

**MICHIGAN
APPLES**

HEALTHY. HANDY. DELICIOUS.



Michigan Apple Committee

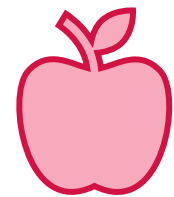
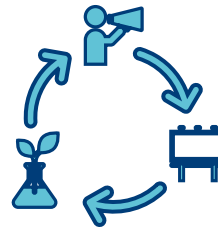
Who We Are &
What We Do

Established in
1939
Public Act 232 in
1965

Commodity group
representing
Michigan Apple
growers

Marketing,
communications,
education, and
research

The tradition of
growing apples in
the state of
Michigan



Established

Representing

Purpose

Tradition



About the Industry

Growing the World's Best Tasting Apples

775

family-owned
apple farms

14.9M

apple trees
across the state

80

out of the 83
counties

2nd

largest apple
producer in U.S.

1.15B

pounds
harvested 2023

71%

of the cash
income

Sources: 2023, 2022, and 2017 USDA NASS, 2022 USDA ERS Cash Receipts



About the Industry

Growing the World's Best Tasting Apples



Generated Cash Income

According to the USDA, based on the latest Cash Receipts data in 2022

Total Economic Impact

Updated economic impact in the works

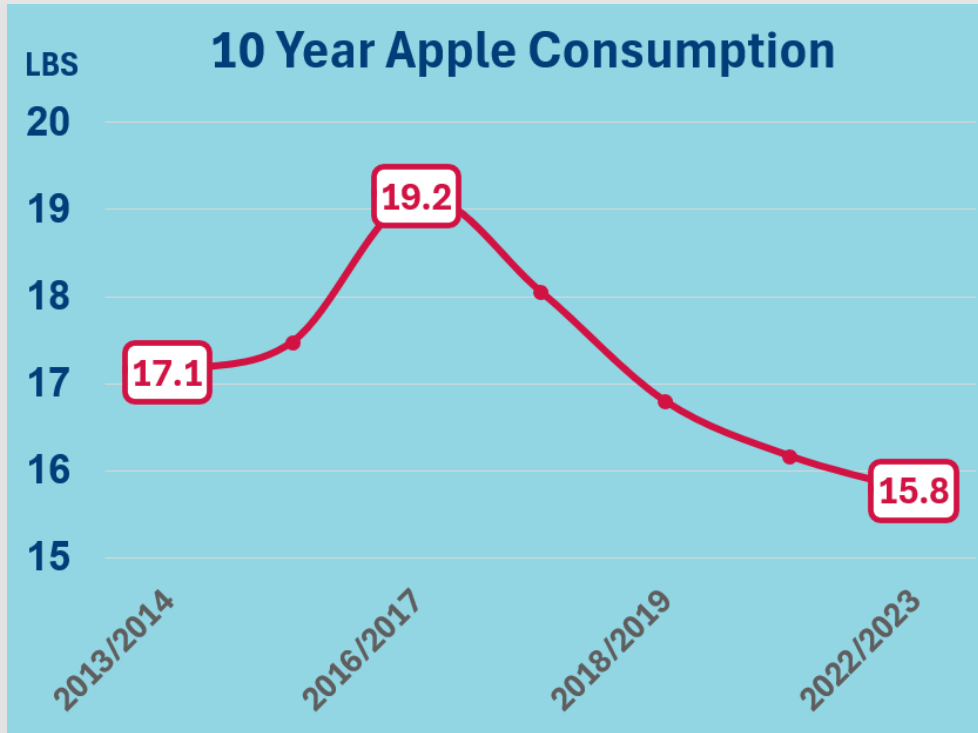


Sources: USDA, Ag Census 2022, MAC



Biggest Challenges

Declining Consumption: A 10 Year Low



Sources: USDA ERS, CDC

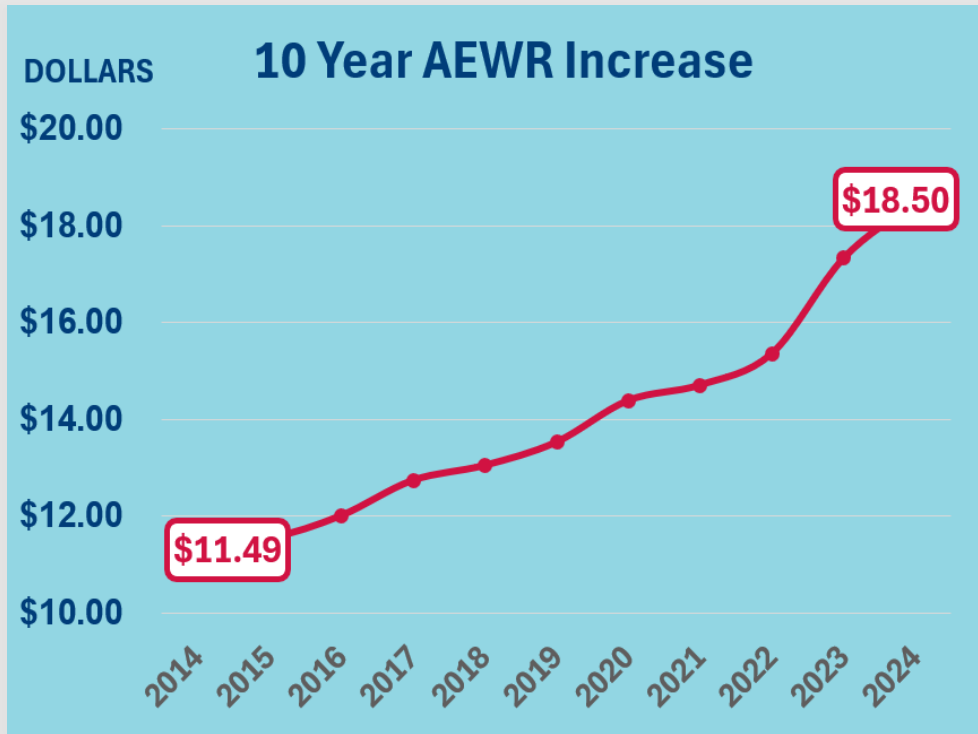
Apple consumption
has declined almost
↓ 10%
over the last decade

Only 12% of US adults meet daily
fruit intake recommendations



Biggest Challenges

Labor Wages & AEWR Increases



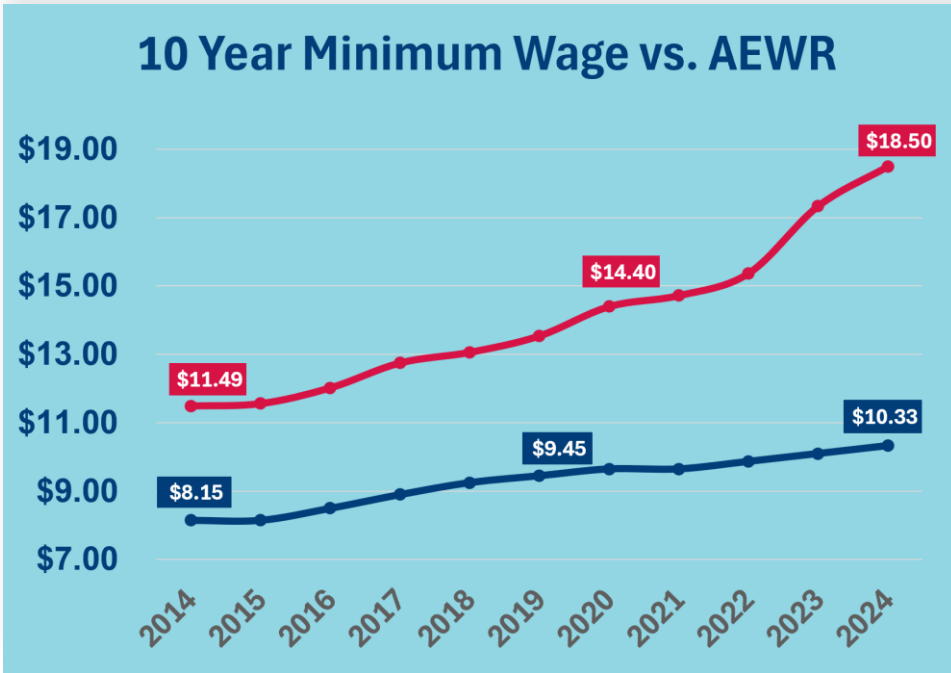
Sources: DOL

Conversely, the
AEWR has increased
↑ 61%
in the last 10 years



Biggest Challenges

Labor Wages & AEWR Increases



Min Wage: **\$10.33**

AEWR: **\$18.50**

44% ↑

Increases Outpace Inflation

Sources: DOL, zippia.com, indeed.com

	Annual Revenue	Avg. Hourly Pay
Walmart	\$638.8 Billion	\$11.00
Kroger	\$48.3 Billion	\$11.00



Biggest Challenges

Labor Wages & AEWL Increases

MICHIGAN APPLE GROWERS' COST OF LABOR VERSUS OTHERS

Percent of Expenses

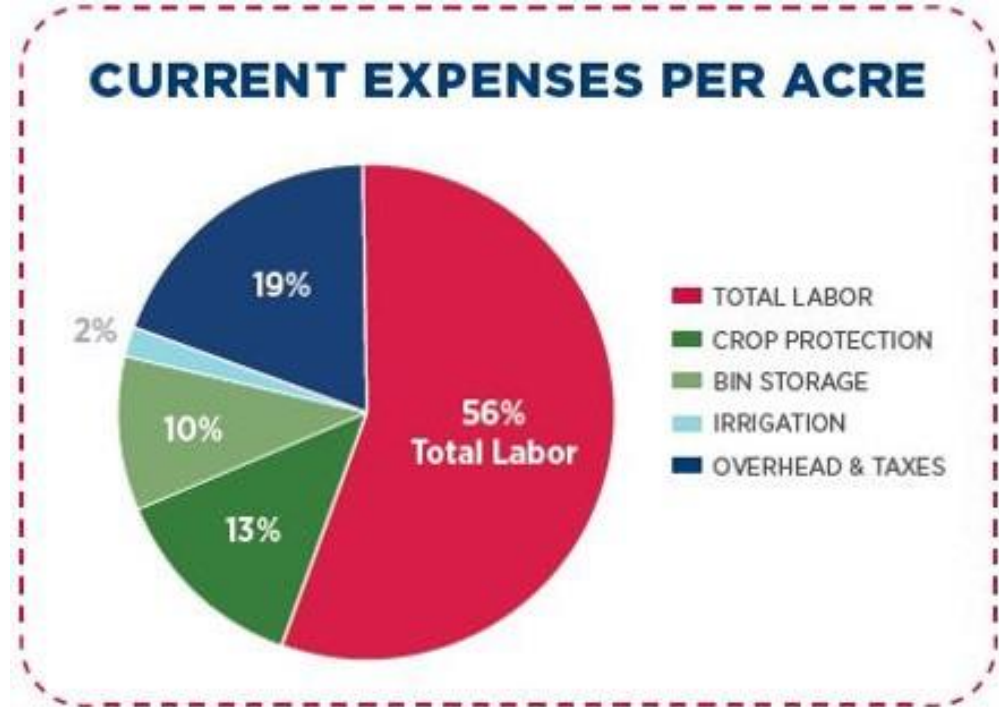
56% Michigan Apple Grower

VS.

40% Fruit and Tree Nut Farm

VS.

12% All Farms



Sources: USDA, Ag Census 2022, Michigan Apple Grower



Biggest Challenges

Profit Distribution & Net Income

THE PRICE YOU SEE AT THE STORE IS NOT WHAT THE GROWER EARNS



WHICH MEANS ONLY **6%** GOES TO THE GROWER

Sources: Michigan Apple Grower



Biggest Challenges

Profit Distribution & Net Income

Net Income for
“All Farms” increased

↑ **64%**

from 2012 to 2022

Net Income for Fruit &
Tree Farms decreased

↓ **9%**

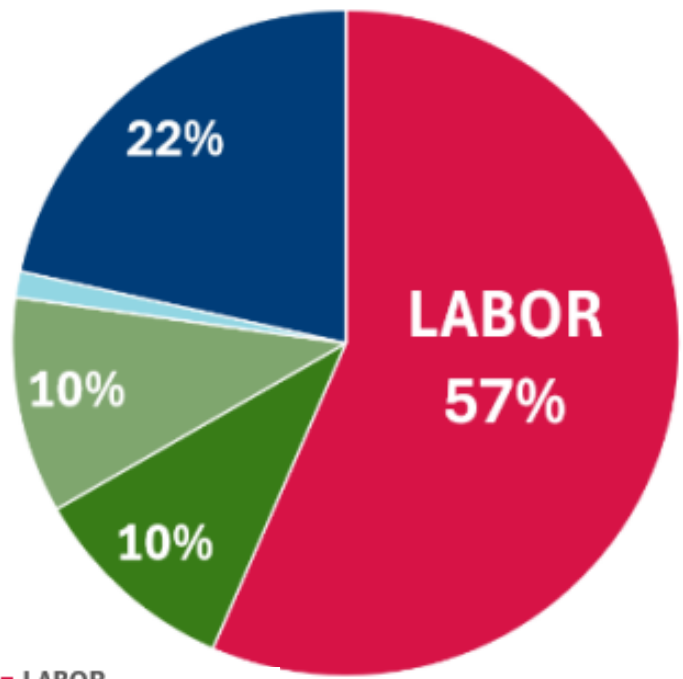
from 2012 to 2022

Sources: USDA, Ag Census 2022



One Grower's Story

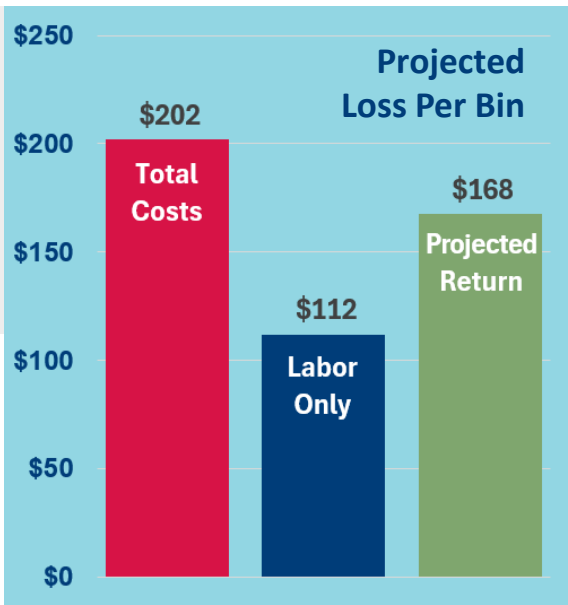
An Example of How Growers are Struggling Today



- LABOR
- CROP PROTECTION
- BIN STORAGE
- IRRIGATION
- OVERHEAD & TAXES

Costs are **120% OVER** Return

Total Expenses: \$202
 Projected Return: \$168
 Loss Per Bin: (\$35)



	2024
Estimate Applied to a 45 Acre Michigan Apple Farm	ESTIMATED TOTAL PROJECTED LOSS -\$103,725

21%
Greater Loss

	2023
Estimate Applied to a 45 Acre Michigan Apple Farm	ESTIMATED TOTAL PROJECTED LOSS -\$82,125

Sources: Michigan Apple Grower



Beyond the Orchard

An Important Industry Cluster

20k+ Jobs

SUPPORT

100's of Sales
& Co-ops
Businesses

1,000's of
Support &
Admin

1,292,344
jobs in Michigan

GROWERS

775 Farms

80 Counties

800+

Businesses

TOURISM

250+ Farm
Markets

100+ Orchards
& Cider Mills

4k+ Jobs

PROCESSING

In 10+
Counties

14+
Processors

\$69 Billion
in wages

12k+ Jobs

RETAIL & WHOLESALE

100's of
Retailers

30+

Wholesalers

300
Storage
Firms

Sources: Michigan Agriculture Industry Cluster Workforce Analysis 2021, michigan.gov/MDARD, feedingtheeconomy.com



Beyond the Orchard

An Important Industry Cluster

17%

Michigan's food & agribusiness industry employs 17% of the state's total manufacturing employment

70%

Farm work comprises only 30% of all employment opportunities in the ag industry, meaning 70% of ag-related jobs are outside of farms & orchards

2nd

The food & agribusiness industry is the 2nd largest industry in the state

47K

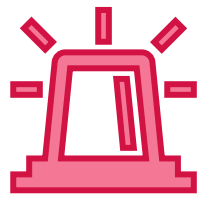
As of 2021, 47,200 Michiganders were working in food processing alone

Sources: MDARD, USApple



Growers Need Support

Michigan's Apple Industry is at a Critical Juncture



CRITICAL JUNCTURE

2nd Largest

32M Bushels

Profound implications for food security and economic stability



ECONOMIC IMPACT

71% Cash Income

83% More

Orchards will go out of business and allied industries will be significantly affected



FOOD SECURITY

Increased Food Waste

Decreased Food Security

Force consumers to rely on lesser-quality foreign-grown apples

Sources: USApple, 2023, 2022, and 2017 USDA NASS, 2022 USDA ERS Cash Receipts



Find Out More

Thank You on Behalf of Our Growers



Michigan Apples

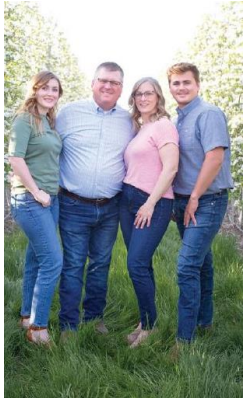
michiganapples.com/about/issues

USApple

<https://usapple.org/policy-priority/agricultural-labor-reform>

MSU

<https://www.canr.msu.edu/news/farm-workforce-modernization-act-and-h-2a-visa>





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