

Colorado's 2007 Agricultural Exports Increase to \$1.39 Billion

February 28, 2008

Colorado Department of Agriculture, Markets Division report

Colorado's total 2007 agricultural exports will exceed \$1.39 billion increasing from \$1.06 in 2006 and grew to 11.6 percent of Colorado's total exports. Leading the growth was increased wheat and beef exports. In 2007 customers from 98 countries purchased food and agricultural products from Colorado companies, with Mexico, Canada and Japan representing the top three world markets.

Colorado's top agricultural export markets in 2007

Mexico
Canada
Japan
Taiwan
China

Colorado's bulk commodity exports benefited from the 2007 record wheat harvest and strong world market prices. In addition to wheat exports Colorado has benefited from export growth in potatoes and other produce to Mexico as well as other grains and animal feeds.

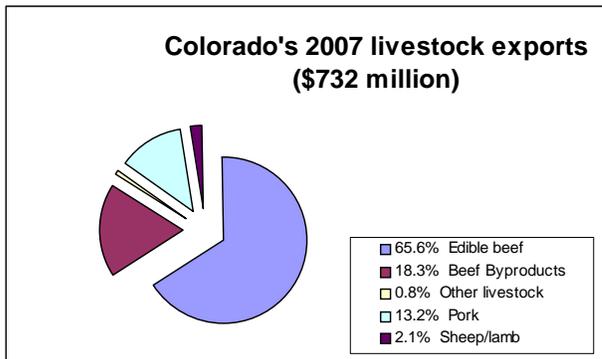
Colorado's top 2007 export sectors

(Millions)

2006	2007	
\$592	\$732	Meat and livestock products
\$338	\$537	Wheat, grains feed and other commodities
\$84	\$93	Food and beverage products except meat based
\$26	\$30	Cereals, seeds and processed grain products

For 2007 this is projected at \$537 million, which is up 59 percent from 2006 exports, with the majority of the export growth from the record Colorado wheat harvest and strong world wheat prices.

Livestock products represent 72 percent of Colorado's farm and ranch sales and accounted for 53 percent of Colorado's agricultural exports. Colorado's beef and byproduct exports represents 81 percent of all livestock product exports. Colorado's beef industry is ranked third in the U.S. for exporting beef and byproducts, following Texas and Kansas.



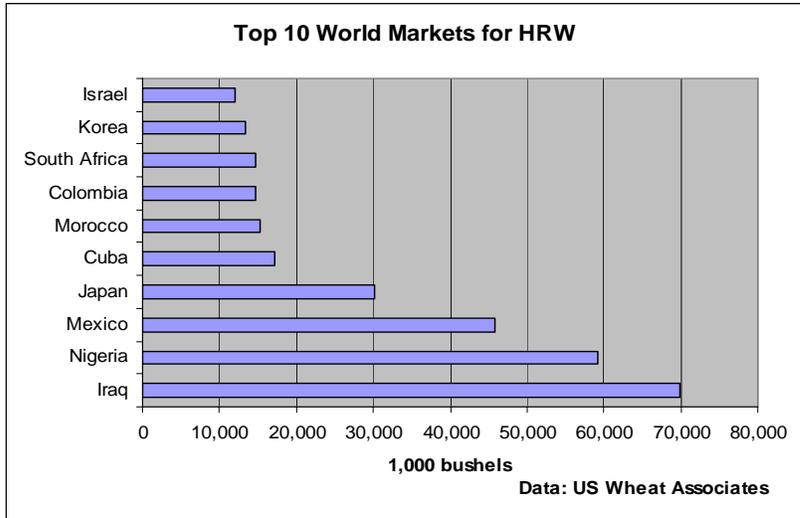
Colorado's top market for beef and beef products is Canada, importing \$181.6 million from Colorado. Colorado is the second largest supplier

of beef products to Canada (Kansas is first). Colorado's 2007 beef exports to Mexico represented \$162 million, second only to Texas as a supplier of beef products to Mexico. Colorado's third largest export market for beef is Japan, which was a major market for Colorado beef before the 2003 market closure. Exports to Japan in 2007 exceeded \$63 million representing a 270 percent increase from 2005's \$17 million for Colorado's beef industry. Colorado is the 7th ranked supplier of beef to Japan from the US. Provided Japan adopts international protocols governing beef trade as set by the OIE, potential exists for Japan to significantly increase beef imports from the U.S. and Colorado.

Mexico represents a growing market for Colorado's produce industry as well as seeds, edible beans and a variety of grains. In the past four years Colorado has exported potatoes, onions, carrots, cabbage, lettuce, watermelon, squash, spinach and split peas to Mexico. Shipments of produce to Mexico, as authorized through the issuance of phytosanitary certificates has grown 42 percent since 2004 and represented 1575 truck load shipments to Mexico in 2007. Colorado also issued 293 phytosanitary certificates for shipments of seeds, dry edible beans, and grains (popcorn, sunflowers, millet etc).

CDA phyto's for Mexico		
	<u>2004</u>	<u>2007</u>
Seeds	1	14
Beans	176	142
Grains	153	137
Produce	1111	1575

Colorado wheat exports benefited from the best harvest in 10 years as well as record world prices for wheat. While the US exports about 54 percent of total wheat



productions, Colorado's wheat industry's grain flow studies indicate that up to 80 percent of Colorado's wheat is ultimately exported. Colorado's predominate wheat is Hard Red Winter (HRW) wheat. In 2007, Colorado was ranked fourth nationally for acreage of HRW wheat in the U.S. The US Wheat Associates (US marketing

association for US wheat growers) reports that the Iraq, Nigeria and Mexico are the top three world markets for U.S. wheat.

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Colorado's exports are documented by company filings of export shipments for most shipments and products. Colorado's grains and other commodities with non point of origin movements are excluded from these export records and are estimated by the USDA utilizing production, marketing and distribution trends to allocate each state's share of total exports of these commodities. Combining these sources provides the basis for Colorado's agricultural export statistics.