

**2009 FARM PRODUCTION EXPENDITURES**

U.S. Total Farm Production Expenditures totaled \$287.4 billion in 2009, down from \$307 billion in 2008. This is the first major decline of farm expenditures since 1986. The 2009 Total Expenditures fell 6 percent compared to the 2008 rise of 8 percent. Total Expenditures for 2008 remain unchanged from a year ago. Two expense items showing increases from the previous year were; Rent, up 1 percent, and Seed and Plants, up 3 percent.

Major factors that impacted expenditures this year were general economic conditions and the price of crude oil. The sharp decline in petroleum prices was a major factor affecting Total Expenditures. Fuels, down 23 percent over previous year, had the largest decrease of any capital or non-capital expense. The decreasing cost of crude oil also contributed to the drop of Fertilizer and Agricultural Chemicals in 2009.

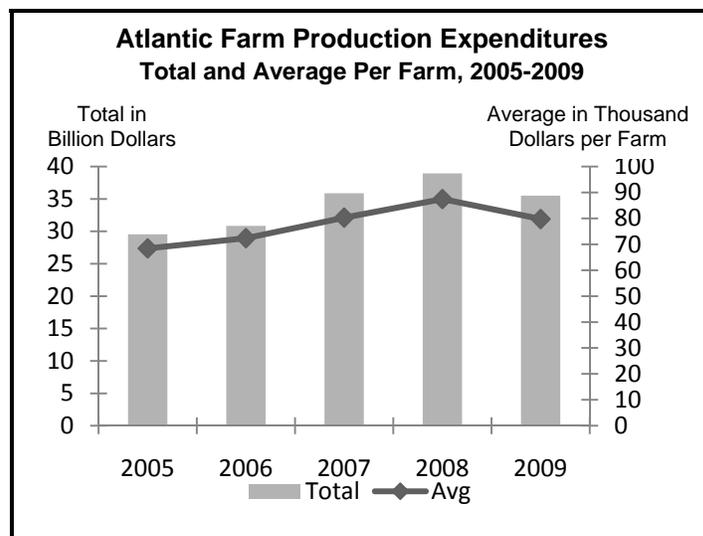
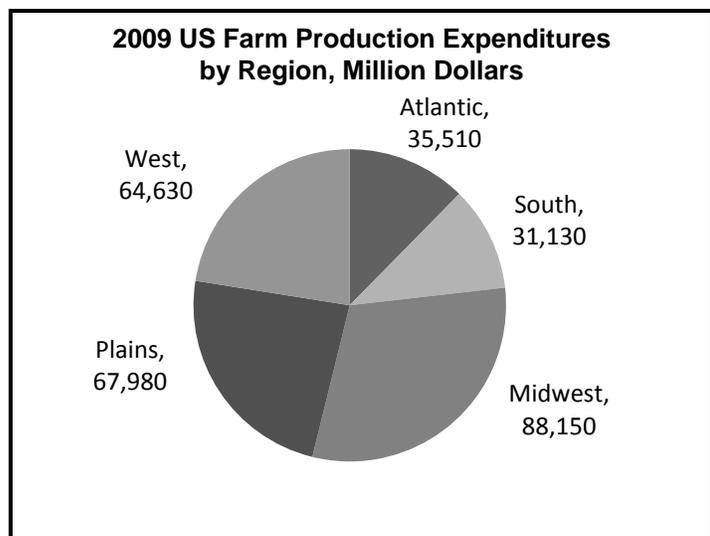
Total Fuels Expense was \$12.4 billion. Diesel, the largest sub-component, was \$7.2 billion accounting for 58 percent of the total Fuels Expense. Diesel expenditures were down

27 percent in 2009. Gasoline was \$2.4 billion, down 19 percent. LP Gas was \$2.0 billion, down 4 percent. Other Fuels were \$0.8 billion, down 27 percent.

Expenditures with the largest percentage drop were: Fuels, down 23 percent; Other Farm Machinery, down 20 percent; Tractors and Self Propelled Machinery, down 18 percent; Farm Improvements, down 11 percent; and Fertilizer, Lime, and Soil Conditioners, down 11 percent.

The four largest expenditures at the U.S. level totaled \$136.1 billion and accounted for 47 percent of Total Expenditures in 2009. They were Feed, 16 percent; Farm Services, 13 percent; Labor, 10 percent; and Livestock and Poultry Purchases, 9 percent.

Total Expenditures by Region were down for all five regions in 2009. The Atlantic (New England States, New York, New Jersey, Pennsylvania, Maryland, Delaware, Kentucky, North Carolina, Tennessee, Virginia, and West Virginia) had the largest decrease at 9 percent.



- Atlantic: CT, DE, KY, ME, MD, MA, NH, NC, NJ, NY, PA, RI, TN, VA, VT, WV
- Midwest: IL, IN, IA, MI, MN, MO, OH, WI
- Plains: KS, NE, ND, OK, SD, TX
- South: AL, AR, FL, GA, LA, MS, SC
- West: AZ, CA, CO, ID, MT, NV, NM, OR, UT, WA, WY



Photo courtesy of Sunkhaze Farm, Old Town, ME

**ANNUAL FARM PRODUCTION EXPENDITURES: Farms Reporting,  
Average per Farm and Total, Atlantic Region and United States, 2008 – 2009**<sup>1 2</sup>

Expenditure	Farms Reporting <sup>3</sup>		Average per Farm <sup>4</sup>		Total Expenditures	
	2008	2009	2008	2009	2008	2009
	Percent		Dollars		Million Dollars	
<b>ATLANTIC</b>						
<b>Total Farm Production Expenditures</b> <sup>5</sup>	100.0	100.0	87,288	79,753	38,880	35,510
Livestock, Poultry and Related Expenses <sup>6</sup>	25.5	24.9	6,870	6,828	3,060	3,040
Feed	64.5	62.7	18,522	15,789	8,250	7,030
Farm Services <sup>7</sup>	95.9	94.5	10,776	10,062	4,800	4,480
Rent <sup>8</sup>	19.6	22.7	2,514	2,471	1,120	1,100
Agricultural Chemicals <sup>9</sup>	39.3	40.4	2,178	2,426	970	1,080
Fertilizer, Lime and Soil Conditioners <sup>9</sup>	57.3	51.2	4,692	3,998	2,090	1,780
Interest	31.9	30.7	3,345	2,875	1,490	1,280
Taxes (Real Estate and Property)	100.0	99.9	3,974	3,481	1,770	1,550
Labor	26.8	27.1	9,227	8,827	4,110	3,930
Fuels	91.3	86.7	4,445	3,549	1,980	1,580
Farm Supplies and Repairs <sup>10</sup>	89.7	86.6	4,894	5,143	2,180	2,290
Farm Improvements and Construction <sup>11</sup>	56.5	52.6	5,882	5,705	2,620	2,540
Tractors and Self-Propelled Farm Machinery	17.7	15.6	3,031	2,471	1,350	1,100
Other Farm Machinery	23.4	17.2	1,751	1,235	780	550
Seeds and Plants <sup>12</sup>	44.6	40.1	3,817	3,593	1,700	1,600
Trucks and Autos	16.5	15.4	1,302	1,235	580	550
Miscellaneous Capital Expenses <sup>13</sup>	6.5	6.2	67	67	30	30
<b>UNITED STATES</b>						
<b>Total Farm Production Expenditures</b> <sup>5</sup>	100.0	100.0	140,075	131,137	307,020	287,400
Livestock, Poultry and Related Expenses	25.9	25.1	12,912	11,818	28,300	25,900
Feed	59.4	56.9	21,398	20,533	46,900	45,000
Farm Services <sup>7</sup>	93.3	92.8	17,337	16,609	38,000	36,400
Rent <sup>8</sup>	28.2	29.3	10,220	10,312	22,400	22,600
Agricultural Chemicals <sup>9</sup>	45.7	44.8	5,338	5,247	11,700	11,500
Fertilizer, Lime and Soil Conditioners <sup>9</sup>	51.0	47.8	10,265	9,171	22,500	20,100
Interest	38.1	36.2	5,475	5,019	12,000	11,000
Taxes (Real Estate and Property)	99.7	99.6	4,882	4,745	10,700	10,400
Labor	30.8	28.8	13,550	13,141	29,700	28,800
Fuels	85.1	82.5	7,300	5,658	16,000	12,400
Farm Supplies and Repairs <sup>10</sup>	82.7	81.0	7,254	7,072	15,900	15,500
Farm Improvements and Construction <sup>11</sup>	55.7	53.9	7,209	6,434	15,800	14,100
Tractors and Self-Propelled Farm Machinery	22.9	21.2	5,201	4,243	11,400	9,300
Other Farm Machinery	25.4	22.7	2,692	2,145	5,900	4,700
Seeds and Plants <sup>12</sup>	41.1	38.2	6,889	7,072	15,100	15,500
Trucks and Autos	23.0	21.2	2,053	1,825	4,500	4,000
Miscellaneous Capital Expenses <sup>13</sup>	13.1	13.3	100	91	220	200

<sup>1</sup> Atlantic Region consists of Connecticut, Delaware, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Tennessee, Virginia, Vermont and West Virginia.

<sup>2</sup> United States excludes Alaska and Hawaii.

<sup>3</sup> Number of farms reporting item divided by total number of farms.

<sup>4</sup> Total expenditures divided by total number of farms. Items may not sum to total due to rounding.

<sup>5</sup> Includes landlord and contractor share of farm production expenses. May not add due to rounding.

<sup>6</sup> Includes purchases and leasing of livestock and poultry.

<sup>7</sup> Includes all crop custom work, veterinary custom services, transportation costs, marketing charges, insurance, leasing of machinery and equipment, general and miscellaneous business expenses, and utilities.

<sup>8</sup> Includes public and private grazing fees.

<sup>9</sup> Includes material and application costs.

<sup>10</sup> Includes bedding and litter, marketing containers, power farm shop equipment, oils and lubricants, miscellaneous non-capital equipment and supplies, repairs and maintenance of livestock and poultry equipment, and capital equipment for livestock and poultry.

<sup>11</sup> Includes all expenditures related to new construction or repairs of building, fences, operator dwelling (if dwelling is owned by operation), and any improvements to physical structures of land.

<sup>12</sup> Excludes bedding plants, nursery stock, and seed purchased for resale. Includes seed treatment.

<sup>13</sup> A zero in this line-item denotes less than 5 million dollars. Average value derived from expenditure rounding to zero will also be zero. Miscellaneous Capital Expense was estimated for the first time in 2005.

SOURCE: *Farm Production Expenditures – 2009 Summary*, August 3, 2010, National Agricultural Statistics Service, USDA.