

Today's Farms & Families

98% of U.S. Farms Are Still Family Farms

Most farms in the United States—98 percent in 2003—are family farms. They are organized as proprietorships, partnerships, or family corporations. Even the largest farms tend to be family farms. Very large family farms account for a small share of farms but a large—and growing—share of farm sales. Small family farms account for most farms but produce a modest share of farm output. Median income for farm households is 10 percent greater than the median for all U.S. households. Small-farm households also receive substantial off-farm income.

Source:

USDA Report Structure and Finances of U.S. Farms: 2005 Family Farm Report
Robert A. Hoppe and David E. Banker
Economic Information Bulletin No. (EIB-12) 51 pp, May 2006

[Read entire USDA Report...](#)

Why are livestock farms getting larger?

In order to make a full-time living, Indiana family farms have had to grow.

Many people look back fondly on the “good old days” of farming. This was a time when most farm families grew corn, soybeans, wheat and oats, and raised everything from chickens to pigs to beef and dairy cows – all on a single, small farm. It was only 40 years ago that farmers could make a respectable living for themselves and their families on this type of farm.

Like other businesses in the U.S., farming has had to adapt to keep up with the times. With increased global demand, increased world competition, and increased costs of doing business, farmers have had to become more efficient in order to stay competitive.

Because of these changes, today's farms have become larger and more specialized. Many livestock farmers no longer grow their own grain for feed. Instead they rely on local farmers to provide them with the grain they need. They also focus exclusively on raising one type of livestock producing poultry, pork, dairy or beef – allowing them to maximize

inputs and produce better tasting, more consistent products.

Larger

operations also mean more resources can be devoted to making sure the right technology and farming practices are used to protect the environment and care for the animals. In short, specialization lets farmers focus their time, money, and energy on a single goal – producing the best livestock as safely and economically as possible.

While

it's undeniable that the business of farming has changed, some things remain the same. In Indiana, farming plays an important part in both our heritage and our future. Agriculture is still the backbone of many rural communities around the state, and the families that run these farms, whatever their size, are still very much a part of these communities.

One important fact to remember is that even though farms are larger today, the vast majority of Indiana's 63,000 farms are still family-owned and operated.

Consolidation is not just in farming...

- Today, the top 10 food retailers sell 75% of the food...consolidation.
- Fewer than half of the Fortune 500 companies listed in 1980 still exist today....consolidation.
- In 1958, there were 292,000 new car dealers. Today there are less than 20,000...consolidation.
- Since WWII there are 293 fewer newspapers (1457) in the U.S. and 24 companies control over 61% of the countries newspapers.

Why can't agriculture be like it was in the 1950's

Comparing a 1950's farm with current farm returns & cost of living

