

America’s diverse family farms . . .

(Continued From Page 2A)

•Operations with principal female operators contributed just over 4 percent of the total value of production in 2019. In addition, the highest share of principal female operators is found among farms specializing in poultry and other livestock (including horses, bees, sheep, lambs, goats, etc.), at 31 and 30 percent, respectively.

•Women comprise only 4 percent of the principal operators on dairy specializing operations, but overall, women are principal operators or operators on 58 percent of all farms specializing in dairy.

• Among operations with at least one female operator, 78 percent of those female operators are the spouse of the principal operator and work on the farm.

Direct sales

Direct-to-consumer (DTC) crop sales are the most common form of all direct sales.

•In 2019, 9 percent of operations sold commodities through direct to consumer (DTC) or intermediary supply chains and amounted to almost \$8 billion in sales—over 2 percent of the total value of farm production. Of this 9 percent, 49 percent sell crops and 45 percent sell livestock DTC. Only 15 percent sell crops through an intermediary and 10 percent sell livestock this way. Fifteen percent of operations sell commodities using both DTC and intermediary supply chains.

• Although a small share of direct sales operations sells crops through intermediary

supply chains, these operations account for 67 percent of the total value of direct sales. Direct sales through intermediaries occurred mainly on farms with greater than \$350,000 in GCFI.

•Farms with low GCFI (less than \$75,000) accounted for 61 percent of DTC livestock sales, which is consistent with the large share of small farms overall that specialized in livestock, particularly beef production.

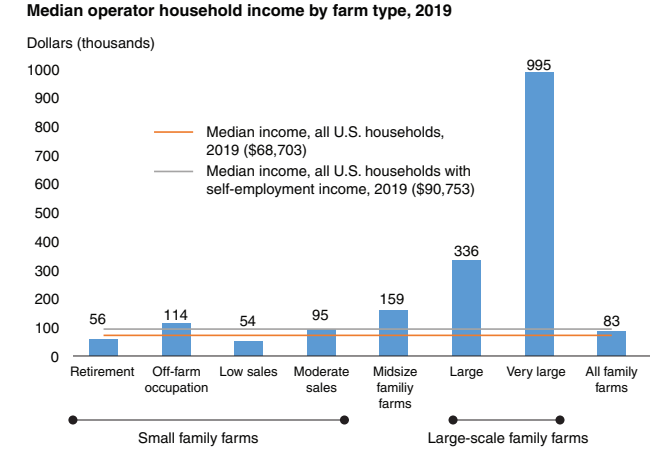
•Farms with low GCFI (less than \$75,000) accounted for 23 percent of DTC crop sales. More than half (55 percent) of DTC crop sales are by farms with GCFI greater than \$350,000 (either midsize, large-scale family farms, and non-family farms), which is consistent with the fact that these larger operations produced most U.S. crops overall. Of the 55 percent, 69 percent are operations specialized in high-value crop production. However, small farms are still disproportionately represented by the number of farms among DTC crop sales.

Conclusions

•Farming is still overwhelmingly a family business. Ninety-eight percent of U.S. farms are family farms, and they account for 86 percent of farm production.

•Small family farms make up 90 percent of the farm count and operate almost half of the farmland. The largest share of the value of farm production (44 percent), however, occurs on large-scale family farms. Small farms account for over half the value of poultry and hay production.

•The share of farms with



Notes: Operator household income includes both farm and off-farm income received by household members. Half of all households have incomes above the median, and half have incomes below the median.

Sources: USDA, National Agricultural Statistics Service, and USDA, Economic Research Service, 2019 Agricultural Resource Management Survey for farm households. U.S. Department of Commerce, Bureau of the Census, 2019 Current Population Survey, March supplement, for all U.S. households.

an operating profit margin (OPM) at low risk varied by farm size in 2019. Between 62 and 81 percent of small farms have an OPM in the high-risk zone—depending on the farm type—compared with 36-47 percent of midsize and large-scale farms. Some small farms in each type operate at low risk, as do more than 28 percent of mid-size, large, and very large farms.

• Farm households, in general, are neither low income nor low wealth.

In 2019, median farm household income, which includes both farm and off-farm income source, exceeded that for all U.S. households but was lower than the median among all U.S. households with self-employment income. About 43 percent of farm households had income below that of the median for all U.S. households, and 3 percent had wealth less than the U.S. median in 2019.

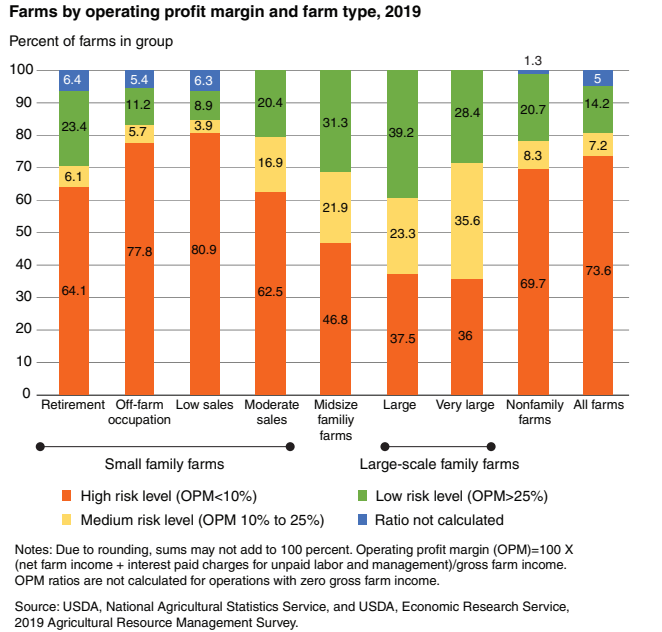
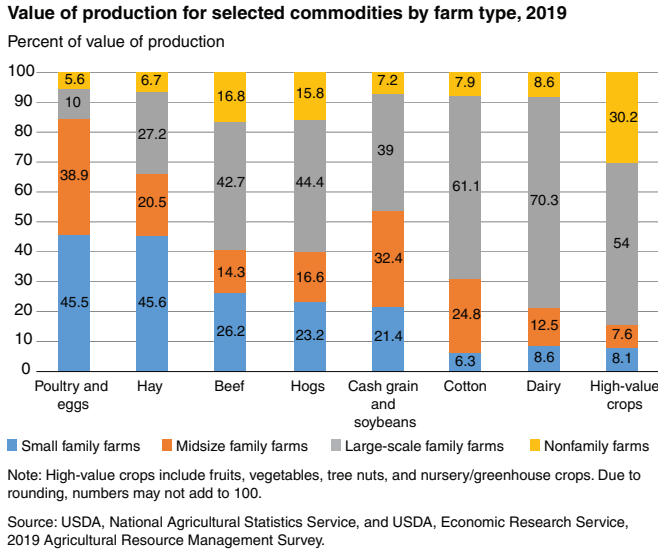
• Women play a key role in over half of farm operations. Women are operators in over half (51 percent) of all farming operations. The largest share of principal female operators is found among farms specializing in poultry and other livestock, at 31 and 30 percent, respectively.

• Only 9 percent of farm operations participate in direct sales supply chains, with direct to consumer (DTC) crop sales being the most common form of direct sales. Farms with GCFI greater than \$350,000 contribute over half (55 percent) of DTC crop sales; in contrast, farms with low GCFI (less than \$75,000) accounted for 61 percent of DTC livestock sales.

•Seventeen percent of all principal operators plan to re-

tire in the next 5 years. However, more than 60 percent do not have a succession plan or have not yet identified a successor.

•Conservation Reserve Program (CRP) payments go to different farms than other Government payments. CRP payments target environmentally sensitive cropland, with most payments going to retirement, off-farm occupation, and low-sales farms. In contrast, most commodity-related and working-land payments go to family farms with GCFI of \$350,000 or more. Most U.S. farms, however, do not receive Government payments and are not directly affected by them, although they may be affected indirectly by other market variables, such as land values and rents.



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