

Fact Sheet
CCD-FS-6
June 2017

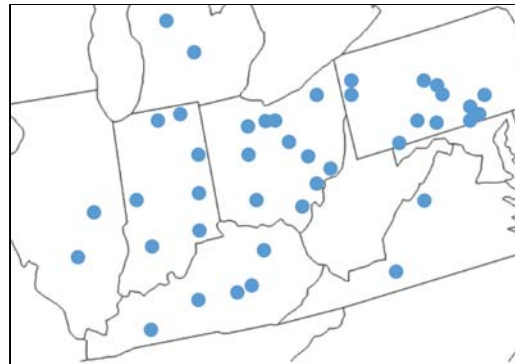
Three-Year Average Prices & Quantities at Kentucky Produce Auctions: 2014-2016



Overview

Produce Auctions are—as their name implies— auction-based market channels for produce and other specialty crops such as nursery crops and ornamentals. There are a number of these markets located throughout Kentucky, Ohio, Illinois, Pennsylvania and other states in the region. These auctions are highly diverse, with very different sizes, ownership structures, buyers, and sellers. Members of Amish and Mennonite communities manage many of these auctions. Some auctions emphasize certain products more than others. Some function as a place for larger buyers to purchase specialty crops, while others offer products appealing to direct marketing resellers. Variables such as units, varieties, quality, and credence attributes can vary widely as well. Nevertheless, some of these auctions grossed millions of dollars in sales in recent years and play an important role in the specialty crop market.

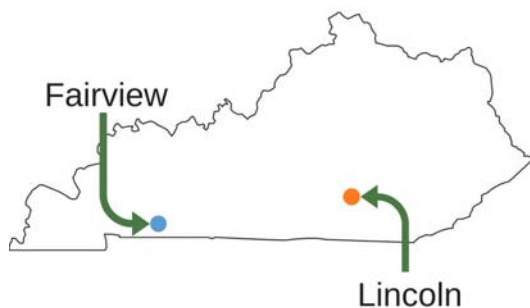
Regional Produce Auctions



Crops and Auctions

This report compares average volumes and prices for 18 crops from two major Kentucky produce auctions for the 2014, 2015, and 2016 seasons. While there are currently five produce auctions in Kentucky, we have selected the two largest auctions for analysis. They sell larger volumes and report more frequently. These two auctions offer relatively standardized products and easier to compare. Still, as we have noted there is some variability in units and grades, and any considerable differences are noted beside each graph. We have provided individual auction averages as well as combined averages for each crop, when appropriate.

Fairview Produce Auction (FPA) recorded nearly \$3.7 million in total sales in 2016. Located in Christian County, the nearest cities are Hopkinsville and Russellville. FPA is 160 miles from Louisville, 50 miles from Bowling Green and 70 miles from Nashville.



Lincoln County Produce Auction

(LCPA) grossed just over \$1.6 million in 2016. The nearest cities are Danville and Berea, and LCPA is located 50 miles from Lexington, 105 miles from Louisville, and 130 miles from Cincinnati.

Crops & Units

Apple (lb)
Asparagus (lb)
Beans (bushel)
Beets (bunch)
Blueberries (pint)
Broccoli (lb)
Cabbage (each)
Canary Melons (ea.)
Cantaloupe (each)
Cucumbers (bushel)
Greens (half-bushel)
Peppers (bushel)
Pumpkins (each)
Radishes (bunch)
Strawberries (qt)
Sweet Corn (dozen)
Tomatoes (lb)
Watermelon (each)

*The units chosen to report here are only based on most common reports and converted for ease of comparison. Market conditions elsewhere may call for selling in different units than the ones reported here. Data and unit conversions are available from the authors upon request.

How to use this report

The data presented here are valuable to a wide range of parties.

Producers may find this information useful when considering:

- What to grow
- When to grow it (season extension, late plantings, etc.)
- Grading and packing standards (including box size)
- Evaluate whether selling at an auction will fit for their operation

Auction managers might use this information to:

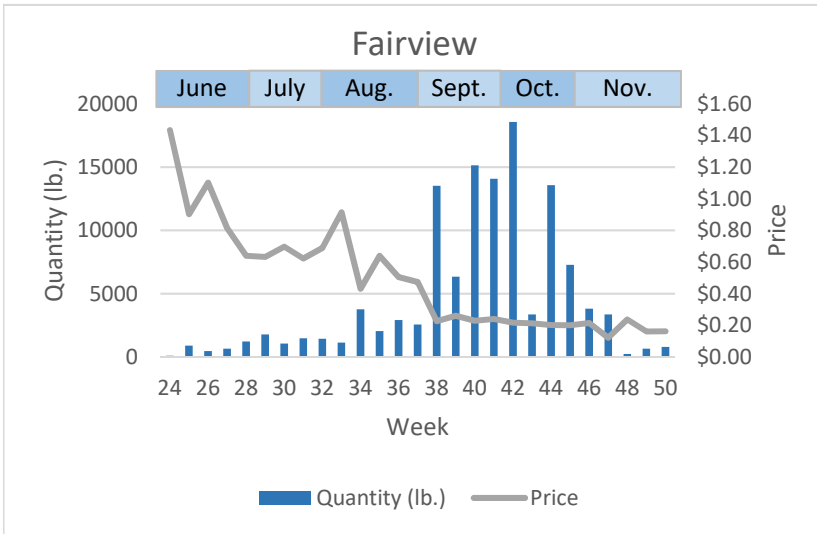
- Identify key gaps in product availability to identify opportunities
- Help prevent instances of oversupply
- Set sizing and grading standards for growers

Buyers can use this report to see:

- Beginning, peak, and end of the season for Kentucky auction products
- How auction prices compare to prices available from other outlets
- Timing for the best value for each product

We have selected **18 important crops for produce auctions**. The auctions report more than this. You can view all the reports, including historical archives [on the CCD site](#).

Apples, Weekly Average Prices & Quantities (2014-2016)

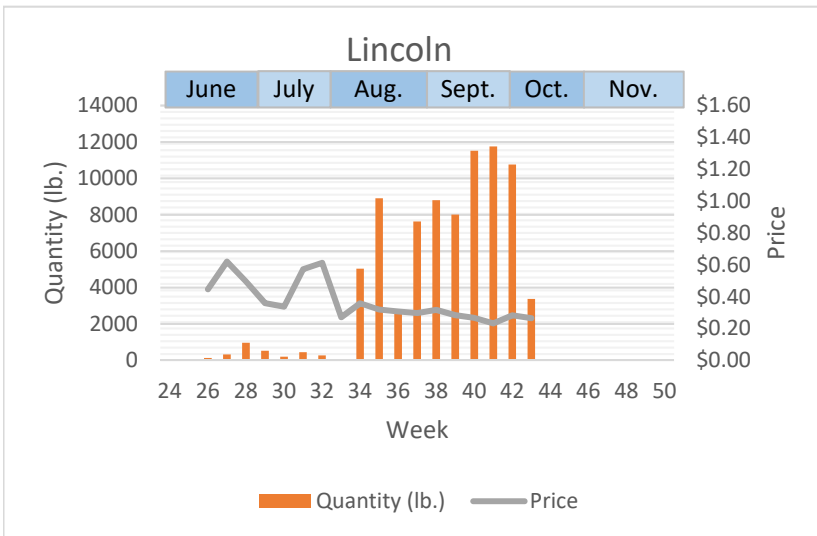


Notes & Observations:

As we might expect, as supply increases price decreases across the course of the season.

It is interesting to note that there is no rebound as supply decreases in the fall.

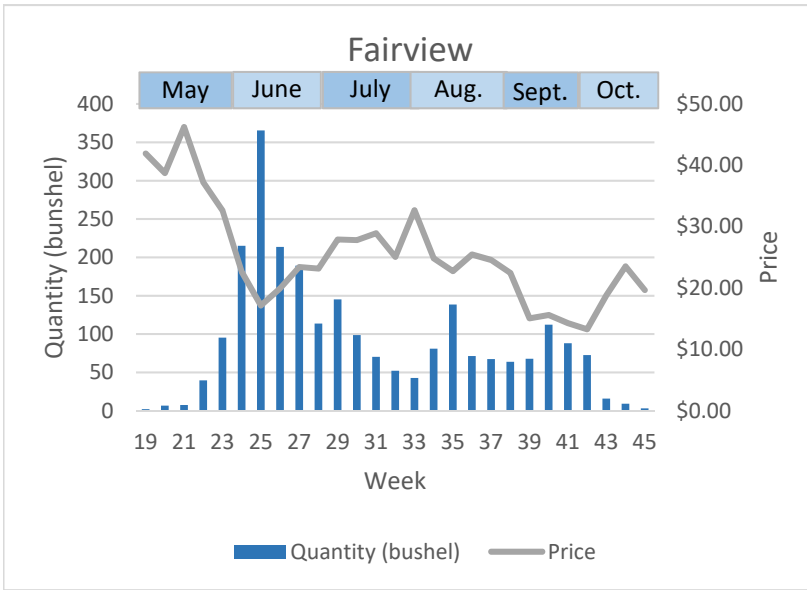
There are limited varieties of apples grown in Kentucky that are harvested prior to late July or August.



We do not know which varieties are specifically sold through the auctions, and some portion of the difference between the two markets could be due to varietal difference.



Beans, Weekly Average Prices & Quantities (2014-2016)

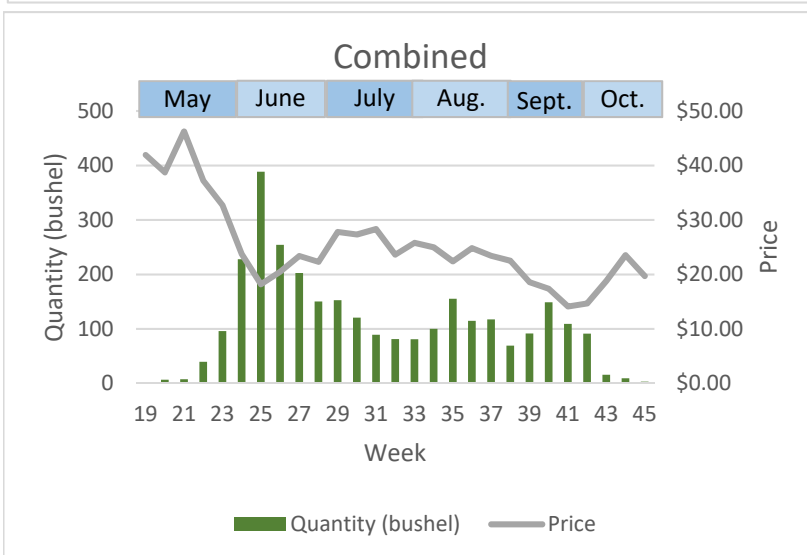
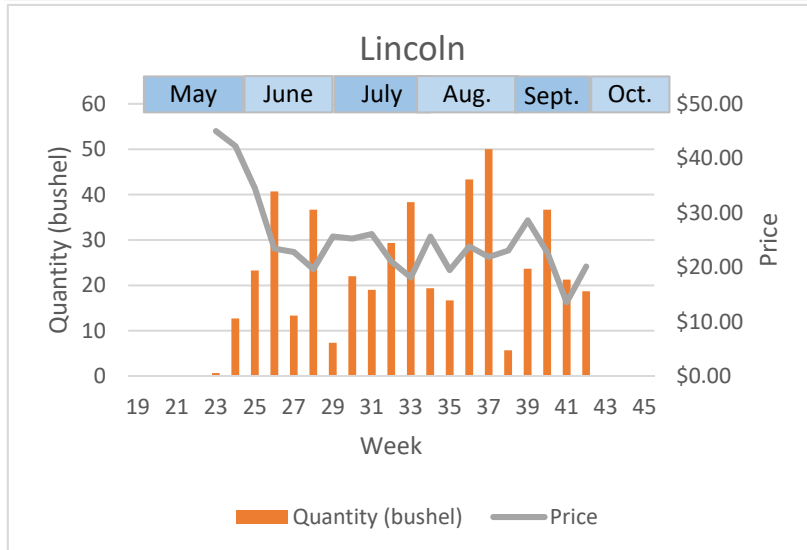


Notes & Observations:

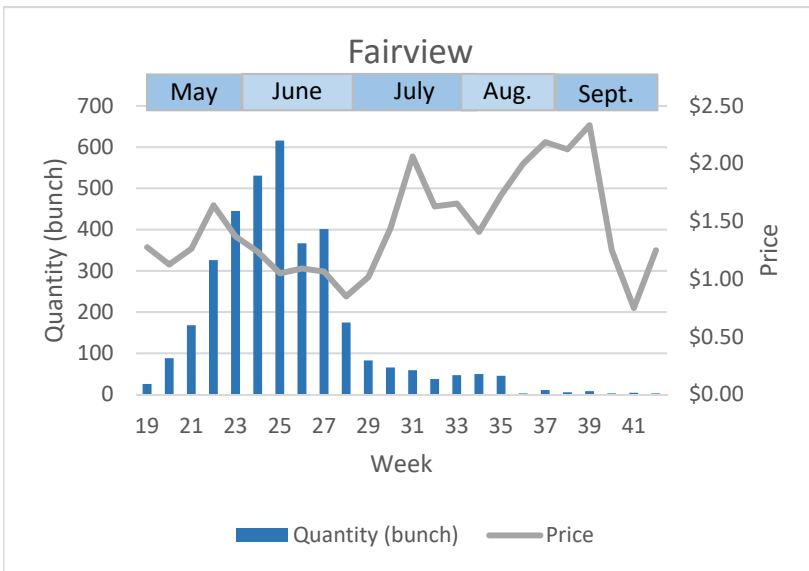
There was a strong peak in supply at Fairview in June while the supply was relatively more constant at the Lincoln auction.

The dip in supply at Fairview in early August is intriguing, and given that this is a 3-year average, it may suggest an opportunity for growers.

Early season beans generally command higher prices than those later in the season.



Beets, Weekly Average Prices & Quantities (2014-2016)

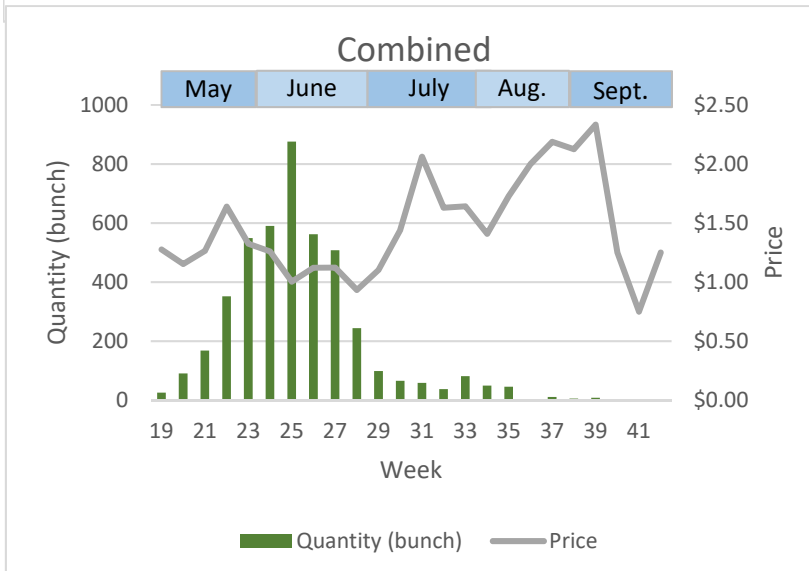
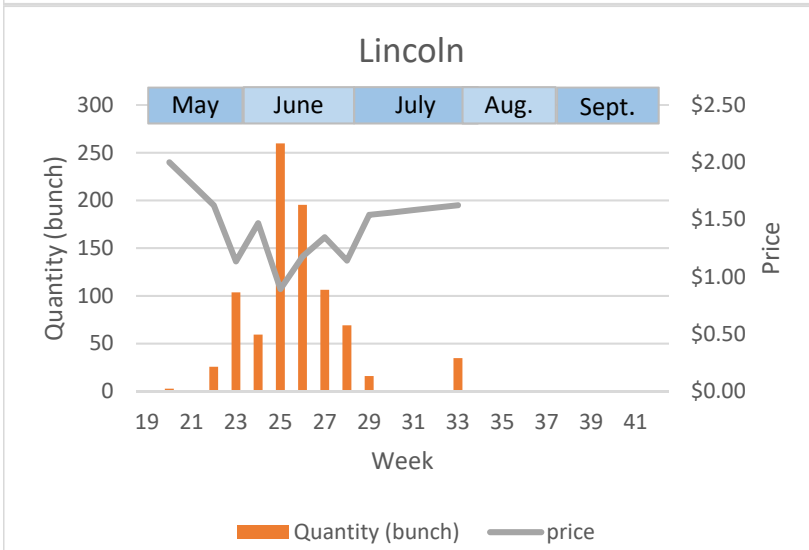


Notes & Observations:

This is admittedly a minor crop for the auctions, but still bears some discussion.

Note the virtually non-existent fall crop at both auctions. This may be due to lack of demand or could provide a small opportunity for a handful of growers.

The decline in price with a simultaneous decline in supply suggests a downturn in demand for beets around mid-September.

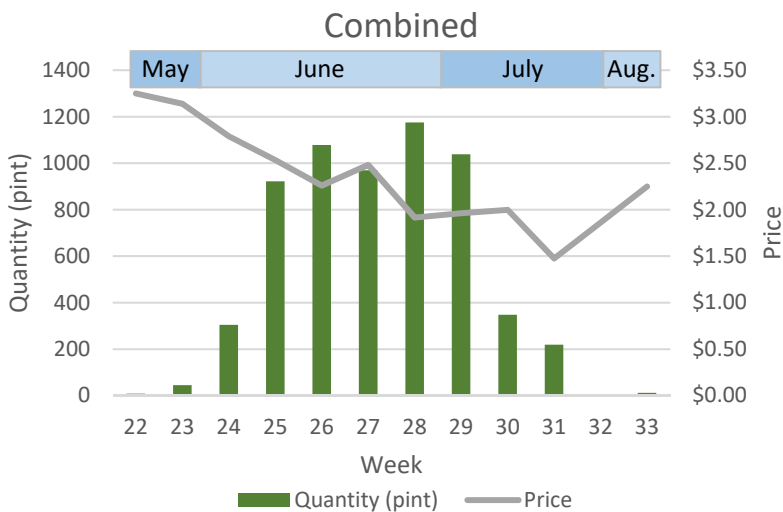
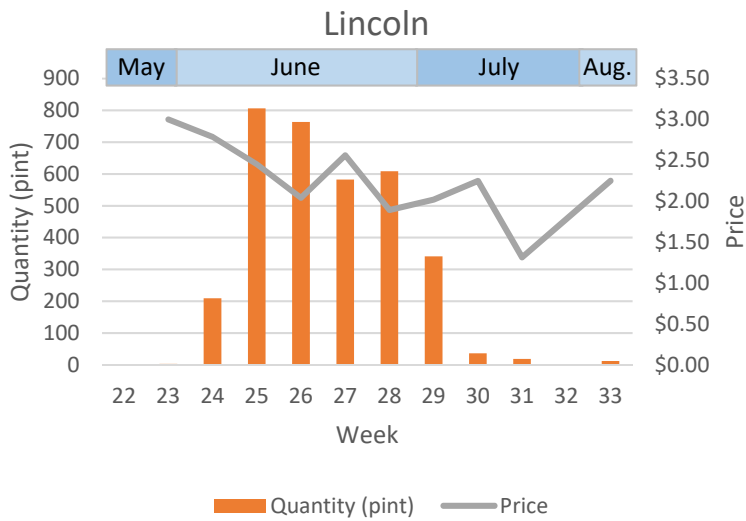
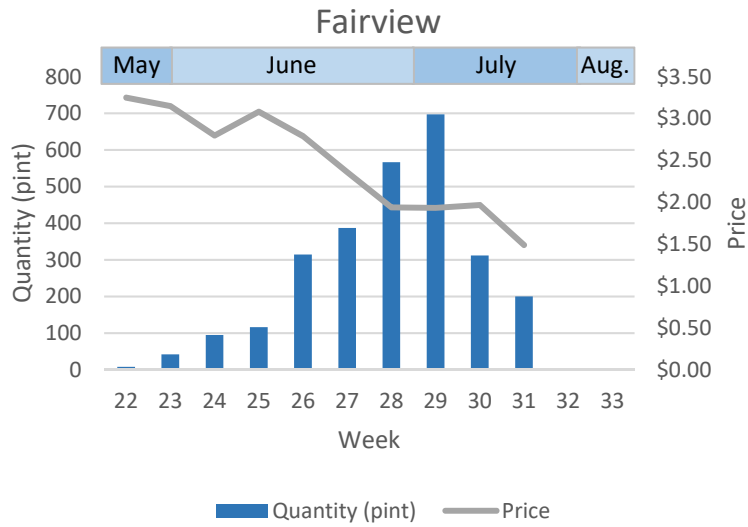


Blueberries, Weekly Average Prices & Quantities (2014-2016)

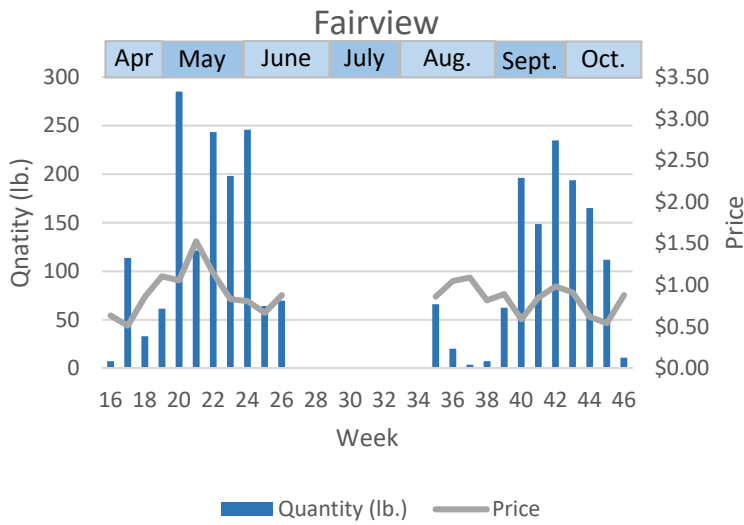
Notes & Observations:

Note the different timing of the peak seasons. This may be due to climatic effects, but is more likely a result of varietal differences between the growers for the two auctions.

Blueberries are a relatively short window crop, and the highest premium is clearly paid for early crops.



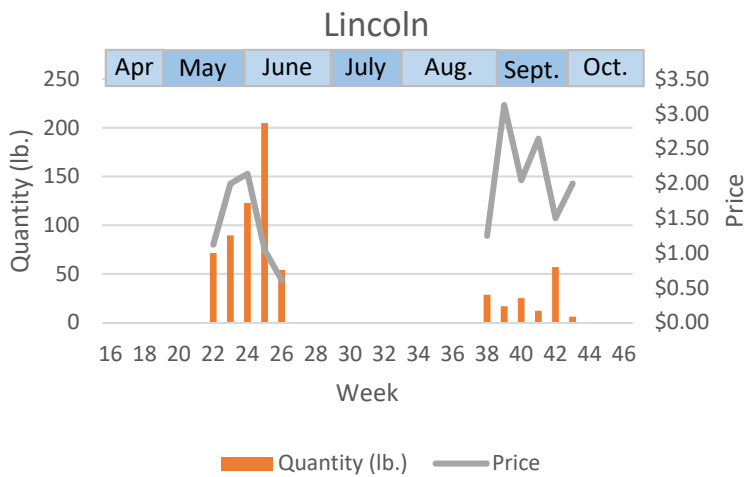
Broccoli, Weekly Average Prices & Quantities (2014-2016)



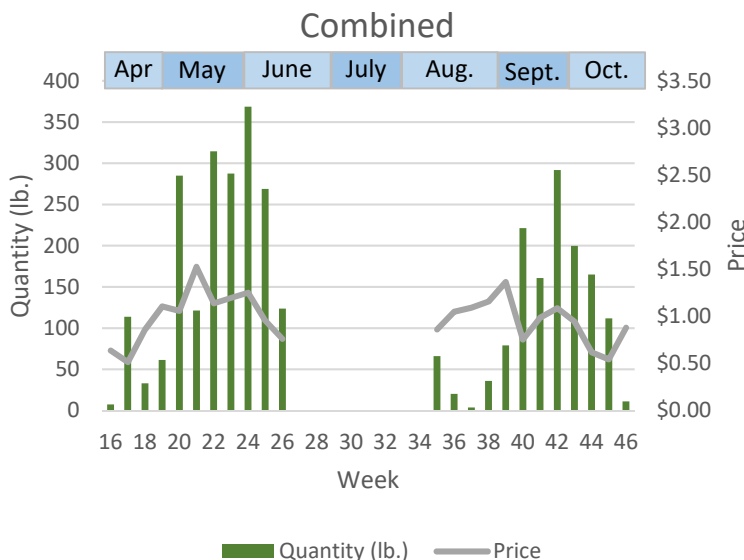
Notes & Observations:

Compared to spring-focused beets, there is a distinct spring and fall season for broccoli. Interestingly there is not generally a premium for early or late product.

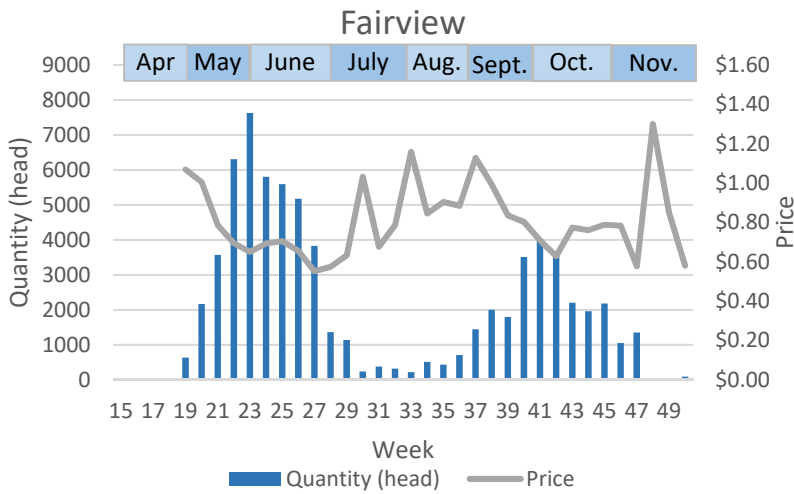
Broccoli is a challenging crop to standardize at auction as it is sold in many different units. We know that it is generally sold as either individual/boxed large crowns or as boxes of smaller crowns.



The packaging and grading is not standardized enough to make comparisons between these two categories of product.



Cabbage, Weekly Average Prices & Quantities (2014-2016)

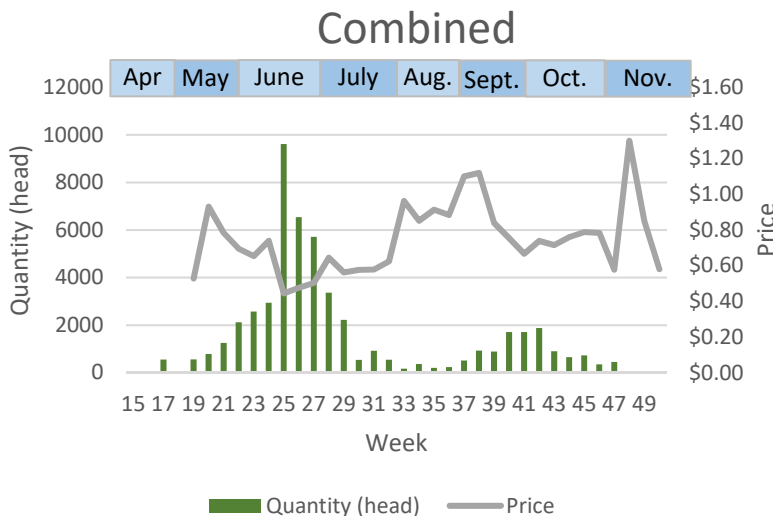
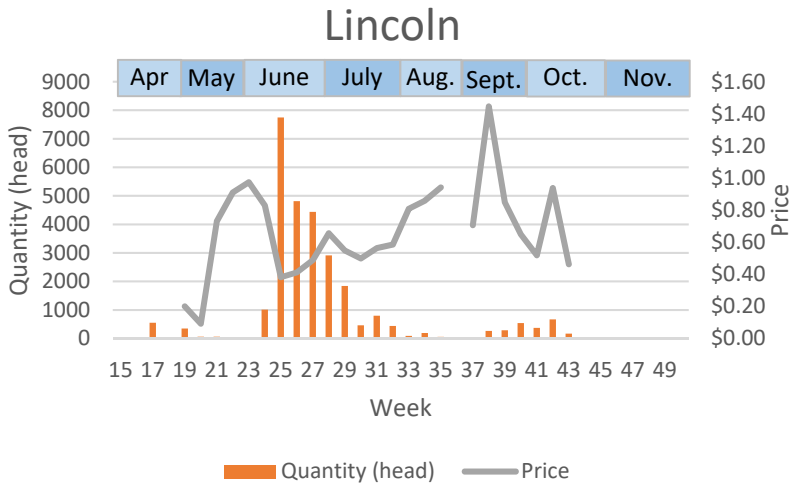


Notes & Observations:

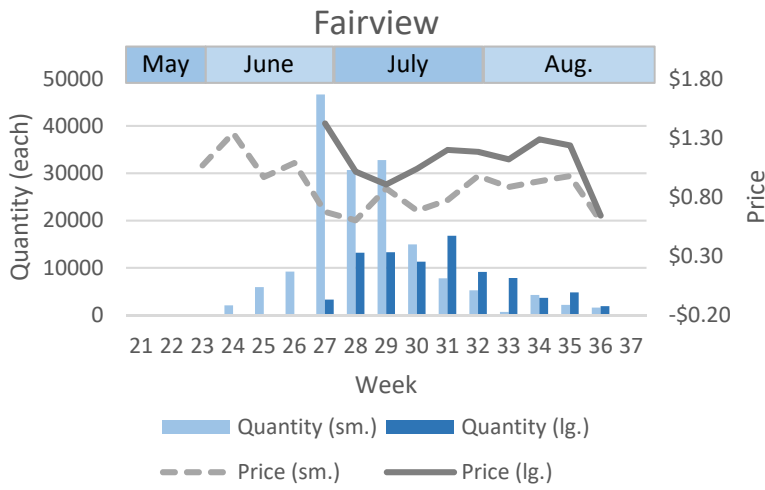
As with broccoli, we observe distinct spring and fall seasons for cabbage at market. It is interesting to note that unlike broccoli, there is some cabbage at market every week from spring to late fall.

Prices during that time remain generally high, suggesting a potential opportunity to grow mid-summer cabbage.

We generally see a premium for early and late product.



Cantaloupe, Weekly Average Price & Quantities (2014-2016)

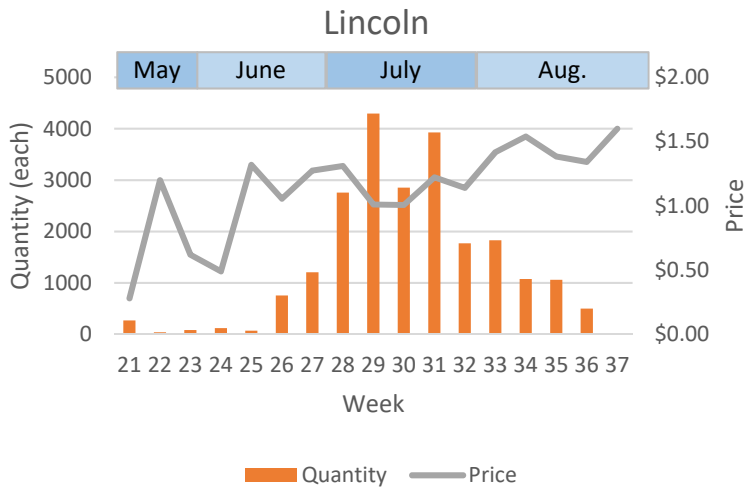


Notes & Observations:

Fairview's different grading standards allow for a comparison of different size cantaloupe.

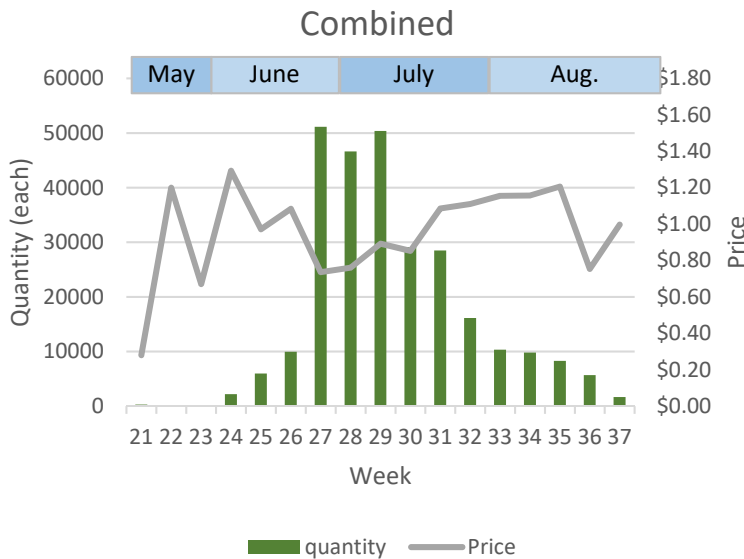
Clearly producers can get smaller melons to market early and capitalize on the premiums for early product.

Similarly, the first large melons also command a higher premium with larger melons generally commanding 15-70% premiums throughout the season.

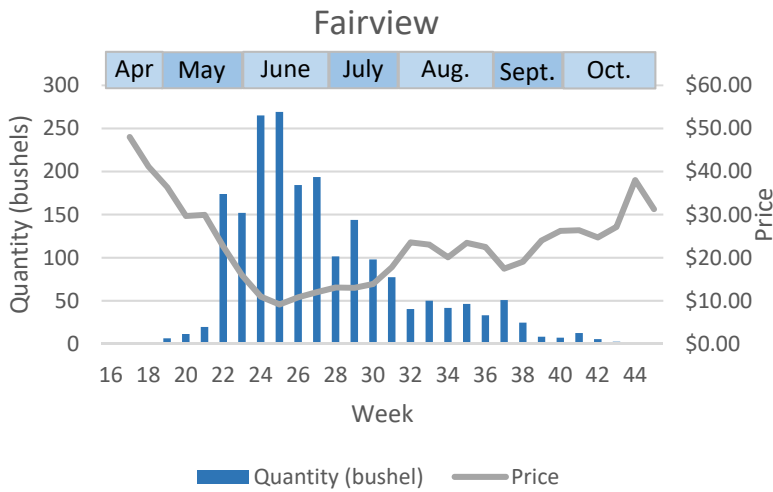


Two price points of interest are week 29 and week 36 where large melons and small melons sold for the same price.

Lincoln's price throughout the season rises steadily while late-season cantaloupe at Fairview commands a considerably lower price.

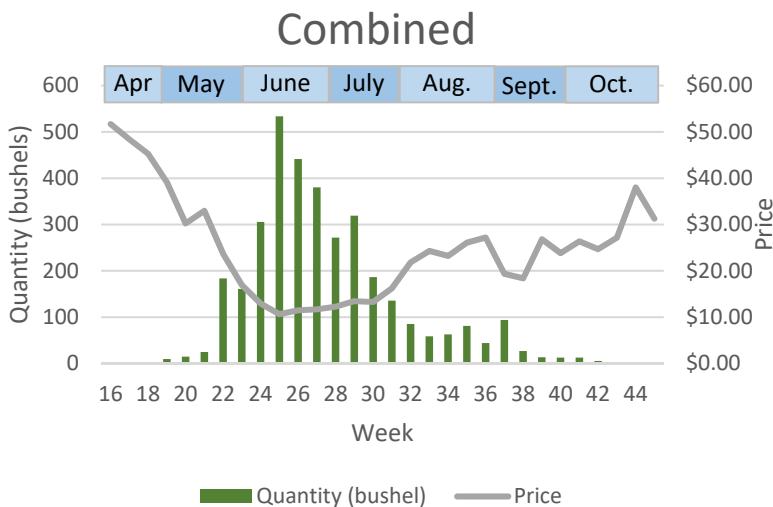
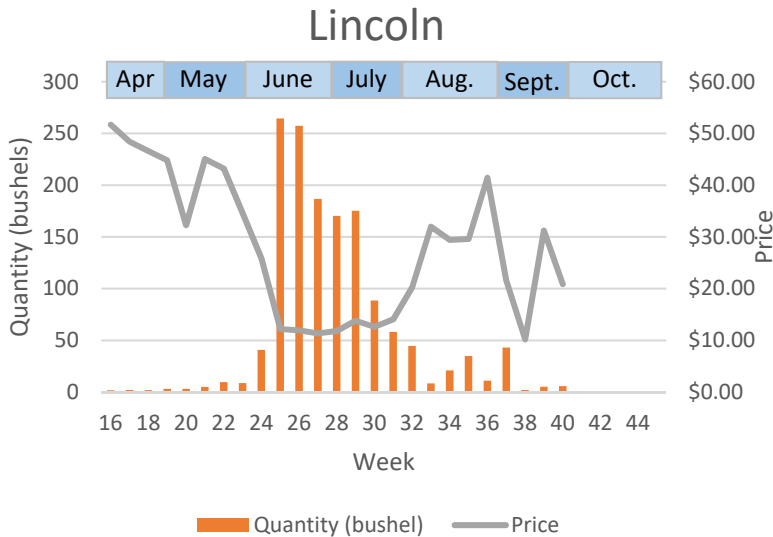


Cucumbers, Weekly Average Prices & Quantities (2014-2016)

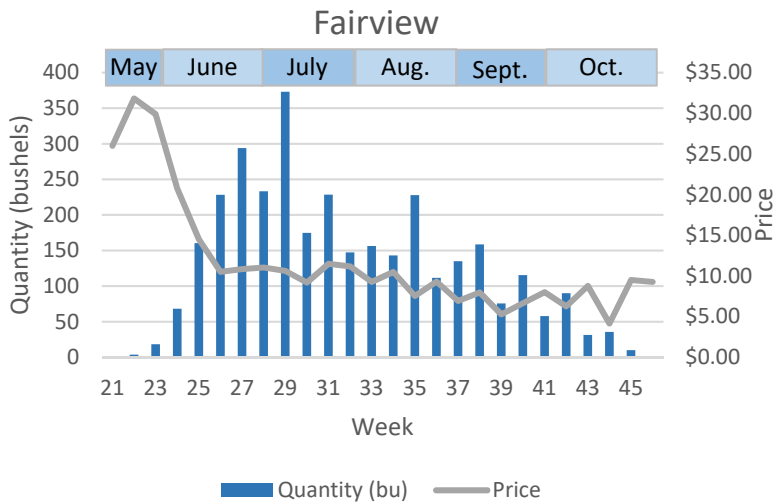


Notes & Observations:

The relationship between price and supply is fairly typical. The increase in price after peak season suggests that there may be opportunities for growers to add July plantings for a late-summer and fall harvest.



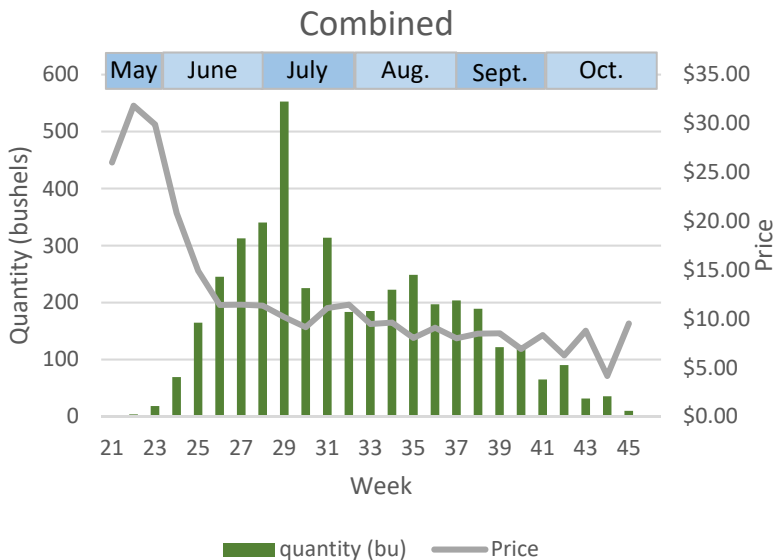
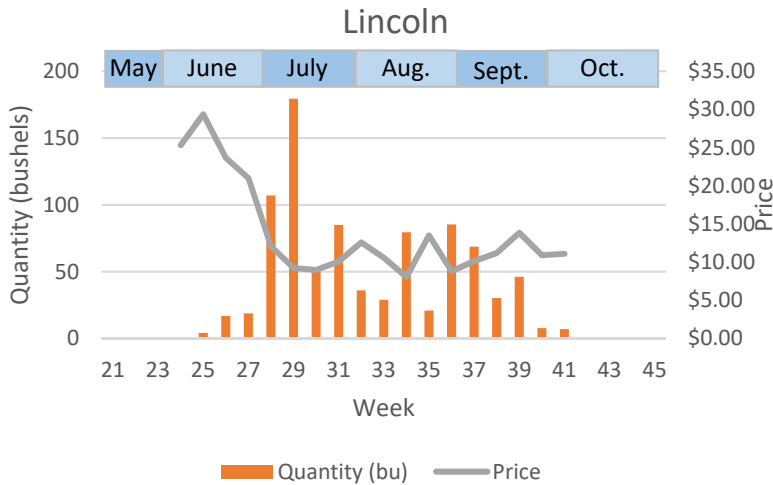
Peppers (green bell), Weekly Average Prices & Quantities (2014-2016)



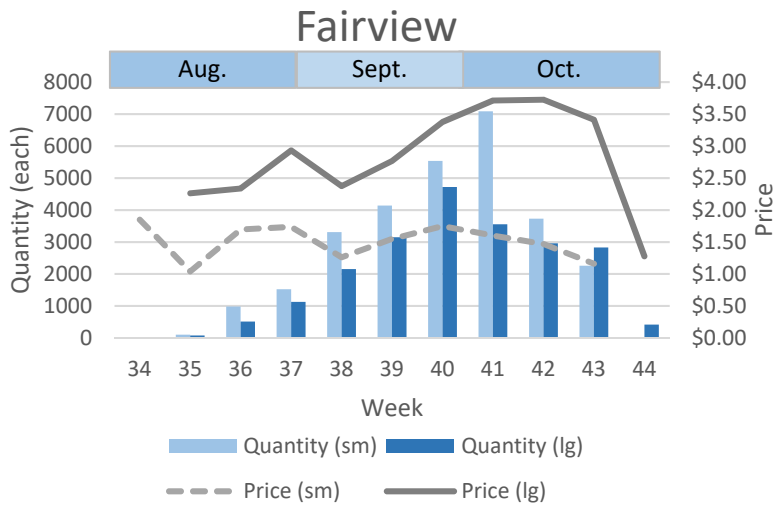
Notes & Observations:

Very early peppers clearly command a much higher price, but after that initial premium, the price for peppers declines sharply and then gradually decreases as the season progresses.

Even in the fall market with dropping supplies, the price stagnates or drops. This suggests that demand for fall peppers is low.



Pumpkins, Weekly Average Prices & Quantities (2014-2016)



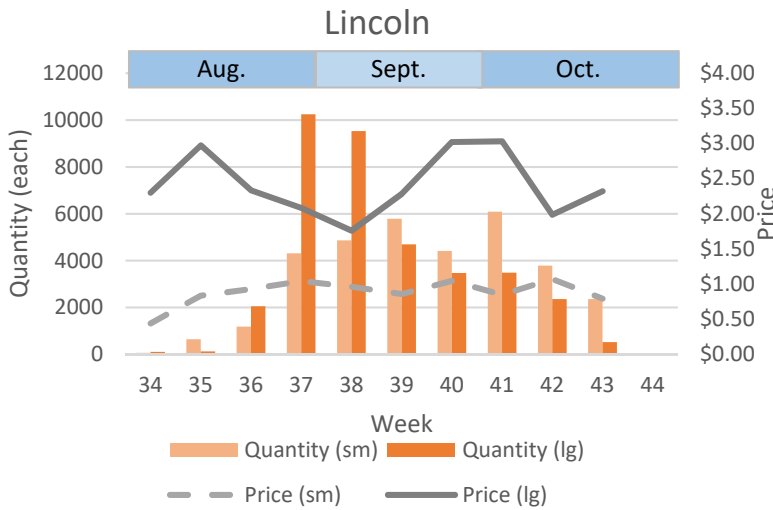
Notes & Observations:

Halloween is obviously the major factor here. Both supply and demand grow through the early fall.

There is a premium for larger pumpkins at every point in the season and the price gap between small and large generally grows as the season progresses.

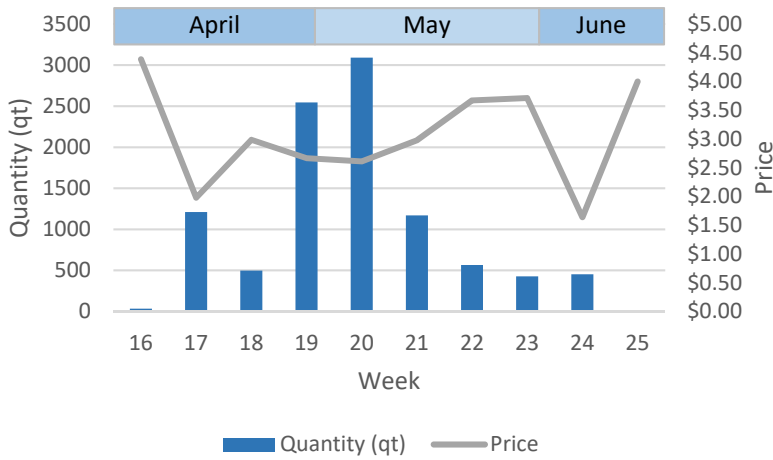
Price for small pumpkins is more stable at both auctions though the supply trends were different. Fairview sold a larger number of small pumpkins every week (except week 43) while Lincoln sold more large pumpkins in the early season.

We do not offer a combined graph here because the differences in the grading standards at each auction are so great, that the data would mean very little.



Strawberries, Weekly Average Prices & Quantities (2014-2016)

Fairview

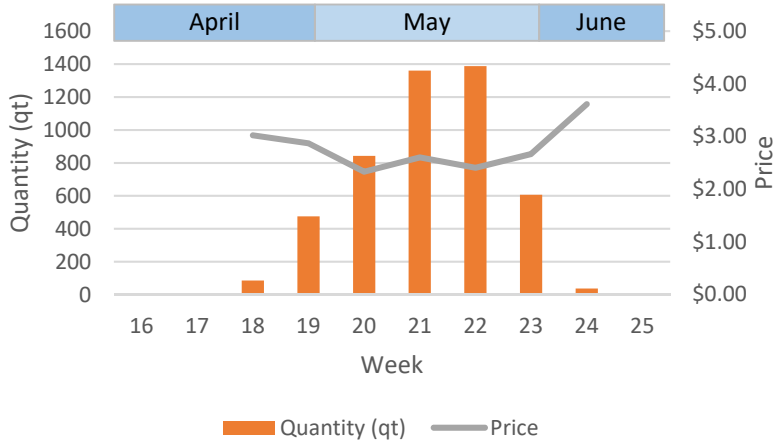


Notes & Observations:

This is the shortest window of any crop analyzed in this report.

The supply peaks at different times at the two auctions. Growers in southwest Kentucky near Fairview may get a 2-3 week seasonal head start on strawberry production relative to the growers near Lincoln County. This difference could also be attributable to variety selection.

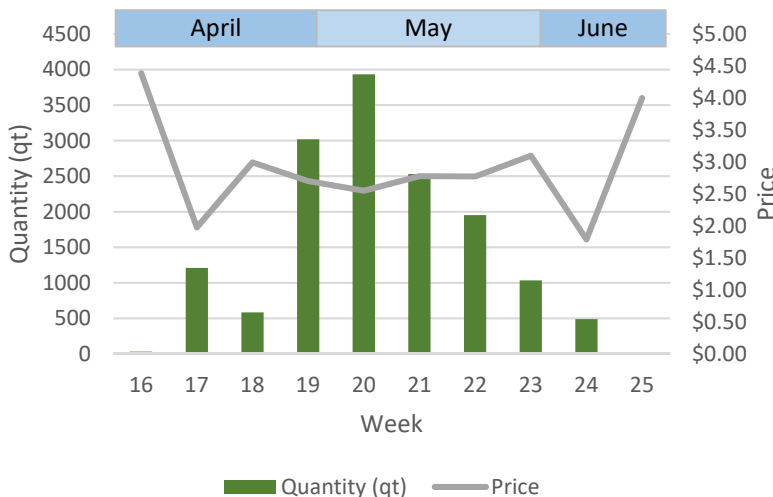
Lincoln



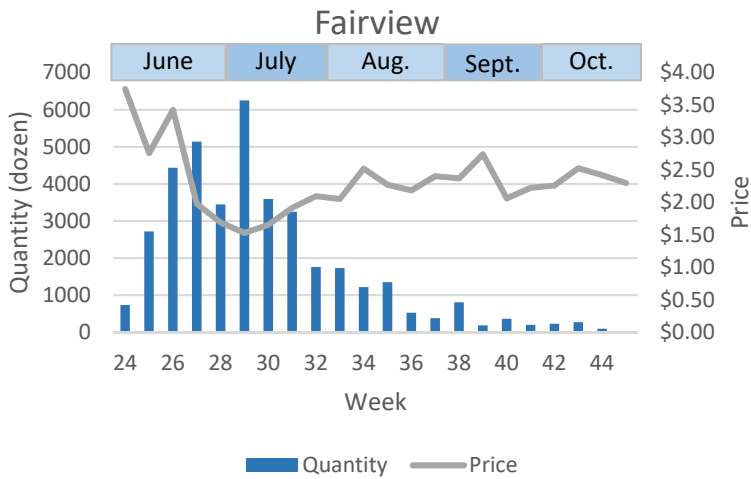
The price per unit (quart) is much closer to retail prices than the other commodities in this report.

This may reflect the value placed on local strawberries, the relatively high costs of producing them, and the short window of production.

Combined



Sweet Corn, Weekly Average Prices & Quantities (2014-2016)

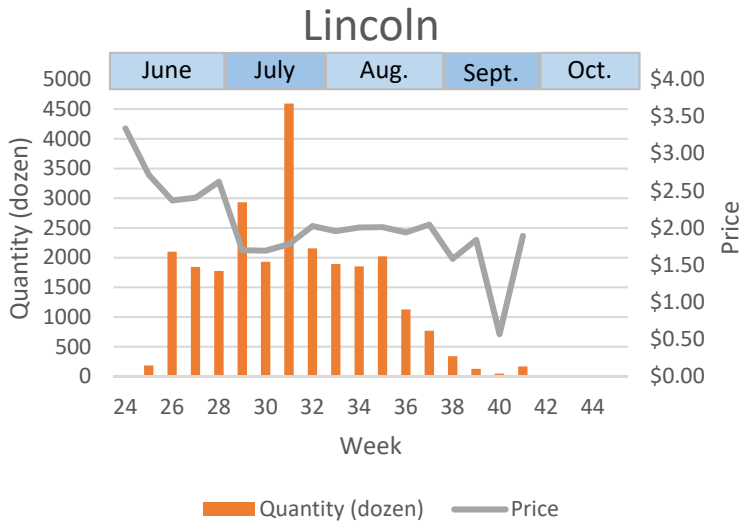


Notes & Observations:

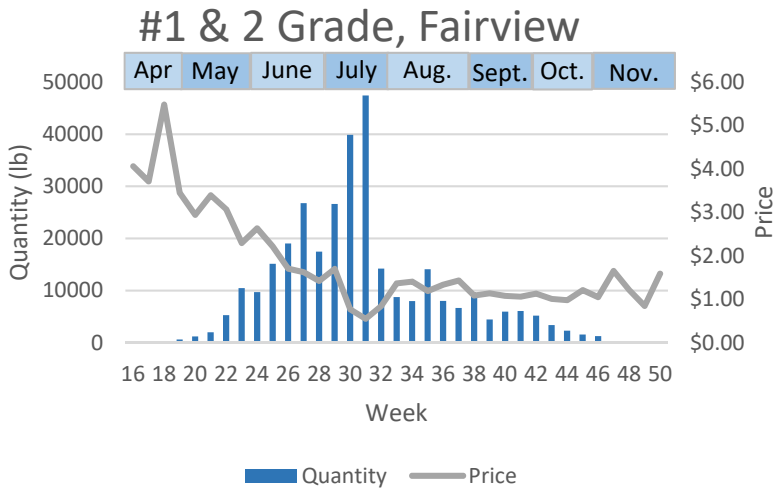
Sweet corn comes into the market relatively quickly with quantity going from 0 to 6000 dozen in a matter of three weeks.

There is a major premium for earliness, but the price drops quickly once product becomes available.

Price remains fairly stable from late summer on even as supply tapers off considerably.



Tomatoes, Weekly Average Prices & Quantities (2014-2016)

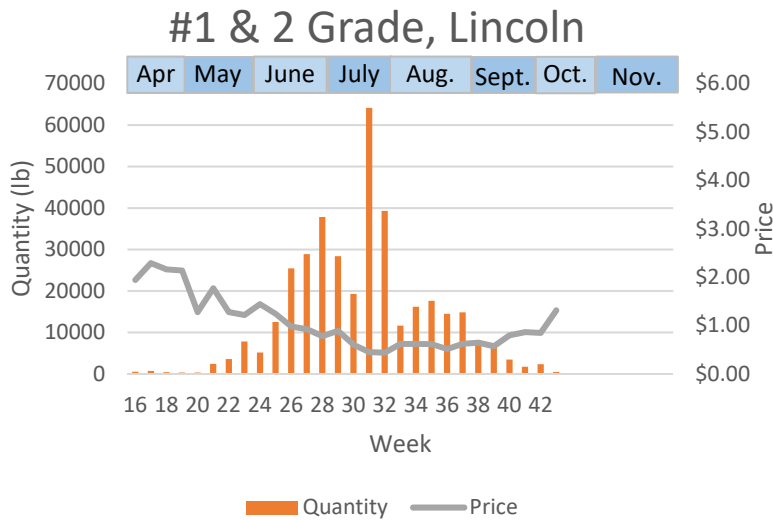


Notes & Observations:

We universally see a very large premium for early tomatoes. Mid-season, in sync with supply the price sharply declines below \$1 / pound.

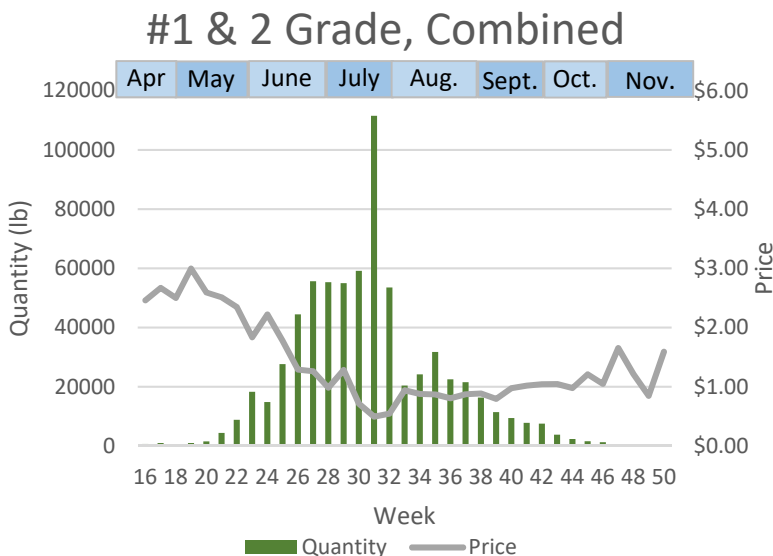
At Fairview the price remains fairly low for the rest of the season. Lincoln does see some increase in price as fall arrives.

We don't know why Fairview consistently gets a higher price for #1&2 product. It could be due to differences in the types of buyers attending each



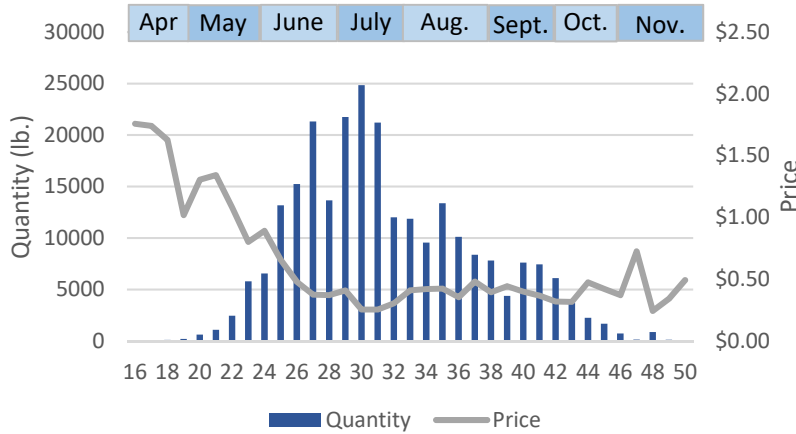
Comparison of 3-yr Avg. Seasonal Tomato Prices (\$/lb.)

Type	Lincoln	Fairview
#1&2	\$0.72	\$1.59
Sm/Can.	\$0.48	\$0.42
Heirloom	\$1.01	\$0.93



Tomatoes, Weekly Average Prices & Quantities (2014-2016)

Small & Canner, Fairview



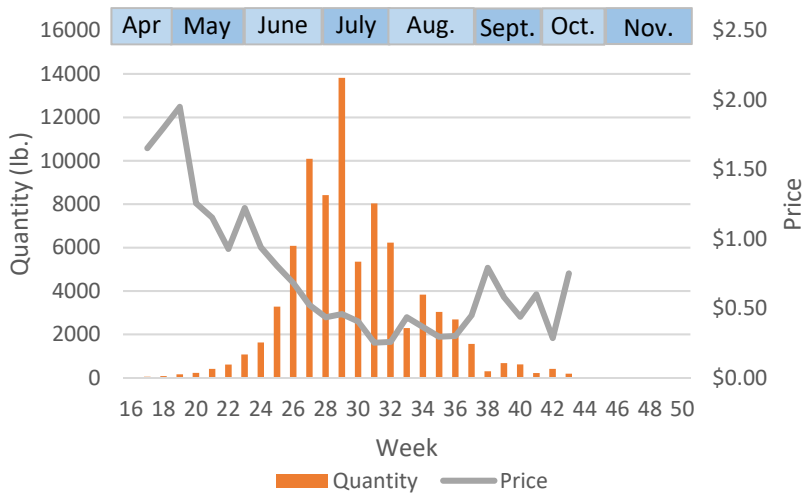
Notes & Observations:

We generally see the same trends here with canners as we do with #1&2 tomatoes.

There are more canners available longer into the fall.

There is a strong market for smaller or ungraded tomatoes that are headed into processing or small fresh market use. While prices are generally half or a third of the #1&2s, the auctions provide a viable outlet for decent

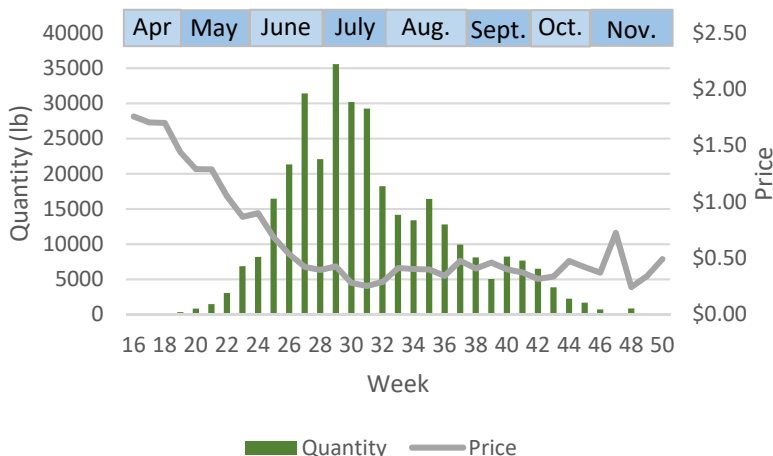
Small & Canner, Lincoln



Comparison of 3-yr Avg. Seasonal Tomato Prices (\$/lb.)

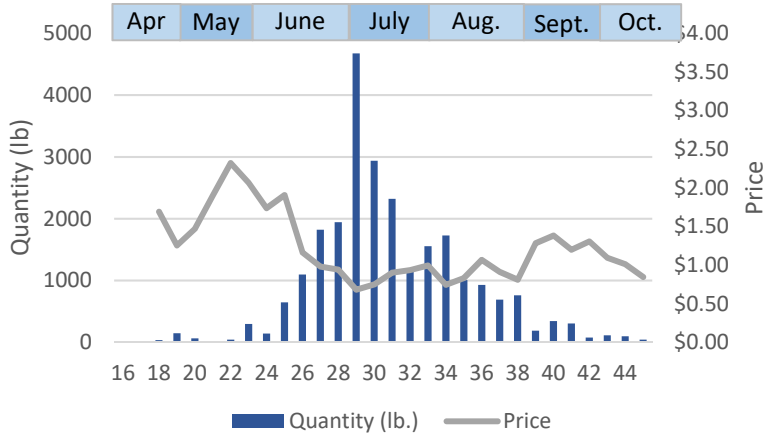
Type	Lincoln	Fairview
#1&2	\$0.72	\$1.59
Sm/Can.	\$0.48	\$0.42
Heirloom	\$1.01	\$0.93

Small & Canner, Combined



Tomatoes, Weekly Average Prices & Quantities (2014-2016)

Heirloom, Fairview



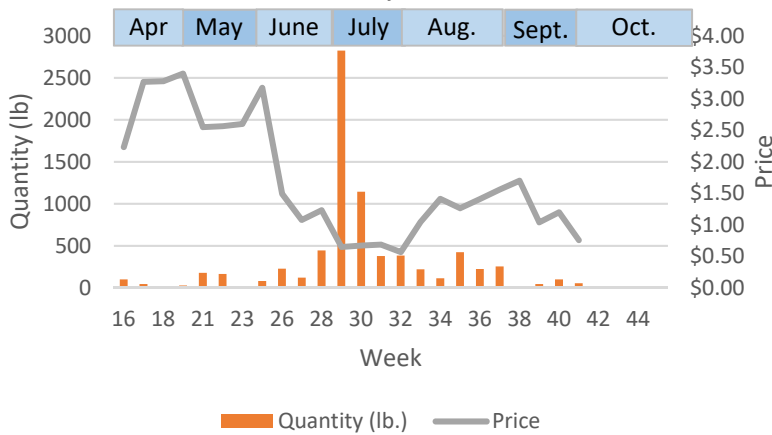
Notes & Observations:

The heirloom segment of the auction tomato market is small, but the premium for "early" heirlooms comes about 4 weeks after that for #1&2 hybrids.

Generally heirlooms brought a higher price at Lincoln than at Fairview.

When evaluating potential for selling heirlooms it's especially important to accurately estimate yield and production

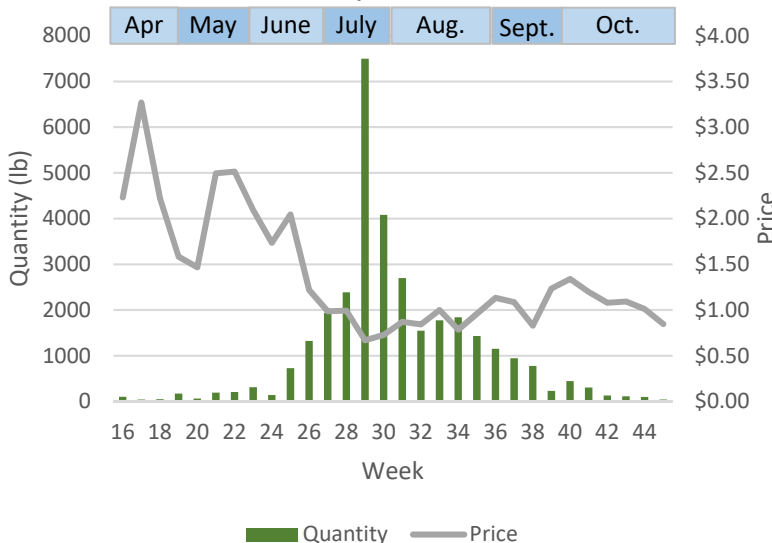
Heirloom, Lincoln



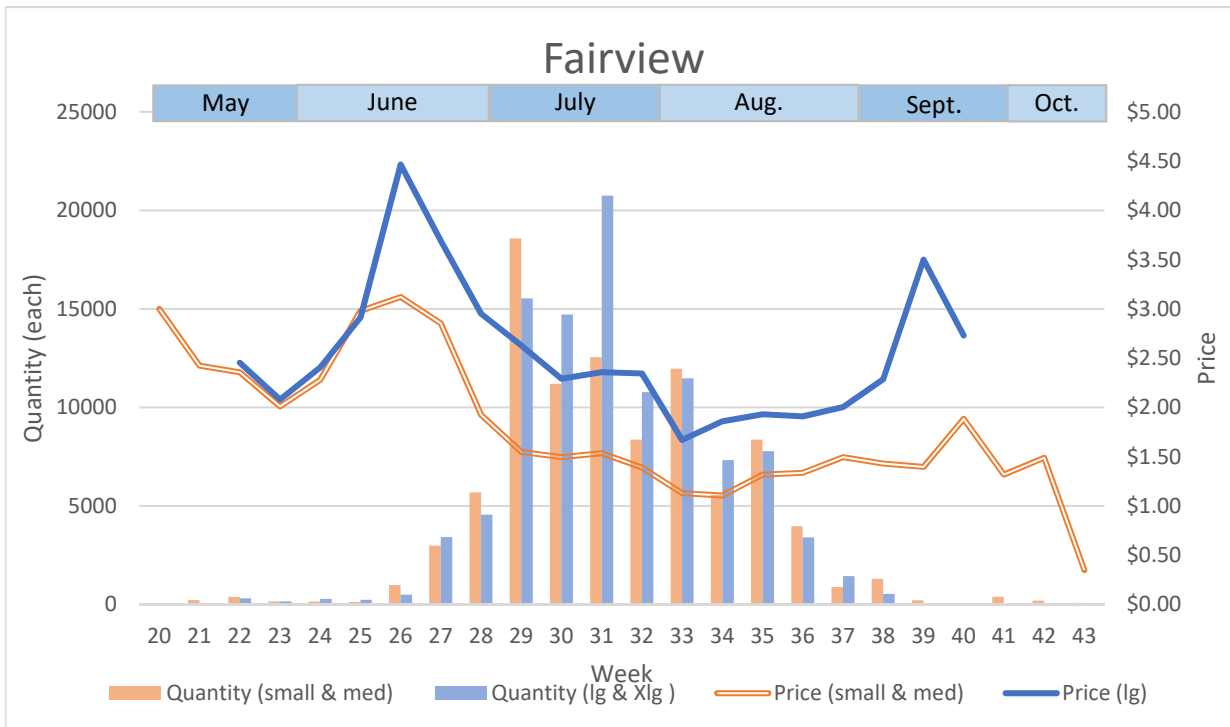
Comparison of 3-yr Avg. Seasonal Tomato Prices (\$/lb.)

Type	Lincoln	Fairview
#1&2	\$0.72	\$1.59
Sm/Can.	\$0.48	\$0.42
Heirloom	\$1.01	\$0.93

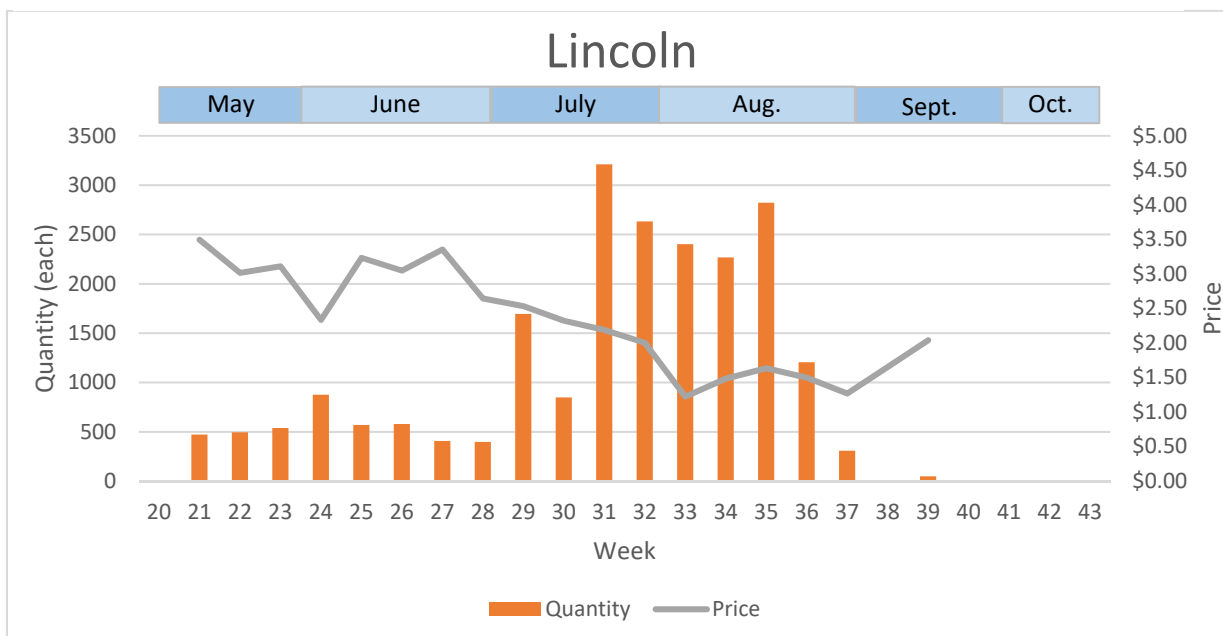
Heirloom, Combined



Watermelon, Weekly Average Prices & Quantities (2014-2016)

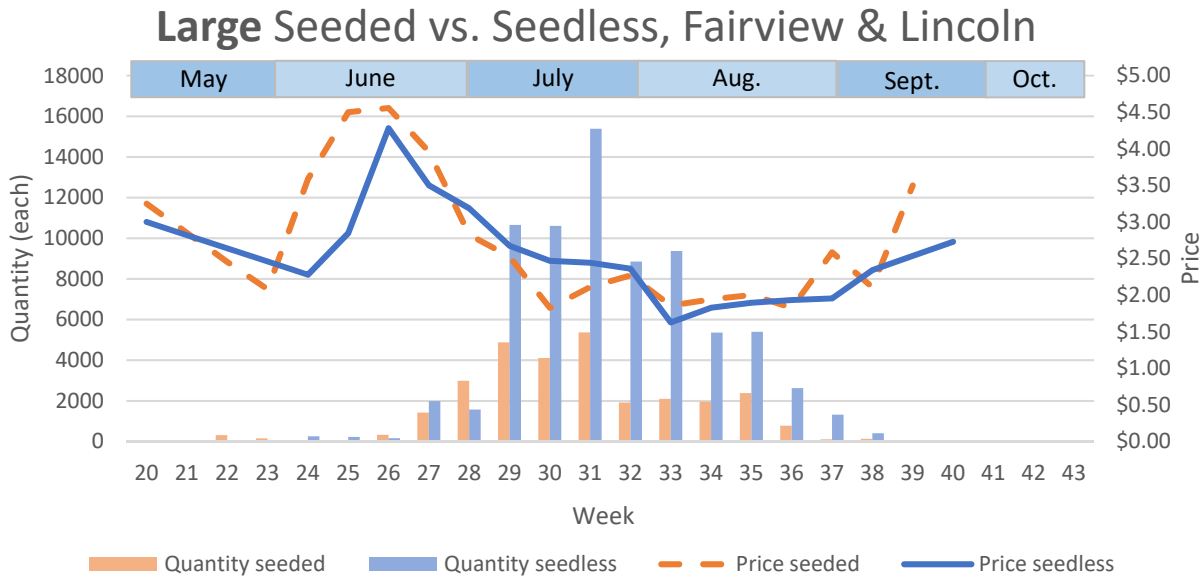


Notes & Observations: Generally, large and extra large melons commanded a higher price throughout the season. The one notable exception is the early season where price per unit was virtually the same. The season for small melons is longer than that for large, but the price in

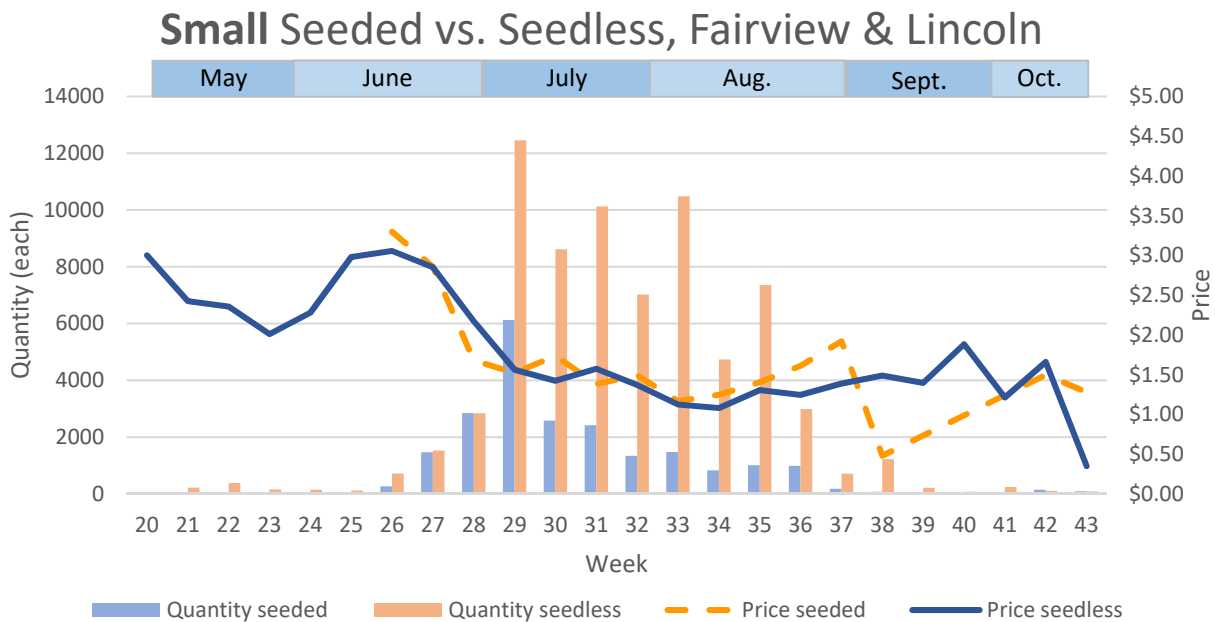


Notes & Observations: We did not have sufficient data to break watermelons out by size. Though we are looking at considerably less volume, the general trend is similar to Fairview: an early premium followed by a peak season dip with a very slight late season increase in price.

Watermelon, Weekly Average Prices & Quantities (2014-2016)



Notes & Observations: The overall supply of seedless watermelons is much larger than the seeded category. Somewhat surprisingly, the prices for seedless and seeded melons were very similar across the season with seeded melons occasionally commanding a higher price. This may

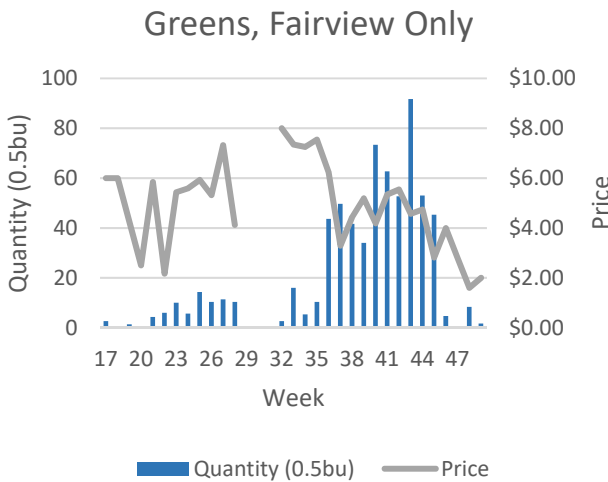
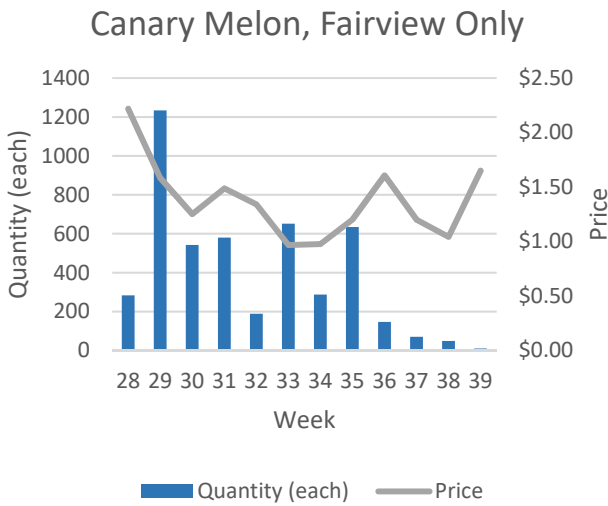
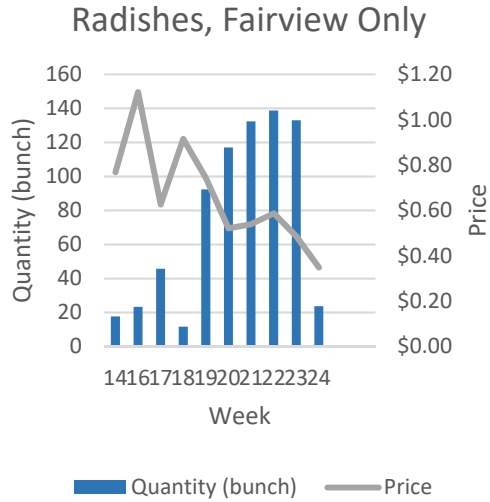
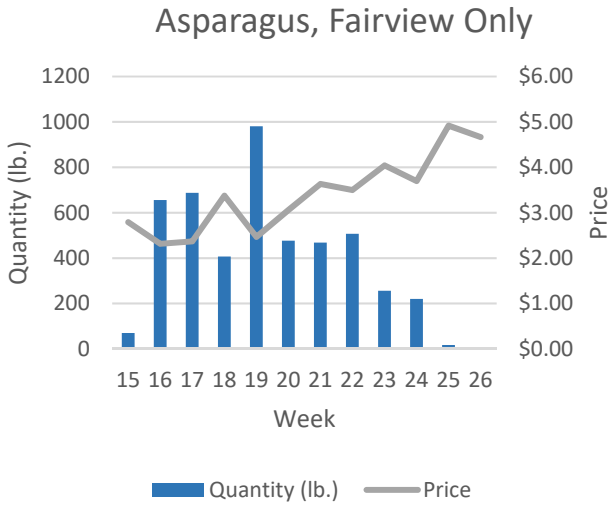


Notes & Observations: Overall trend is the same as with Fairview. It is interesting to note that virtually all very early season melons were seedless.

The grading standards of the two auctions are too different for a combined graph to be useful.

Crops with Minimal Data

Weekly Average Prices & Quantities (2014-2016)



These data were limited, and are included here for informational purposes only. Growers may find this information useful, but it is difficult to draw meaningful conclusions from any of these graphs.

Thanks for reading!

These averages are summaries of the rich and complicated archive of price data collected by the Center for Crop Diversifications. You can find information on additional crops, market prices for specific days, and alternate units on our website (below). Since its start in 2004, the CCD's price reporting system has changed and expanded to include Center partners working in Illinois, Tennessee and West Virginia.

Check out all the other specialty crop resources from the CCD including:

- [Farmers Market & Produce Auction Price Reports](#) (12 years archived reports)
- [Wholesale terminal indexes](#)
- [Budgets for over 20 crops](#)
- [Crop & Marketing Profiles](#)
- [Video & Recorded webinars](#)
- [Tons of FREE publications, tools, and other resources](#)

We are always looking for feedback, so give us a shout on [facebook](#) or by emailing brett.wolff@uky.edu.

We know it's late in the season to release this report, but we anticipate releasing a 2017 3-year Average report this winter. In the meantime, current 2017 prices for each auction are available at the links above. Compare them to the three year averages reported here.

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Published April 2017.

Suggested Citation:

Wolff, B., M. Béchu, T. Woods & A. Butler (2017) *Three-Year Average Prices & Quantities at Kentucky Produce Auctions: 2014-2016*. CCD-FS-6. Lexington, KY: Center for Crop Diversification. Available: www.uky.edu/ccd/pricereports/KYPA3yravg

