populations allow revenue to outpace rent costs

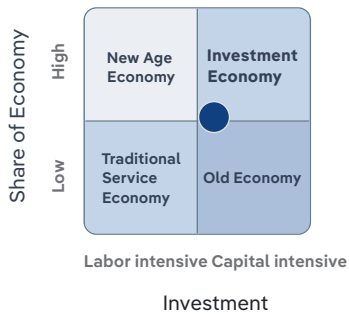
- Agricultural land rental expenses have decreased between 2020 to 2025, contrary to historical trends of rising farmland values.
- This decline is more pronounced in regions with declining rural populations and reflects a shift towards more flexible leasing arrangements.
- Steady increases in crop yields and declines in livestock herds, which have pushed up meat prices, have also allowed farmers to generate more income with less land, allowing revenue growth to outpace rental costs.

Marketing costs remain low as farmers focus on existing relationships

- Marketing costs represent a limited portion of industry farmers' and service providers' revenue and have decreased somewhat over the current period as revenue has grown faster than marketing spend.
- This low marketing spend is typical for B2B-focused industries but lags behind other sectors because of agriculture's particularly relationship-based sales model. Because the industry is highly fragmented, most farmers' sales come from regional relationships and contracts with processors, with most marketing spending coming from these manufacturers or from the co-ops representing farms.

Investment Economy

Share of economy vs. Investment



IBISWorld

Source: IBISWorld

Key Ratios

Year	Revenue per Employee ($)	Revenue per Enterprise ($ Million)	Employees per Estab. (Units)	Employees per Enterprise (Units)	Average Wage ($)	Wages/ Revenue (%)	Estab. per Enterprise (Units)	IVA/ Revenue (%)	Imports/ Demand (%)	Exports/ Revenue (%)
2006	75,850	0.2	2.4	2.4	7,534	9.9	1.0	33.0	12.7	14.8
2007	83,693	0.2	2.4	2.4	8,179	9.8	1.0	36.4	11.9	16.1
2008	87,958	0.2	2.4	2.4	8,059	9.2	1.0	33.2	12.5	19.2
2009	80,020	0.2	2.4	2.4	7,665	9.6	1.0	32.3	12.0	17.1
2010	85,420	0.2	2.4	2.4	7,065	8.3	1.0	34.4	13.0	18.7
2011	94,149	0.2	2.4	2.4	6,667	7.1	1.0	35.2	14.0	20.1
2012	101,888	0.2	2.4	2.4	7,892	7.7	1.0	38.9	12.7	18.4
2013	102,499	0.2	2.4	2.4	7,966	7.8	1.0	40.1	13.0	17.5
2014	107,996	0.3	2.4	2.4	8,539	7.9	1.0	38.0	13.2	17.2
2015	97,253	0.2	2.4	2.5	8,059	8.3	1.0	37.6	13.8	16.5

Year	Revenue per Employee ($)	Revenue per Enterprise ($ Million)	Employees per Estab. (Units)	Employees per Enterprise (Units)	Average Wage ($)	Wages/ Revenue (%)	Estab. per Enterprise (Units)	IVA/ Revenue (%)	Imports/ Demand (%)	Exports/ Revenue (%)
2016	93,176	0.2	2.5	2.5	8,708	9.3	1.0	37.9	14.8	18.1
2017	96,901	0.2	2.5	2.5	9,250	9.5	1.0	36.8	15.0	17.7
2018	95,054	0.2	2.5	2.5	8,558	9.0	1.0	33.9	15.1	17.3
2019	92,486	0.2	2.5	2.5	8,622	9.3	1.0	35.1	15.2	16.6
2020	90,827	0.2	2.4	2.4	9,297	10.2	1.0	37.9	15.6	18.4
2021	104,146	0.3	2.4	2.4	8,444	8.1	1.0	37.4	15.6	18.4
2022	123,956	0.3	2.5	2.5	9,432	7.6	1.0	34.5	13.9	16.8
2023	114,315	0.3	2.5	2.5	10,611	9.3	1.0	36.4	13.4	14.5
2024	113,733	0.3	2.5	2.5	10,571	9.3	1.0	36.8	14.0	14.2
2025	113,123	0.3	2.4	2.5	10,560	9.3	1.0	36.8	14.2	14.1
2026	113,737	0.3	2.5	2.5	10,571	9.3	1.0	36.8	14.2	14.0
2027	114,172	0.3	2.5	2.5	10,580	9.3	1.0	36.8	14.1	14.1
2028	114,288	0.3	2.5	2.5	10,582	9.3	1.0	36.9	14.1	14.2
2029	114,520	0.3	2.5	2.5	10,586	9.2	1.0	36.8	14.0	14.3
2030	114,631	0.3	2.5	2.5	10,588	9.2	1.0	36.8	13.9	14.3
2031	114,825	0.3	2.5	2.5	10,592	9.2	1.0	36.9	13.8	14.4

Key Statistics

Industry Data

Values

Year	Revenue ($ Million)	IVA ($ Million)	Estab. (Units)	Enterprises (Units)	Employment (Units)	Exports ($ Million)	Imports ($ Million)	Wages ($ Million)
2006	426,695.3	140,781.6	2,328,847	2,324,874	5,625,503	63,296.3	52,817.9	42,382.9
2007	494,129.6	179,645.0	2,464,492	2,460,783	5,904,105	79,463.5	55,965.7	48,288.6
2008	519,102.5	172,254.9	2,461,682	2,457,989	5,901,703	99,583.4	59,806.8	47,562.9
2009	470,604.5	151,834.1	2,464,436	2,460,773	5,881,064	80,623.3	53,267.4	45,078.6
2010	503,399.4	173,302.2	2,468,219	2,464,554	5,893,192	94,053.2	61,053.5	41,635.1
2011	552,296.0	194,655.9	2,448,510	2,444,778	5,866,165	110,911.8	72,005.9	39,108.8
2012	584,760.9	227,595.1	2,371,403	2,367,454	5,739,272	107,488.4	69,574.3	45,292.7
2013	589,461.6	236,127.2	2,368,433	2,364,359	5,750,886	103,324.9	72,943.5	45,808.8
2014	619,126.7	235,522.1	2,351,183	2,346,901	5,732,872	106,734.8	77,753.1	48,954.5
2015	556,056.3	209,097.2	2,336,350	2,331,885	5,717,638	91,906.6	74,172.7	46,081.1
2016	532,800.7	201,675.3	2,332,809	2,328,223	5,718,248	96,551.1	75,644.5	49,794.7
2017	550,850.0	202,509.4	2,316,120	2,311,410	5,684,664	97,259.1	79,934.0	52,584.9
2018	538,941.2	182,533.6	2,309,071	2,304,206	5,669,858	93,143.6	79,391.1	48,522.7
2019	524,305.9	184,096.7	2,309,923	2,304,966	5,669,012	86,908.8	78,627.0	48,878.3
2020	513,033.6	194,600.3	2,312,421	2,307,305	5,648,473	94,621.8	77,335.5	52,514.5
2021	588,555.6	220,227.6	2,312,018	2,306,747	5,651,238	108,313.0	88,803.6	47,720.2
2022	671,212.9	231,829.8	2,190,567	2,184,803	5,414,909	112,736.2	89,845.8	51,073.7
2023	617,204.4	224,712.1	2,187,672	2,181,711	5,399,158	89,547.9	81,330.9	57,290.1
2024	602,379.7	221,858.1	2,154,877	2,150,296	5,296,424	85,814.7	84,054.4	55,989.1
2025	586,450.7	215,809.0	2,119,025	2,115,927	5,184,167	82,488.9	83,211.9	54,744.6
2026	589,121.9	216,960.1	2,107,592	2,103,126	5,179,671	82,536.1	84,031.8	54,756.5
2027	588,608.6	216,859.2	2,090,604	2,085,168	5,155,450	82,959.9	83,289.1	54,542.1
2028	582,604.4	214,818.3	2,064,314	2,058,604	5,097,673	82,607.3	81,782.2	53,941.8
2029	577,477.1	212,607.9	2,037,316	2,031,080	5,042,608	82,372.4	80,416.1	53,380.8
2030	573,341.8	211,133.1	2,018,897	2,012,450	5,001,641	82,274.2	79,203.7	52,957.4
2031	570,026.7	210,291.2	2,000,422	1,993,568	4,964,289	82,290.1	78,117.8	52,579.7

Note

Figures are inflation adjusted to 2025

Industry Data

Annual Change

Year	Revenue %	IVA %	Estab. %	Enterprises %	Employment %	Exports %	Imports %	Wages %
2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2007	15.8	27.6	5.8	5.8	5.0	25.5	6.0	13.9
2008	5.1	-4.1	-0.1	-0.1	0.0	25.3	6.9	-1.5
2009	-9.3	-11.9	0.1	0.1	-0.3	-19.0	-10.9	-5.2
2010	7.0	14.1	0.2	0.2	0.2	16.7	14.6	-7.6
2011	9.7	12.3	-0.8	-0.8	-0.5	17.9	17.9	-6.1
2012	5.9	16.9	-3.1	-3.2	-2.2	-3.1	-3.4	15.8
2013	0.8	3.7	-0.1	-0.1	0.2	-3.9	4.8	1.1
2014	5.0	-0.3	-0.7	-0.7	-0.3	3.3	6.6	6.9
2015	-10.2	-11.2	-0.6	-0.6	-0.3	-13.9	-4.6	-5.9
2016	-4.2	-3.5	-0.2	-0.2	0.0	5.1	2.0	8.1
2017	3.4	0.4	-0.7	-0.7	-0.6	0.7	5.7	5.6
2018	-2.2	-9.9	-0.3	-0.3	-0.3	-4.2	-0.7	-7.7
2019	-2.7	0.9	0.0	0.0	0.0	-6.7	-1.0	0.7
2020	-2.1	5.7	0.1	0.1	-0.4	8.9	-1.6	7.4
2021	14.7	13.2	0.0	0.0	0.0	14.5	14.8	-9.1
2022	14.0	5.3	-5.3	-5.3	-4.2	4.1	1.2	7.0
2023	-8.0	-3.1	-0.1	-0.1	-0.3	-20.6	-9.5	12.2
2024	-2.4	-1.3	-1.5	-1.4	-1.9	-4.2	3.3	-2.3
2025	-2.6	-2.7	-1.7	-1.6	-2.1	-3.9	-1.0	-2.2
2026	0.5	0.5	-0.5	-0.6	-0.1	0.1	1.0	0.0
2027	-0.1	0.0	-0.8	-0.9	-0.5	0.5	-0.9	-0.4
2028	-1.0	-0.9	-1.3	-1.3	-1.1	-0.4	-1.8	-1.1
2029	-0.9	-1.0	-1.3	-1.3	-1.1	-0.3	-1.7	-1.0
2030	-0.7	-0.7	-0.9	-0.9	-0.8	-0.1	-1.5	-0.8
2031	-0.6	-0.4	-0.9	-0.9	-0.7	0.0	-1.4	-0.7

Note

Figures are inflation adjusted to 2025

Key Success Factors

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.

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.

How do businesses use location to their advantage?

Appropriate climatic conditions

Some crops require unique climates or soil types and can only thrive in specific states, such as citrus in Florida, almonds in California, or cranberries in Wisconsin, limiting where certain agricultural businesses can operate.

Ensure irrigation water is available

Reliable water access, whether through rainfall, irrigation, or aquifer systems, is essential for crop health and stability, helping farmers withstand droughts and produce consistently high yields across growing seasons.

How do successful businesses handle concentration?

Secure economies of scale

This allows agricultural businesses to reduce production costs per unit by increasing output, making them more competitive in a concentrated market.

Develop a skilled labor force

Skilled workers enhance productivity and innovation, which is essential for maintaining competitiveness and efficiency in the agriculture sector.

How can potential entrants overcome barriers to entry?

Operate in a location with appropriate water supply, soil type and climate

This ensures optimal crop growth and productivity, reducing costs and increasing yield reliability. It's essential for sustainable agricultural operations and mitigating environmental challenges.

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 farm's products.

How do successful businesses compete with substitutes?

Invest in new technology to enhance operational efficiency and quality

In agriculture, adopting new technologies can boost productivity and improve crop quality, helping to effectively compete against substitutes.

Develop a wide and expanding product range

This diversification reduces risk and allows farmers to respond flexibly to changing consumer demands, providing an edge over substitute products.

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 whose prices frequently fluctuate. To maintain a steady market for goods, agricultural companies must monitor price trends and keep prices competitive.

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