INTERNATIONAL FRESH PRODUCE ASSOCIATION℠

U.S. Broccoli Market Report: 2021–2022

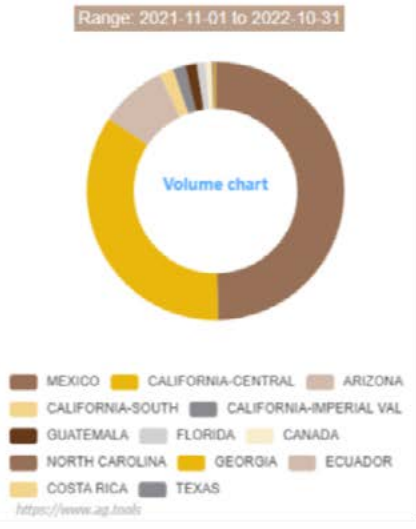
International Fresh Produce Association provides members relevant market data and insights to guide their business considerations and decisions. This paper discusses the broccoli market in the United States from November 2021 to October 2022. The data was collected and analyzed by Ag Tools.

"Broccoli had slight but consistent market growth during 2020 and 2021. In 2022 there was a slight reduction. This product is popular among multiple generations of consumers."

– Joe Watson, IFPA Vice President Of Retail, Foodservice, Wholesale Membership

USA Volume Report

Location	Volume Lbs	Description	Var.%
MEXICO	622,685,483	33,059,653 lbs less than same period 2020-2021	-5.04%
CALIFORNIA-CENTRAL	436,295,641	11,079,481 lbs less than same period 2020-2021	-2.48%
ARIZONA	105,103,159	15,176,174 lbs more than same period 2020-2021	16.88%
CALIFORNIA-SOUTH	22,258,750	449,100 lbs more than same period 2020-2021	2.06%
CALIFORNIA-IMPERIAL VAL	19,542,284	4,793,965 lbs more than same period 2020-2021	32.51%
GUATEMALA	18,406,953	2,450,321 lbs more than same period 2020-2021	15.36%



FLORIDA	13,513,239	3,166,416 lbs more than same period 2020-2021	30.60%
CANADA	10,134,176	1,607,704 lbs less than same period 2020-2021	-13.69%
NORTH CAROLINA	3,100,820	1,582,013 lbs more than same period 2020-2021	104.16%
GEORGIA	2,490,000	1,252,720 lbs less than same period 2020-2021	-33.47%
ECUADOR	11	151,540 lbs less than same period 2020-2021	-99.99%
COSTA RICA	7	--	--
TEXAS	0	--	--
Total:	1,253,530,523		

Total volume marketed between November 1, 2021, and October 31, 2022, exceeded 1.2 billion pounds. Among the 13 regions noted, only three of them, Mexico, central California, and Arizona have dominant market shares. These three regions supply 93% of the total volume. Despite significant growth, the remaining 10 regions' volume is not significant when considering the overall US market.

GROWTH AND MARKET SHARE BY REGION

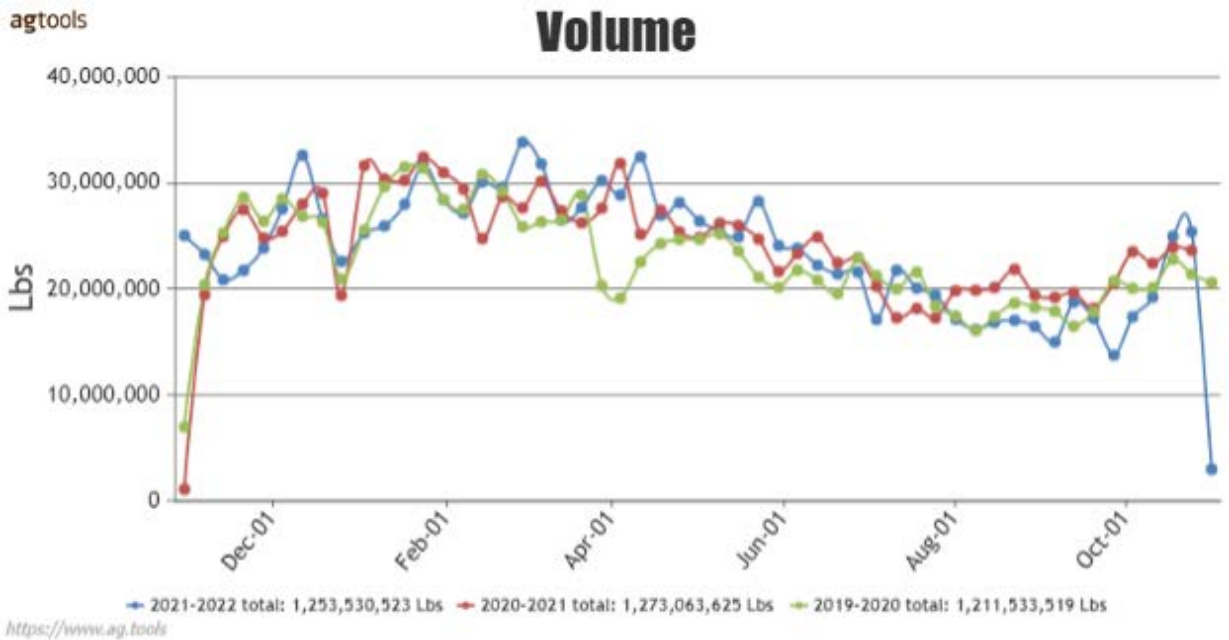
MARKET SHARE OF BROCCOLI BY REGION FROM NOVEMBER 1ST 2021 THRU OCTOBER 31ST 2022						
REGION	2021-2022	PART %	VAR LBS	VAR %	2020-2021	PART %
México	622,685,483	49.7%	(33,059,653)	-5.0%	655,745,136	51.5%
Central California	436,295,641	34.8%	(11,079,481)	-2.5%	447,375,122	35.1%
Arizona	105,103,159	8.4%	15,176,174	16.9%	89,926,985	7.1%
South California	22,258,750	1.8%	449,100	2.1%	21,809,650	1.7%
California Imperial Valley	19,542,284	1.6%	4,793,965	32.5%	14,748,319	1.2%
Guatemala	18,406,953	1.5%	2,450,321	15.4%	15,956,632	1.3%
Florida	13,513,239	1.1%	3,166,416	30.6%	10,346,823	0.8%
Rest of the regions	15,725,014	1.3%	(1,429,944)	-8.3%	17,154,958	1.3%
TOTAL (Lbs)	1,253,530,523	100.0%	(19,533,102)	-1.5%	1,273,063,625	100.0%

During the report period, volume declined 1.5% (19 million pounds) — from 1.27 billion pounds in the prior year to 1.25 billion pounds in 2021-2022. Regional production differences varied:

- Mexico's US market share dropped from 51.5% to 49.7%.
- Central California's share dropped slightly from 35.1% to 34.8%.
- Arizona showed remarkable performance as its volume grew from almost 90 million pounds to 105 million pounds, (16.9% growth) with its market share increasing from 7.1% to 8.4%.

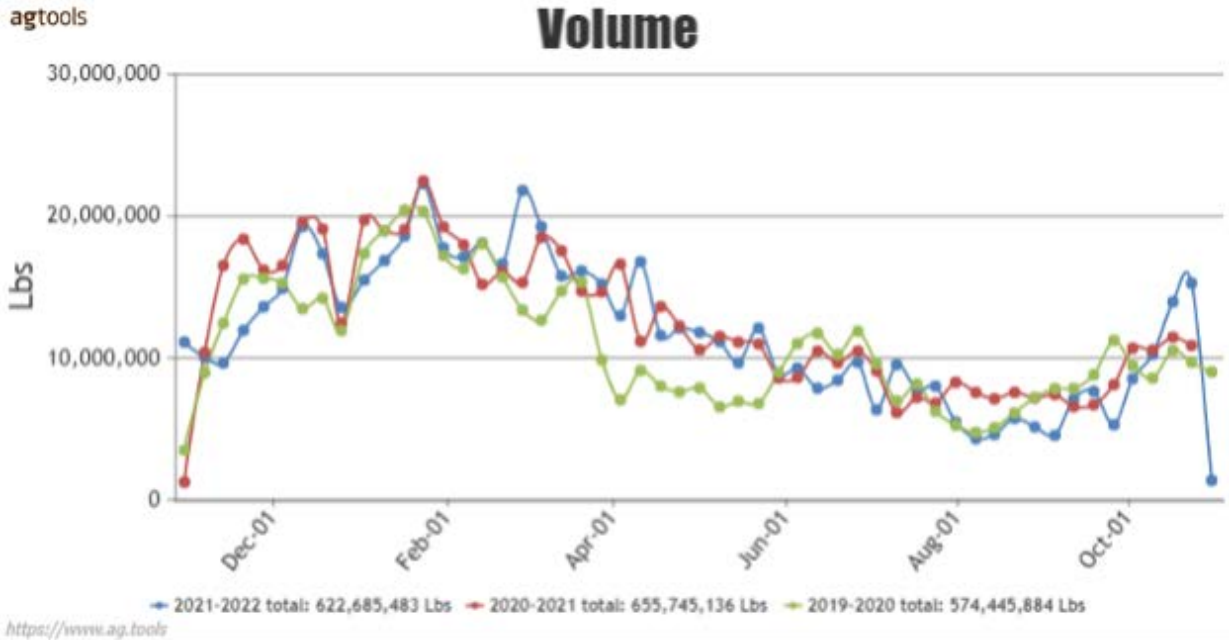
The remainder of the regions, although showing significant growth, even collectively, had a smaller market share.

3-YEAR COMPARISON OF TOTAL WEEKLY BROCCOLI VOLUME IN THE US MARKET



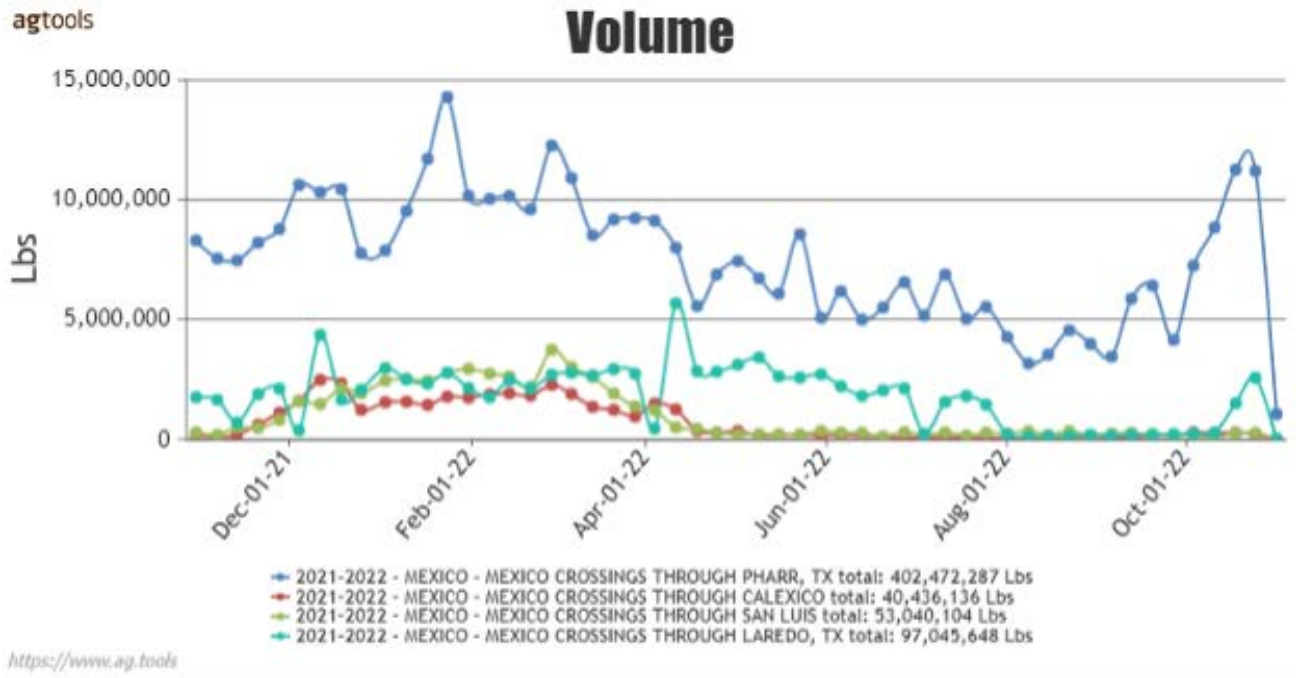
Seasonal volume trends show the highest volume from December to April, dropping at the end of spring and summer, and reaching the lowest point at the beginning of autumn. In 2020, volume reached 1.21 billion pounds (green line) with a very pronounced drop in March due to COVID, including business closures. By April, volume returned to the typical trend line for the timeframe. In 2021 (red line), volume reached more than 1.27 billion pounds, 5% growth, with normal volume distribution trends. In 2022, volume topped 1.25 billion pounds, a 1.5% decline. Although there is slightly less volume in December and January, the largest drop is July to October.

3-YEAR COMPARISON OF MEXICO BROCCOLI WEEKLY VOLUME IN THE US MARKET



Mexico's dominant market share of the US broccoli market – about 50% -- is reflected in the total volume traded, similar to the volume of the overall market. The highest volume is during the winter and spring and the lowest is in summer and autumn. During 2020 (green line) Mexico's volume was 574 million pounds, with a decline in volume April to June due to the pandemic-related confinement and border closures. Volume recovered in July. In 2021, volume reached 655 million pounds, 14% higher than the previous year. The 2022 season mirrored the previous year, with some differences, for a total of 622 million pounds, down 5% for this region.

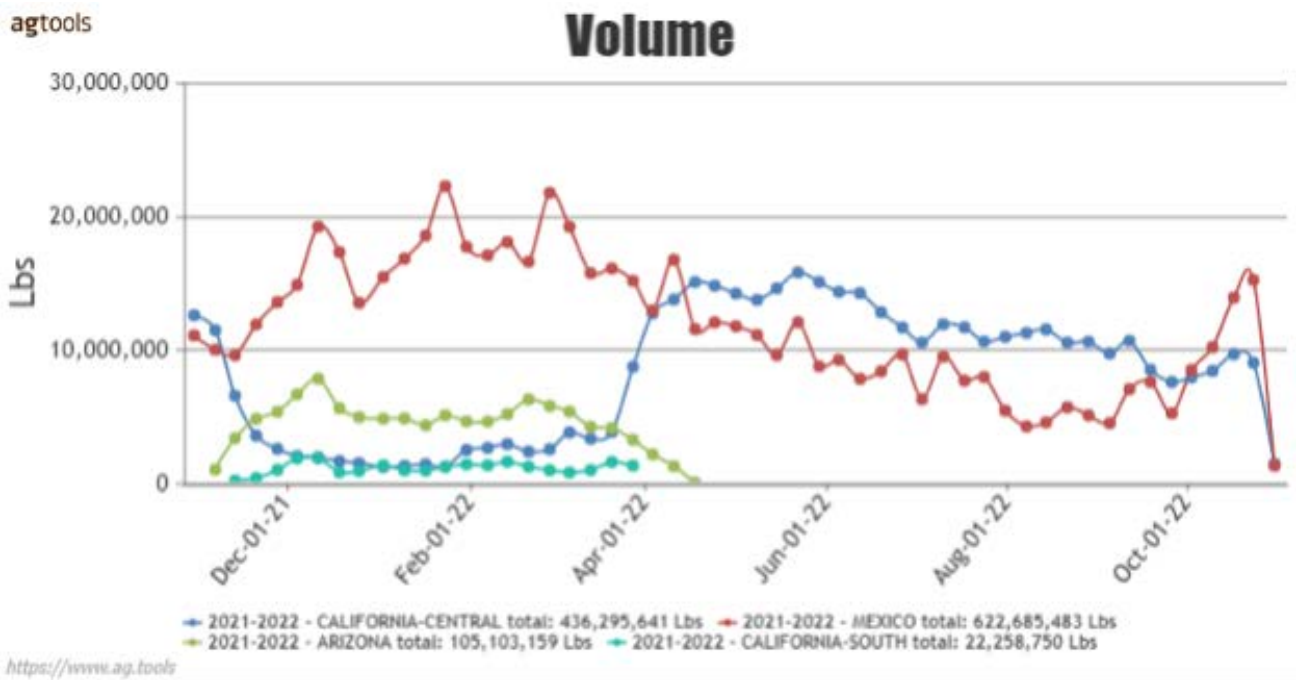
COMPARISON OF MEXICAN IMPORT VOLUME AT MAIN US BORDER CROSSINGS



Mexican broccoli enters the United States at four main crossings:

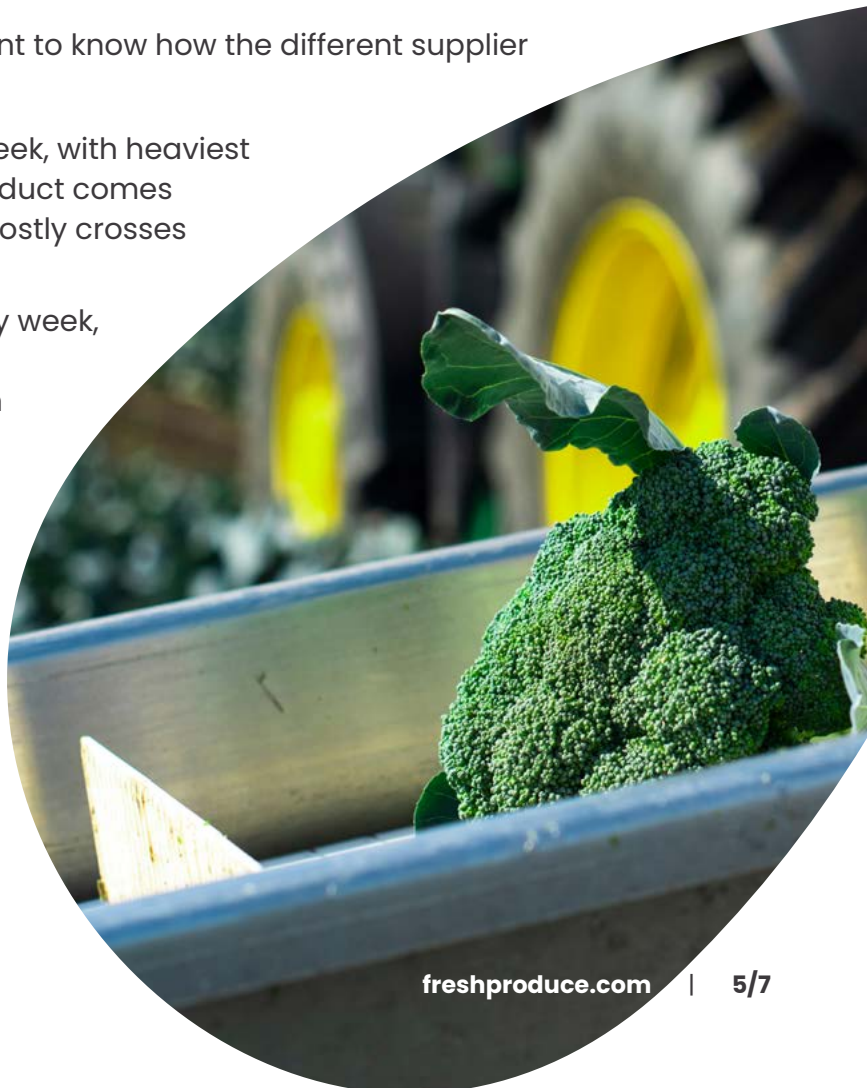
- The primary port of entry (active year-round) is Pharr/McAllen, Texas at about 65% of the total volume.
- The second-most-active crossing was Laredo, Texas (active year-round), at more than 15.5%.
- The San Luis, Arizona, crossing handled 8.5% of total volume during the winter and early spring.
- Calexico, California, received 6.5% of the product with a schedule similar to San Luis.

COMPARISON OF PRIMARY BROCCOLI PRODUCTION SEASONS

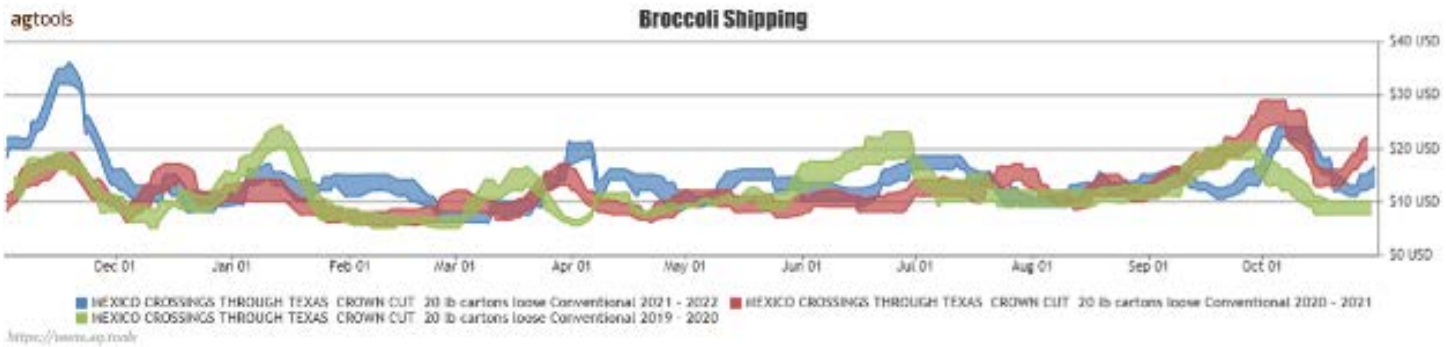


To better understand the market, it is important to know how the different supplier regions interact by volume and season:

- Mexico (red line) sends product every week, with heaviest volume in winter and spring. Though product comes from different regions within Mexico, it mostly crosses through Pharr, Texas.
- Central California also has product every week, peaking from April to December, which complements the corresponding drop in Mexico's volume.
- Arizona's season is winter and spring, finishing by the end of April.
- Southern California's season is similar to Arizona's, although with a much smaller volume. Arizona and southern California combined contribute just 9.5% of the total broccoli supply in the United States.



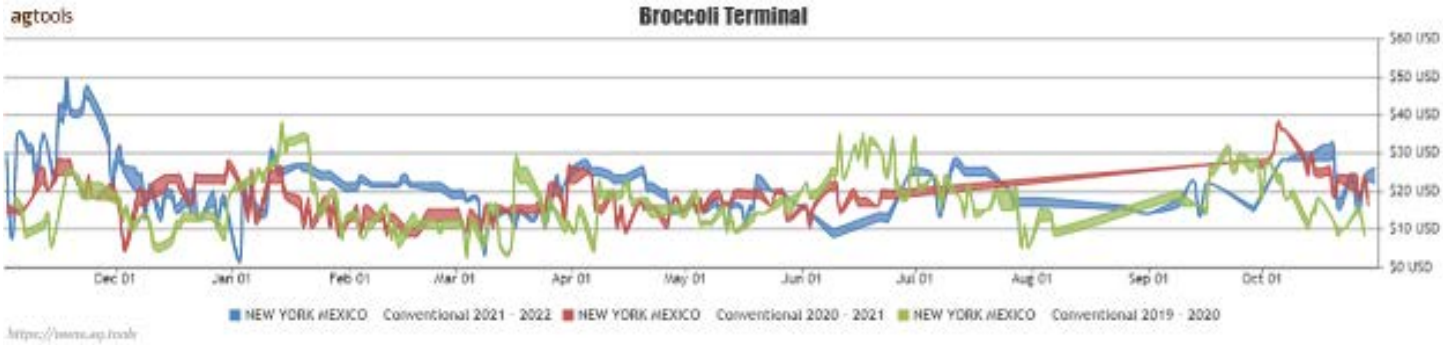
3-YEAR PRICE COMPARISION FOR MEXICAN BROCCOLI CROSSING AT PHARR



For Mexican broccoli crossing at Pharr, Texas, prices were dynamic during the study year and the two years prior. The highest price in the 2019-2020 season was $24.00 in January and the end of June. In the 2020-2021, season the highest price reached $29.00 during October. And in the 2021-2022 season, the highest price of the season was recorded in November 2021 at an unprecedented $36.00 per box. That record price lasted only a few days, then quickly plummeted below $15.00. At the beginning of October 2022, the price increased to $26.00, but only for a few days.

The large price increases seen over the three years presented here lasted only a few days and then reverted to a seasonally normal level, unlike other products where soaring prices can be maintained for several days or even weeks.

3-YEAR PRICE COMPARISON OF MEXICAN BROCCOLI IN THE NEW YORK TERMINAL MARKET



In 2019-2020 (green line) pricing for Mexican broccoli at the New York terminal market showed daily volatility. The two pricing peaks at Pharr were reflected a few days later in New York. In 2020-2021 (red line) there was less short-term volatility, with price changes like those of the previous season. Likewise, the highest price posted at the Texas crossing was reflected in New York at the end of September. In November (blue line) the record price at the terminal market of almost $50.00 per box for Mexican broccoli lasted only a few days before dropping below $20.00. Regardless of these large price swings, the market saw two pricing trends, one during the spring/winter between $10.00 and $15.00, and the second in the autumn/summer months, with prices in the $20.00 range. These two price groups coincide with the volume available during the year, with the winter volume exceeding summer volume.

“Analyzing product data helps our members understand the markets. The global trend of digitalization of agriculture requires a greater understanding and use of the data generated from production, harvesting, packaging, transport, marketing, and consumption. The closer the entire supply chain is to the reality of demand, the better the results, and the less food will be lost in the marketing process.”

– Joe Watson, IFPA Vice President Of Retail, Foodservice, Wholesale Membership

For more information, market data, and insights, consult IFPA’s online resource directory.