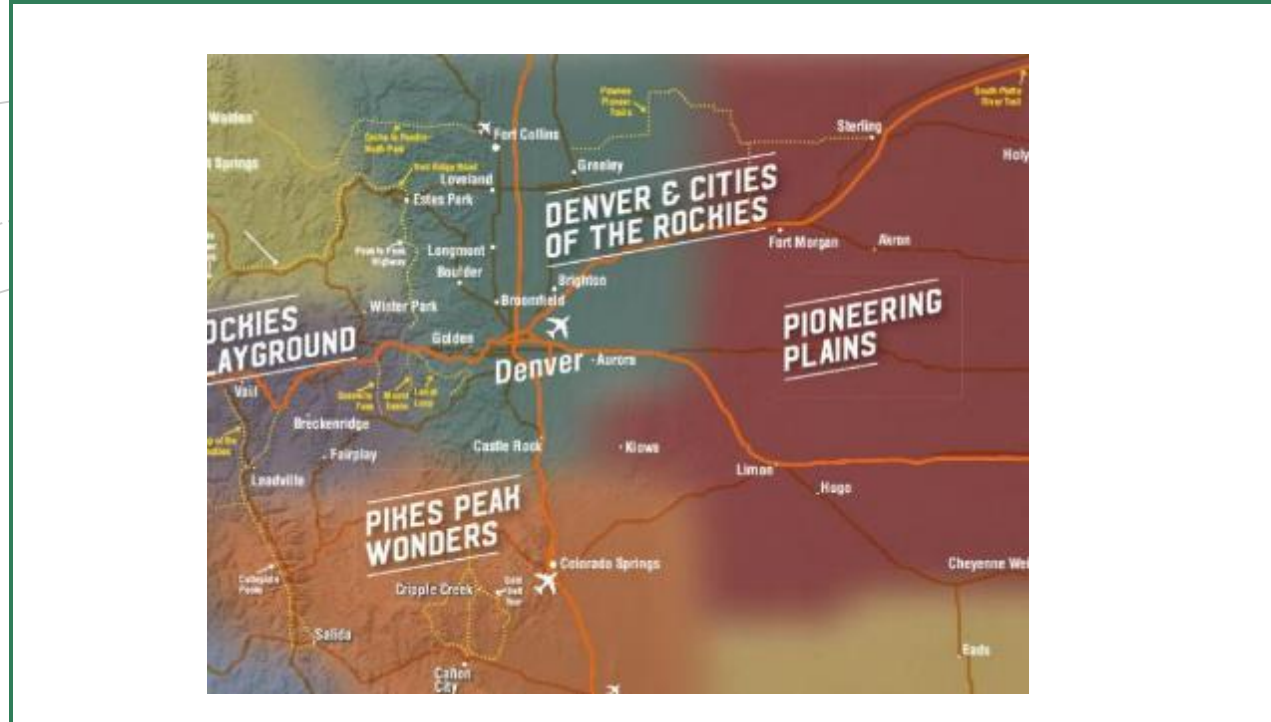


# Northwest Colorado: Agriculture, Food and Broader Economic Trends



Dr. Dawn Thilmany, Professor and Co-Director  
Dept of Ag and Resource Economics and REDI  
Director, USDA NW Rocky Mountain Food Business Center

# Overview of Today's Talk

- PEOPLE: National Consumer and Food Market Dynamics
- PUBLIC ATTITUDES AND POLICY: Ag and Food Visible and Salient
- PLACE: A Closer Look at the Changing Food Market Landscape



# Food Inflation is top of Mind

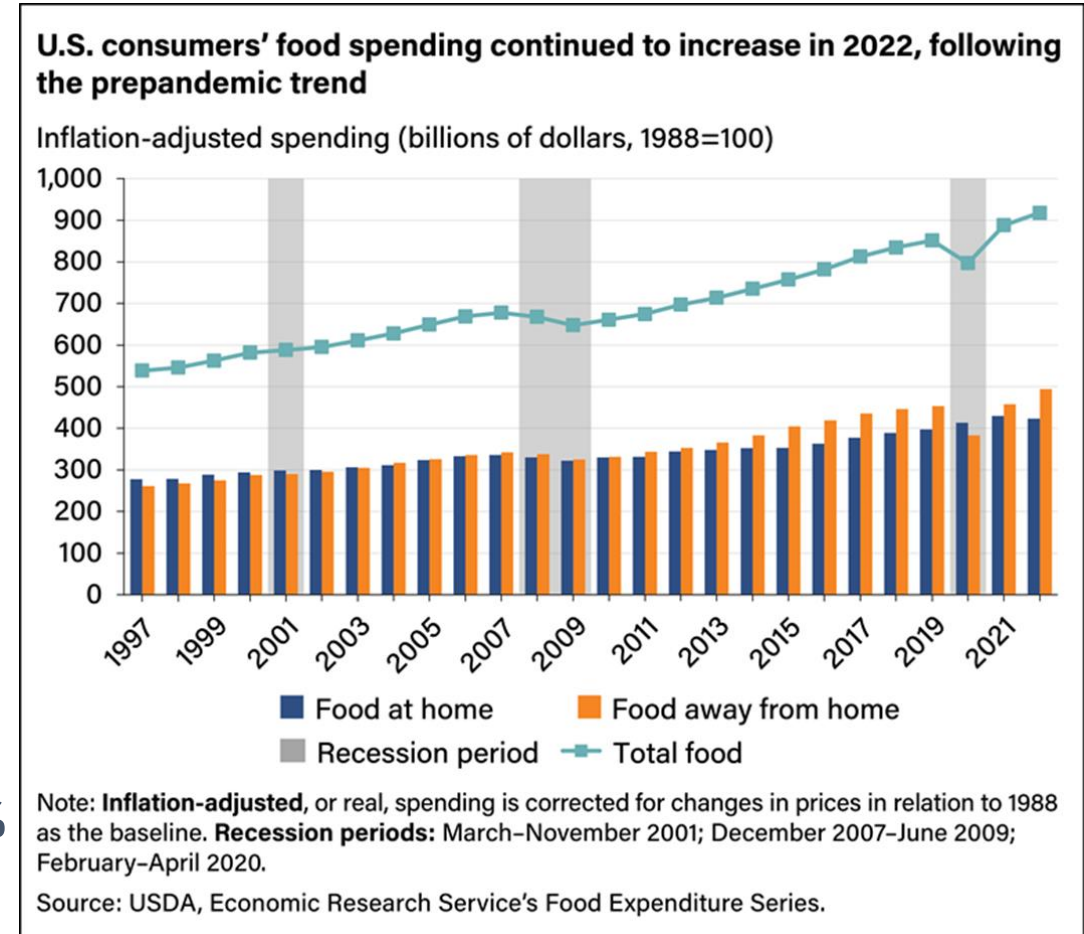
## Consumer Price Index (CPI)

❖ Increased 0.7 percent from December 2024 to January 2025

❖ Up 3.0 percent from January 2024

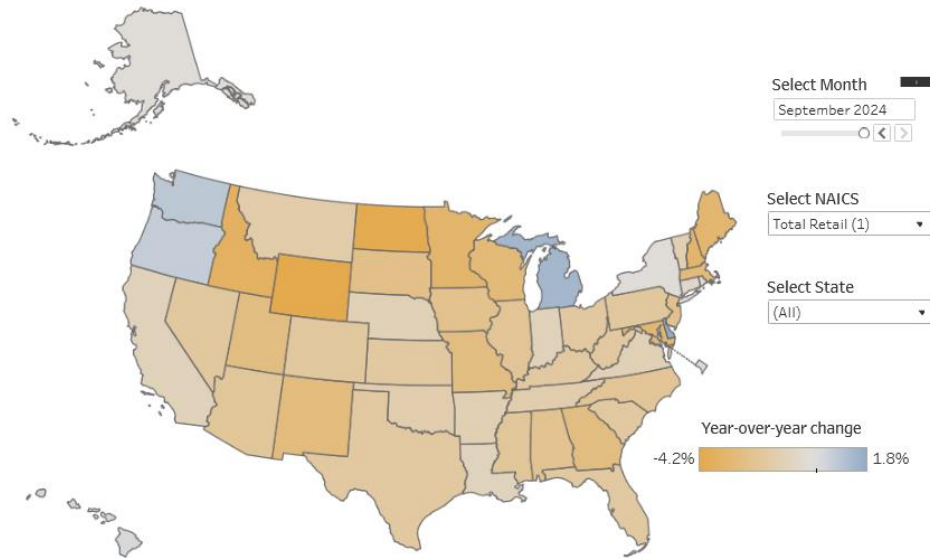
❖ Food prices were 2.5% higher than in January 2024.

- In 2025, prices for all food are predicted to increase 3.4%
- Food-at-home prices are predicted to increase 3.3%,
- Food-away-from-home prices are predicted to increase 3.4%

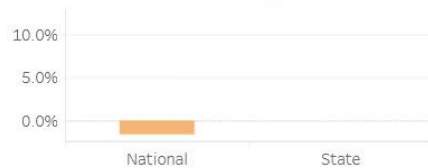


# Retail Sales: Total and Food, Fall 2024

Monthly State Retail Sales



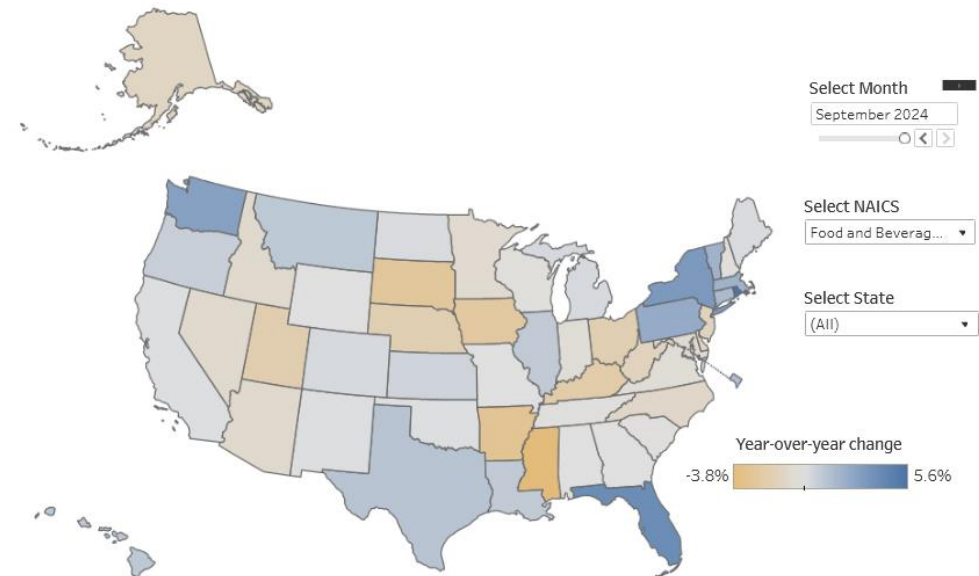
National vs. State



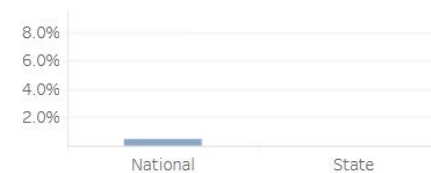
Year-over-year Comparison for the U.S.



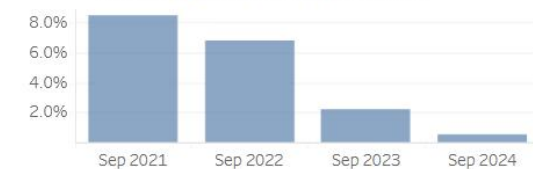
Monthly State Retail Sales



National vs. State



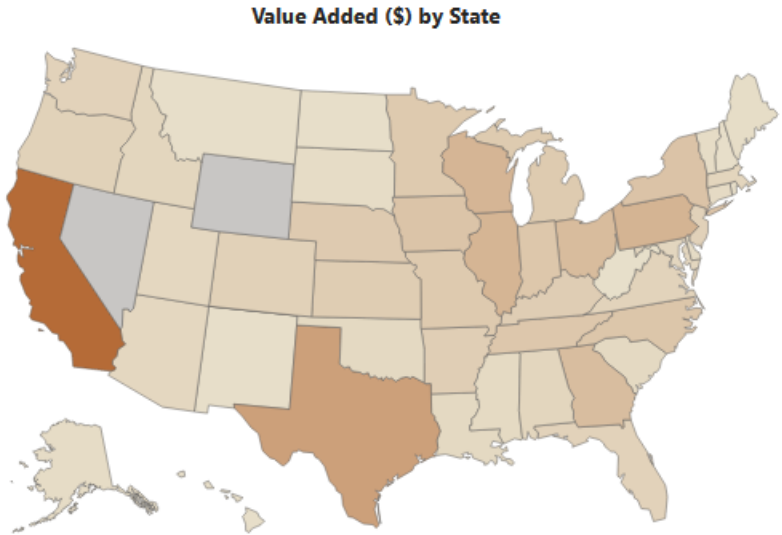
Year-over-year Comparison for the U.S.



# FOOD AND BEVERAGE INDUSTRIES' VALUE ADDED BY U.S. STATES

## Value Added, Revenue & Cost, Food & Beverage Manufacturing Industries, by U.S. States

Industry	States	Value Added(\$)
Beverage Manufacturing(3121)	Colorado	1,866,927,000
Animal Slaughtering & Processing(3116)	Colorado	1,287,235,000
Other Food Manufacturing(3119)	Colorado	693,079,000
Bakeries & Tortilla Manufacturing(3118)	Colorado	612,341,000
Animal Food Manufacturing(3111)	Colorado	480,488,000
Dairy Product Manufacturing(3115)	Colorado	404,742,000
Sugar & Confectionery Product Manufacturing(3113)	Colorado	207,679,000
Grain & Oilseed Milling(3112)	Colorado	74,701,000
<b>Total</b>		<b>5,627,192,000</b>



Industry	States	Value Added(\$)
Beverage Manufacturing(3121)	California	15,456,381,000
Other Food Manufacturing(3119)	California	9,568,268,000
Beverage Manufacturing(3121)	Texas	6,584,519,000
Dairy Product Manufacturing(3115)	Wisconsin	6,486,714,000
Animal Slaughtering & Processing(3116)	Texas	5,773,558,000
Animal Slaughtering & Processing(3116)	Nebraska	5,567,722,000
Fruit/Veg. Preserving & Specialty Food Manufacturing(3114)	California	5,095,501,000
Bakeries & Tortilla Manufacturing(3118)	California	4,965,839,000
Other Food Manufacturing(3119)	Georgia	4,774,238,000
Dairy Product Manufacturing(3115)	California	4,592,080,000

Figure 1 Food and beverage manufacturing start-ups (dependent variable), 2013-15 [Color figure can be viewed at wileyonlinelibrary.com]



# How Vulnerable is Colorado Ag to Supply Chain Disruptions?

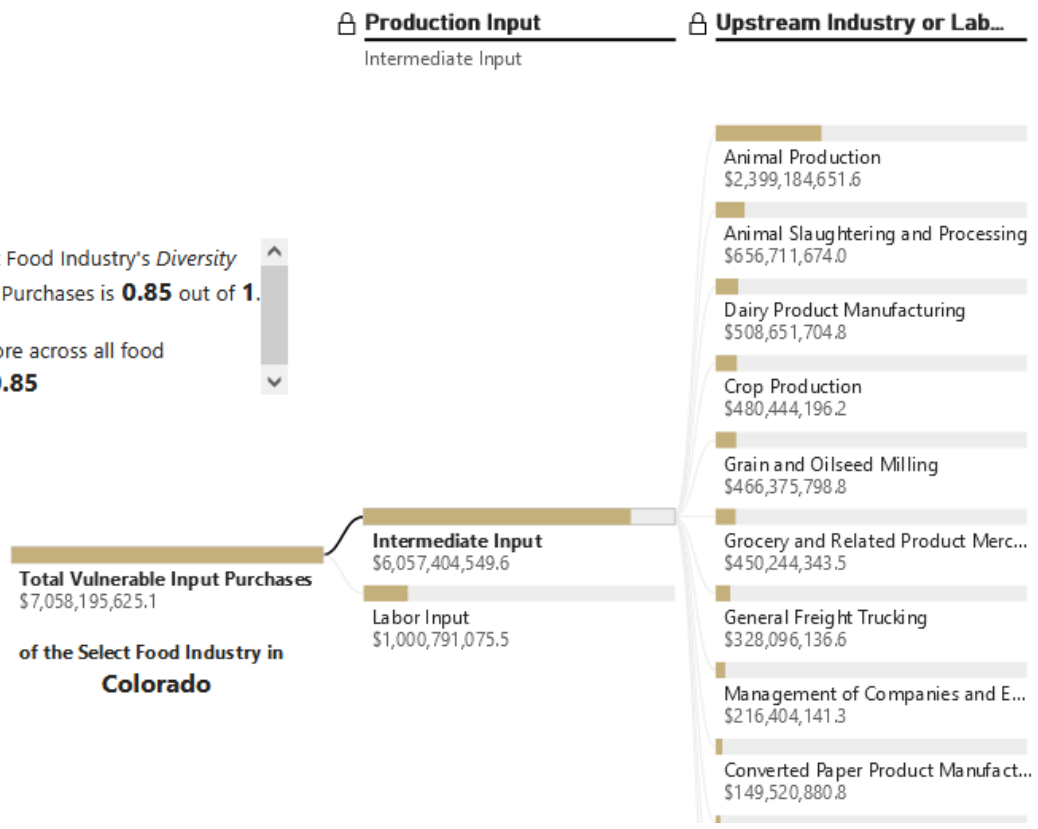
## Food Industries' Vulnerable Input Purchases via Exposure to Upstream Industries & Labor Occupations

State  
Colorado



In Colorado, the Select Food Industry's Diversity Score of Upstream Input Purchases is **0.85** out of **1**.  
The average diversity score across all food industries and states is **0.85**

- Industry
- Select all
  - Animal Food Manufacturing(3111)
  - Animal Slaughtering & Processing(3116)
  - Bakeries & Tortilla Manufacturing(3118)
  - Dairy Product Manufacturing(3115)
  - Fruit/Veg. Preserving & Specialty Food Manufacturing(...)
  - Grain & Oilseed Milling(3112)
  - Other Food Manufacturing(3119)
  - Seafood Product Preparation & Packaging(3117)
  - Sugar & Confectionery Product Manufacturing(3113)



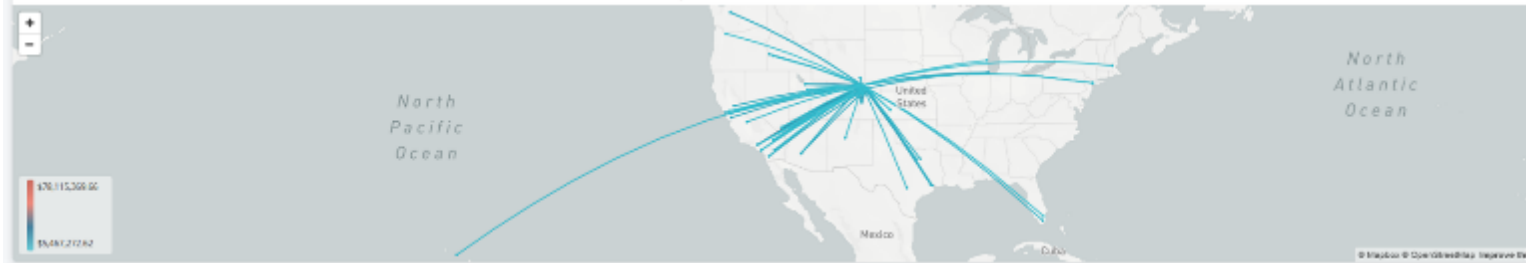
# Beef Cattle and Meat Products

Top 100 Destination Trade Value Routes



Trade Flows Table

Destination State FL	Destination County Fips	Destination Description	Destination State	Origin State	Origin County	Origin Description	Origin State	Commodity Code	Commodity Description	Trade Value
1	08	087	Wagon County	Colorado	08	075	Lujan County	2011	Beef cattle	\$225,437,071.26
2	08	125	Weld County	Colorado	08	087	Morgan County	2011	Beef cattle	\$210,050,124.06
3	08	087	Morgan County	Colorado	08	121	Washington County	2011	Beef cattle	\$99,248,904.18
4	08	057	Denver County	Colorado	08	128	Weld County	2011	Beef cattle	\$94,103,826.74
5	08	087	Morgan County	Colorado	08	125	Yuma County	2011	Beef cattle	\$82,111,017.16
6	48	041	Moore County	Texas	08	089	Sagu County	2011	Beef cattle	\$54,054,200.01
7	08	125	Weld County	Colorado	08	073	Larimer County	2011	Beef cattle	\$33,496,700.44
8	08	123	Weld County	Colorado	08	089	Larimer County	2011	Beef cattle	\$30,482,223.25
9	08	173	Weld County	Colorado	08	041	Pi Paso County	2011	Beef cattle	\$17,718,870.77
10	31	005	Douglas County	Illinois	08	125	Yuma County	2011	Beef cattle	\$15,023,790.49
11	08	087	Morgan County	Colorado	08	123	Weld County	2011	Beef cattle	\$11,237,165.61
12	08	081	Adams County	Colorado	08	171	Weld County	2011	Beef cattle	\$10,771,077.02
13	48	041	Moore County	Texas	08	089	Utao County	2011	Beef cattle	\$10,992,378.48



Trade Flows Table

Destination State FL	Destination County Fips	Destination Description	Destination State	Origin State	Origin County	Origin Description	Origin State	Commodity Code	Commodity Description	Trade Value
1	08	001	Denver County	Colorado	08	123	Weld County	3903	Meat	\$78,115,380.99
2	08	027	Los Angeles County	California	08	123	Weld County	3909	Meat	\$13,682,691.02
3	08	001	Denver County	Colorado	08	123	Weld County	3900	Meat processed from carcasses	\$10,588,217.25
4	08	081	Adams County	Colorado	08	123	Weld County	3903	Meat	\$10,712,151.46
5	08	081	Adams County	Colorado	08	123	Weld County	3900	Meat processed from carcasses	\$44,827,085.34
6	08	091	Denver County	Colorado	08	091	Adams County	3900	Meat processed from carcasses	\$41,915,698.15
7	08	081	Adams County	Colorado	08	091	Adams County	3900	Meat processed from carcasses	\$25,772,935.89
8	08	085	Arapahoe County	Colorado	08	123	Weld County	3903	Meat	\$938,143,958.81
9	08	037	Los Angeles County	California	08	087	Morgan County	3900	Meat	\$23,216,143.57
10	08	089	Jefferson County	Colorado	08	123	Weld County	3903	Meat	\$16,036,185.55
11	08	041	Pi Paso County	Colorado	08	123	Weld County	3900	Meat	\$27,401,712.32
12	08	091	Denver County	Colorado	08	087	Morgan County	3903	Meat	\$26,975,813.22
13	08	085	Arapahoe County	Colorado	08	123	Weld County	3900	Meat processed from carcasses	\$23,480,527.05

# Changes in the retail landscape

- Pandemic
- E-commerce
- Emphasis on fresh
- Prepared foods/meal solutions/grocerants



**The pandemic drove record supermarket sales** as consumers were forced to eat more meals at home.

That drove **accelerated acceptance of online grocery shopping**, bringing 5 years of anticipated growth in a span of just a few months.

Grocers that up until then had little or no web presence were forced to offer **online shopping, pickup or delivery to meet the demand from people hesitant to shop in person**, despite grocery being declared an essential business during the pandemic.

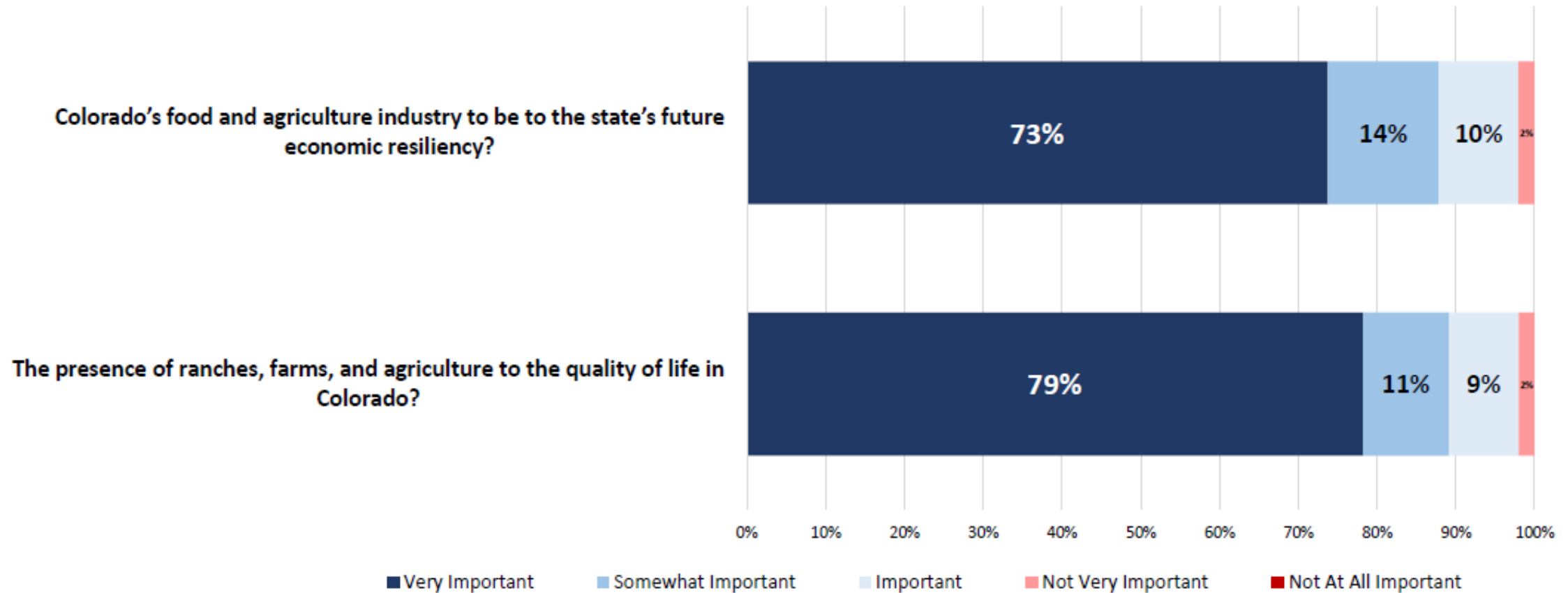
Grocers have **invested aggressively in the fresh perimeter** to enhance the shopping experience. Despite inroads by e-commerce, fresh areas remain a draw for in-person shoppers.

While the pandemic stalled in-store dining, grocers pivoted to offer **restaurant-quality meals in pre-packaged formats** (grab & go, heat & eat).



## Q7. How important would you consider...

by the percentage of respondents (excluding "not provided" responses)



# CONSUMER MOTIVATION [ What's in Colorado's Cart? ]

## RISING AWARENESS • PRODUCED IN-STATE • URBAN AND SUBURBAN MARKETING TRENDS

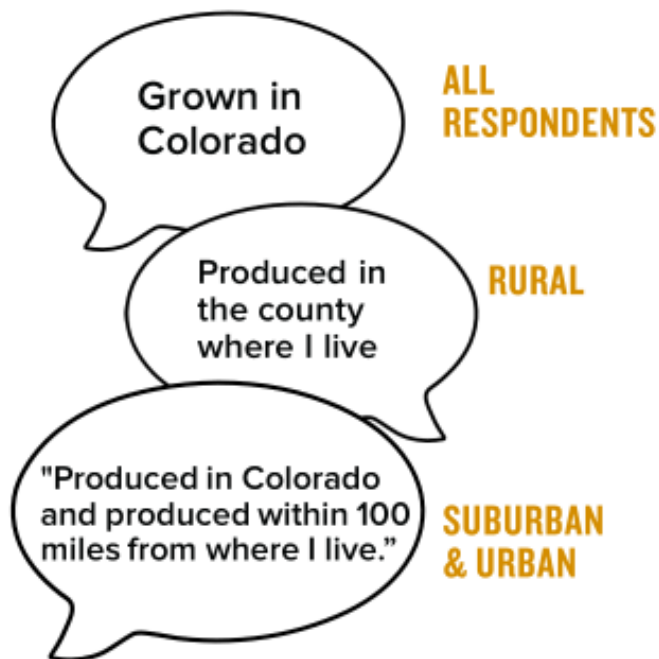


### CO SIGNATURE PRODUCTS

- Urban Awareness Rising
- Colorado Lamb and Pueblo Chilis Awareness Large Rise Since 2016
- Rural respondents continue to be most aware



### DEFINING LOCAL CO FOODS



### THOUGHTFUL PURCHASES

Top motivators:

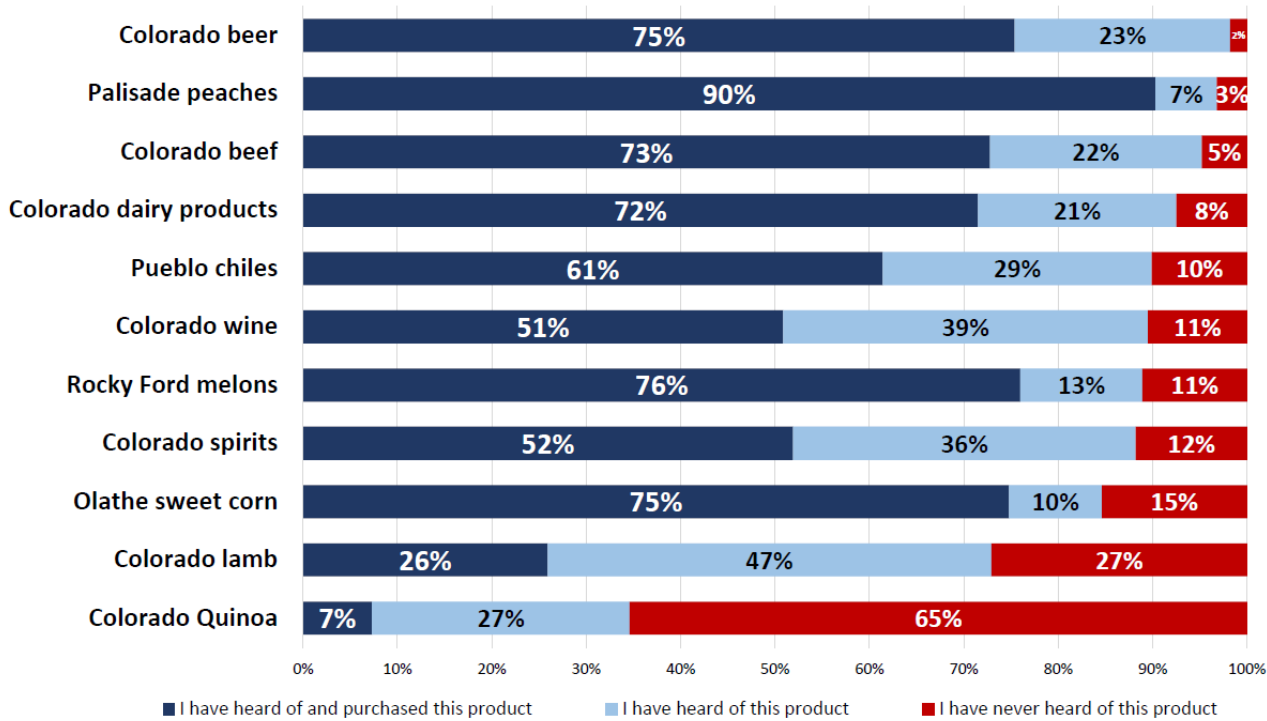
**FRESH | SAFE | WELL-PRICED**

- Younger respondents most motivated by food prices
- Older respondents most motivated by whether a product supports the local economy

# Produce Awareness & Purchasing

## Q34. What is your level of awareness of the following products?

by the percentage of respondents (excluding "not provided" responses)

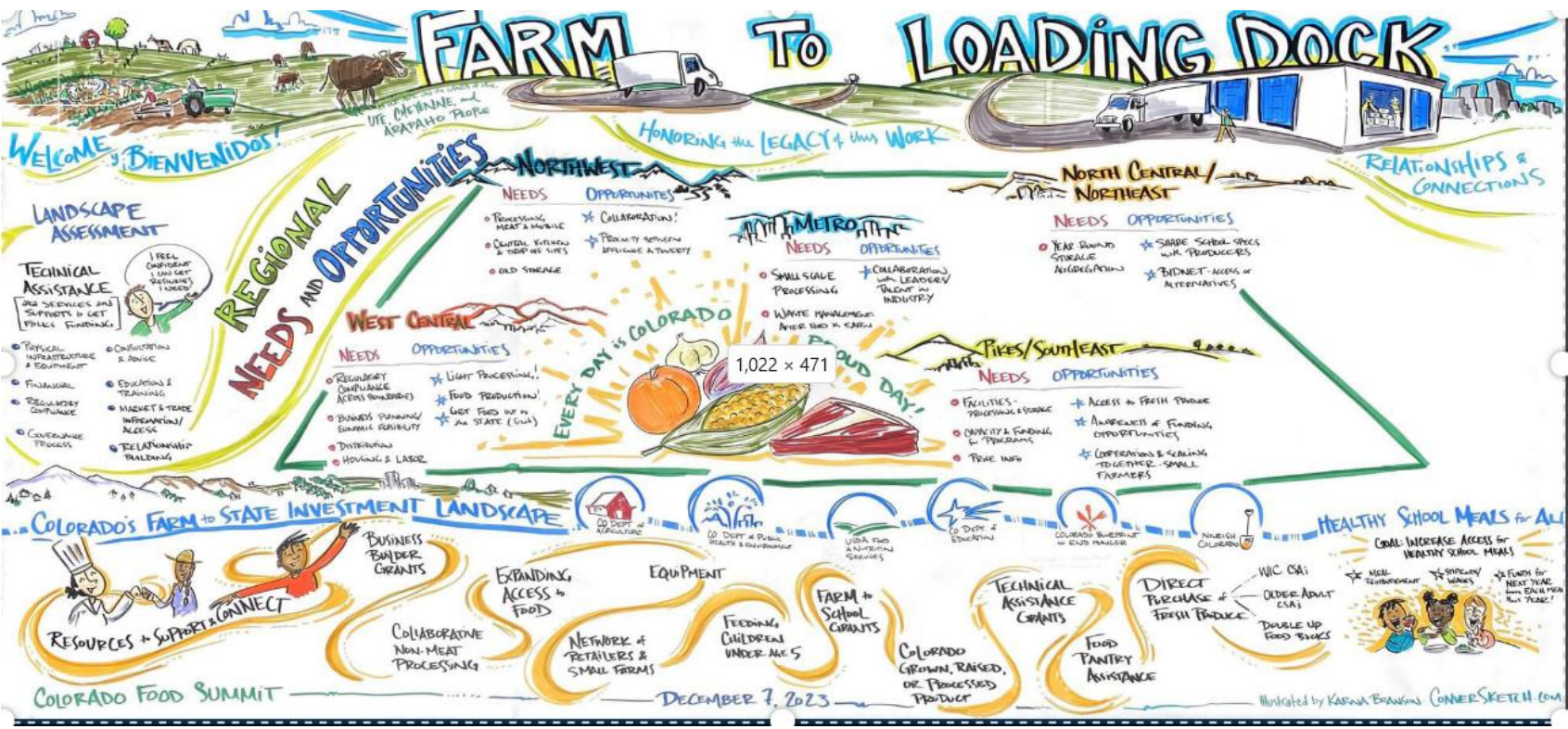


## What is your level of awareness of the following products?

by the percentage of respondents (excluding "don't know" responses)

	2022 Have Purchased	2016 Have Purchased	2022 Have Heard Of	2016 Have Heard Of	2022 Never Heard Of	2016 Never Heard Of
Palisade peaches	90%	71%	7%	22%	3%	7%
Colorado beef	73%	58%	22%	35%	5%	7%
Colorado dairy products	72%	60%	21%	32%	8%	9%
Pueblo chiles	61%	34%	29%	42%	10%	24%
Colorado wine	51%	39%	39%	46%	11%	14%
Rocky Ford melons	76%	59%	13%	25%	11%	16%
Olathe sweet corn	75%	62%	10%	22%	15%	17%
Colorado lamb	26%	19%	47%	47%	27%	34%





- Colorado Department of Human Services (CDHS) Local Food Purchase Assistance Program (LFPA) through \$12.5 million in federal funds
- CDHS Food Pantry Assistance Grant Program (FPAG) through \$4.5 million in state funds
- Colorado Department of Education (CDE) Local Food for Schools Cooperative Grant Program through \$2.6 million in federal funds
- CDE Local Food Pilot Program (LFPP) through \$1.5 million in state funds

# Increasing Portfolio of Federal and State Purchasing Programs

# Urban-Rural Linkages

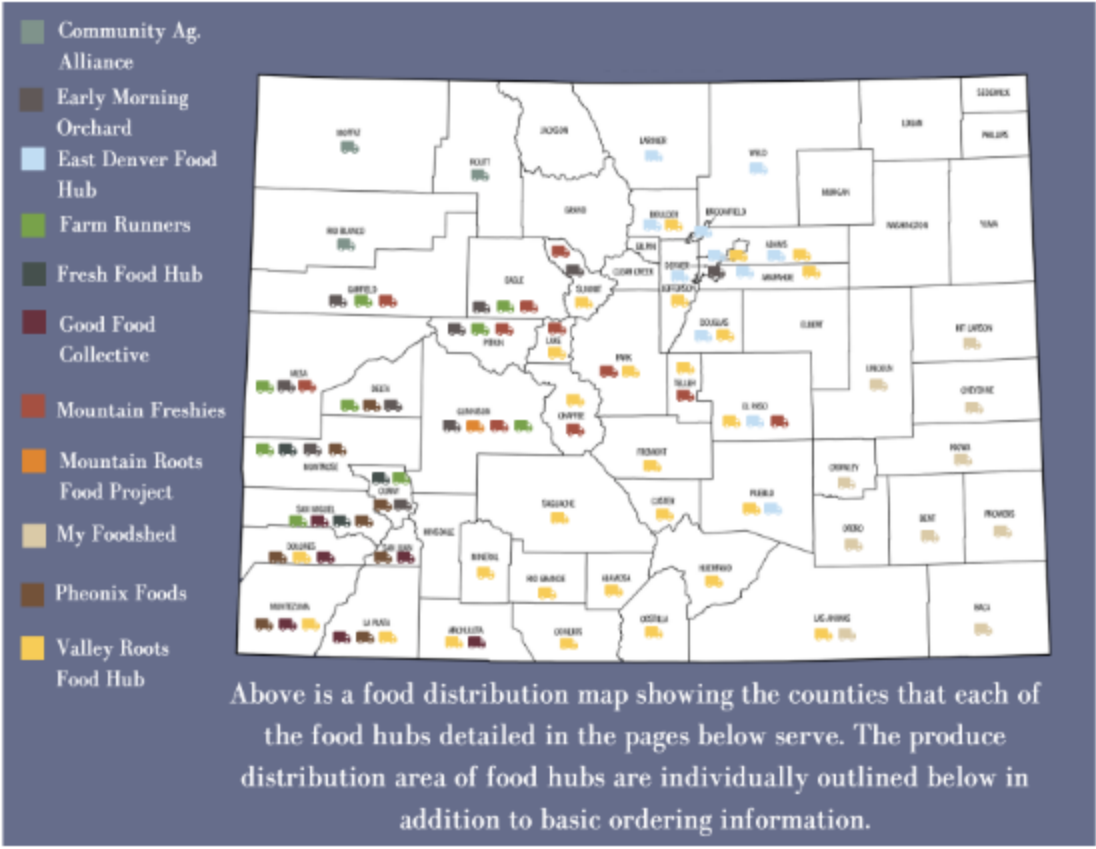
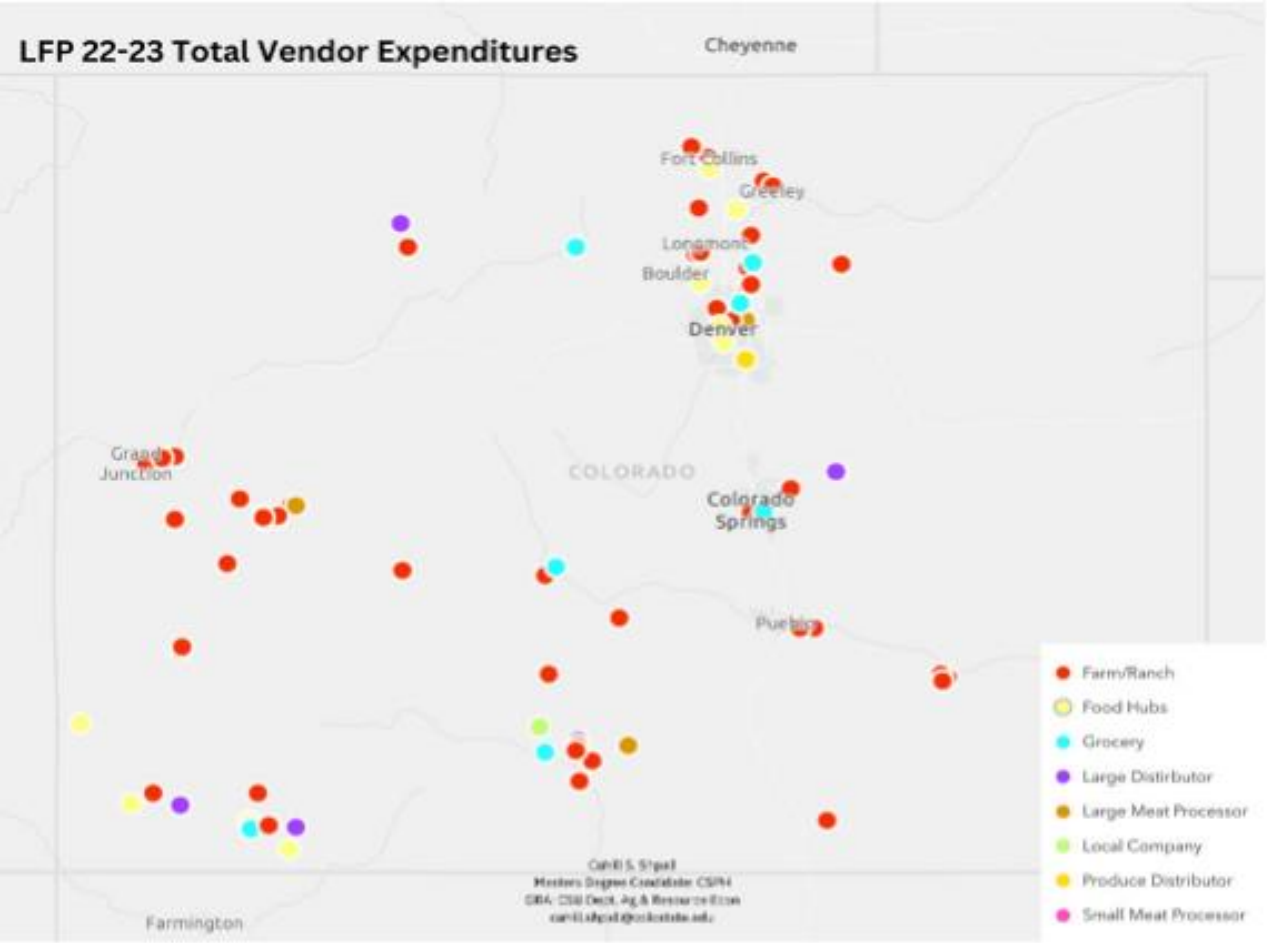


Figure 5. Food Hub Service by County (Source: Nourish Colorado, 2024. Colorado Food Hubs. Available at <https://guidebook.nourishcolorado.org/2024/02/02/know-who-sells/>)



**Nourish Colorado**

2,227 followers

1w • 🌐

Chef Taylor has been leading training sessions in Moffat County School District, teaching innovative recipes featuring local foods. Six of the district's school kitchens are learning recipes that meet student preferences, and students will participate in taste tests to help shape the updated school lunch menus.

This initiative is made possible by the Healthy Meals Incentives Initiative, which is a USDA funded grant. Moffat County School District applied for and was awarded this grant to support equipment purchases, recipe development, and staff training. This is SO important to advance school meals while supporting local producers, and wouldn't be possible with

Read more about the district's commitment to providing fresh local products in their schools while supporting the region's

<https://lnkd.in/gqwnEcUf>



**Moffat County School District elevates school meals with local food focus and training**  
craigdailypress.com

# Local Initiatives

## CRAIG PRESS

Serving Moffat County

[News](#) ▾ [Calendar](#) [Announcements](#) ▾ [Opinion](#) ▾ [Sports](#) [Entertainment](#) ▾ [Classifieds](#) ▾ [Magazines and Special Sections](#)

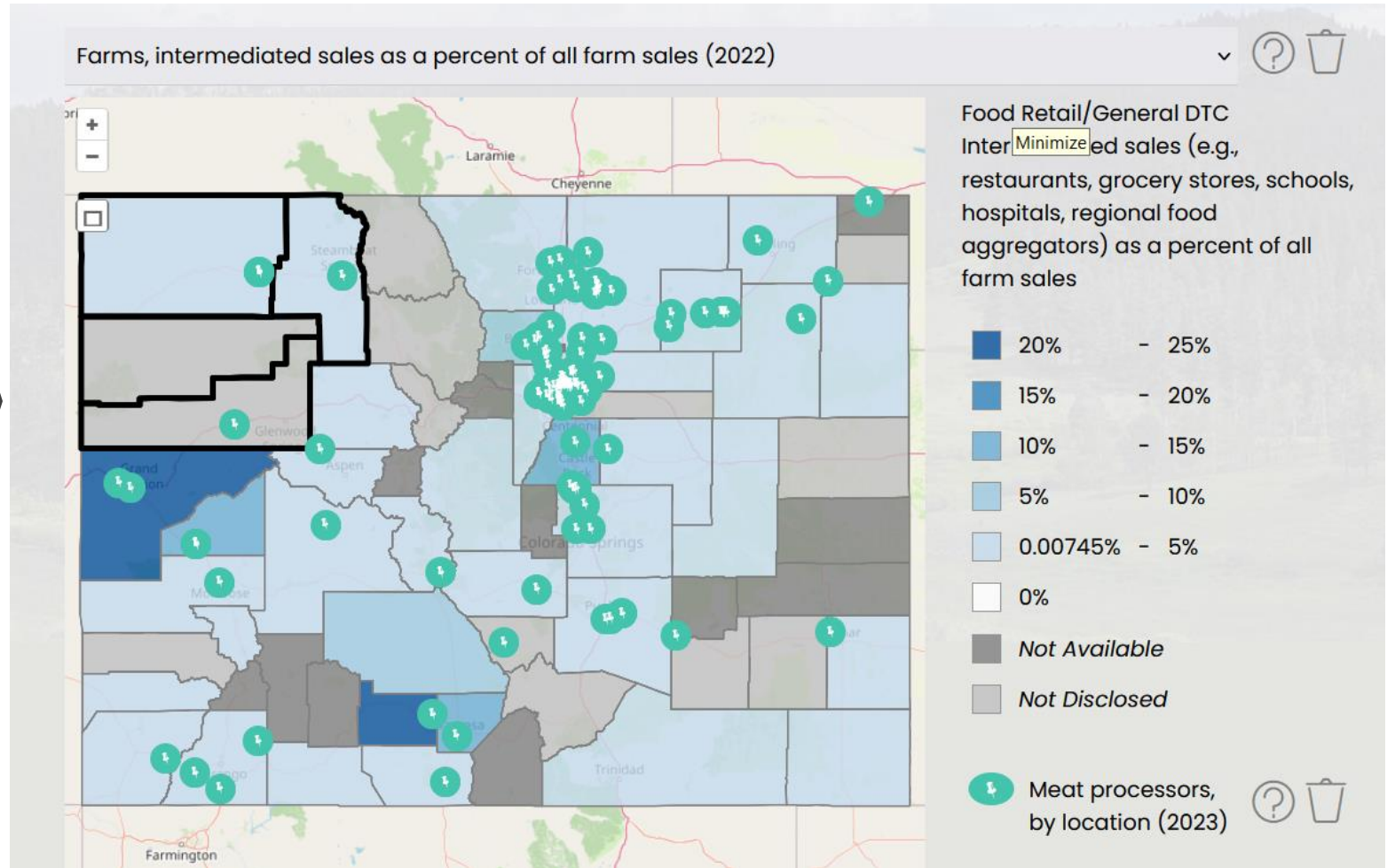
[E-Edition](#) | [Submissions](#) |

## Moffat County School District elevates school meals with local food focus and training

News | Feb 6, 2025

# CSU Food Systems & Community Asset Mapping Tool

<https://co.foodsystemsmap.org/>

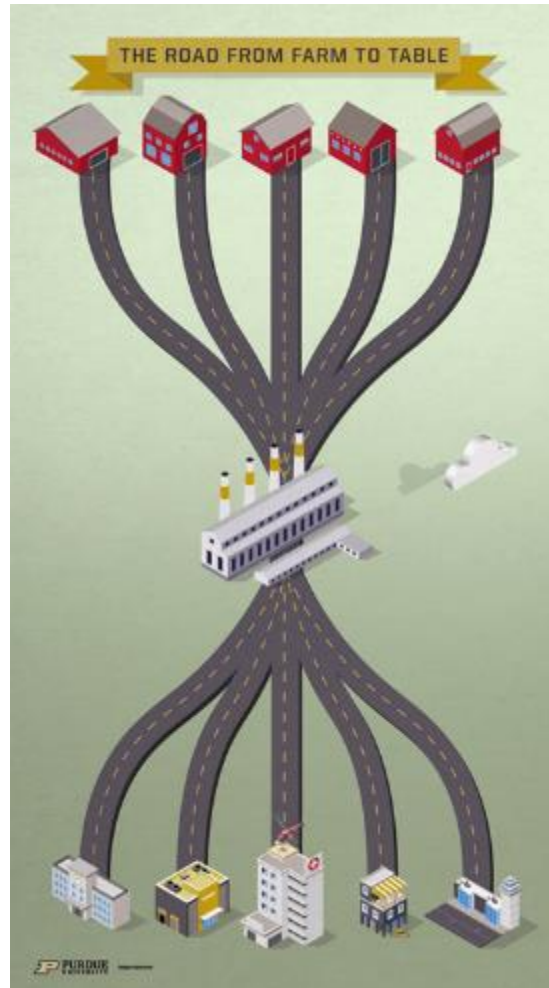


# Key Questions in Food Supply chains

Overarching question: What is the tradeoff between efficiency and food system resiliency and food security?

## Downstream

- Will the changing structure of food retail and restaurant buyers affect market access?
- Are global trade disruptions the new normal?
- How will consumers respond to food price inflation?
- Will food waste or other sustainability initiatives influence consumer behavior?
- What is the role of local and regional food systems in resiliency?
- Will food security programs increasingly integrate with for-profit supply chains?



## Upstream

- What are the Impacts of market and policy landscape on labor availability and wage rates?
- How can data management, technology and R&D influence performance?
- How will supply chain sustainability monitoring and labels influence supply chain networks and returns to producers?
- Will rural development and regional resiliency goals result in a new balance of federal and state policy?
- Will increased attention to consolidation impact competitiveness?
- Will attention to socially disadvantaged producers and equity improve access and survival?



# Center purpose & design

## The USDA Regional Food Business Centers (RFBCs)

are established to drive economic opportunities across their region, creating a more diversified and resilient food system.

### RFBCs are designed to:

- Create opportunities for targeted, region-specific solutions.
- Maximize locally driven investment impact.
- Complement and support other USDA programs.
- Collaborate with USDA Agricultural Marketing Service to ensure ongoing, regionally appropriate support and coordination.



# Center activities support



**Coordination** - Act as regional hubs coordinating across geographic areas, with USDA, other federal, state, and tribal agencies with relevant resources, regional commissions, and the other Regional Food Centers. They also conduct outreach to underinvested communities and businesses.

**Technical Assistance** - Provide direct business technical assistance to small- and mid-sized food and farm businesses (producers, processors, distributors, and other businesses within the food supply chain) and food value and supply chain coordination.

**Capacity Building** - Provide financial assistance through business builder subawards up to \$100,000 to support projects focused on emerging regional needs and businesses that are working towards expansion and other investment.

# Themes = cross-cutting focus areas



Supporting animal protein supply chains that respond more nimbly to changes in demand or supply



Assisting food entrepreneurs in successfully entering local, regional or national markets



Expanding and diversifying markets for climate resilient agricultural products

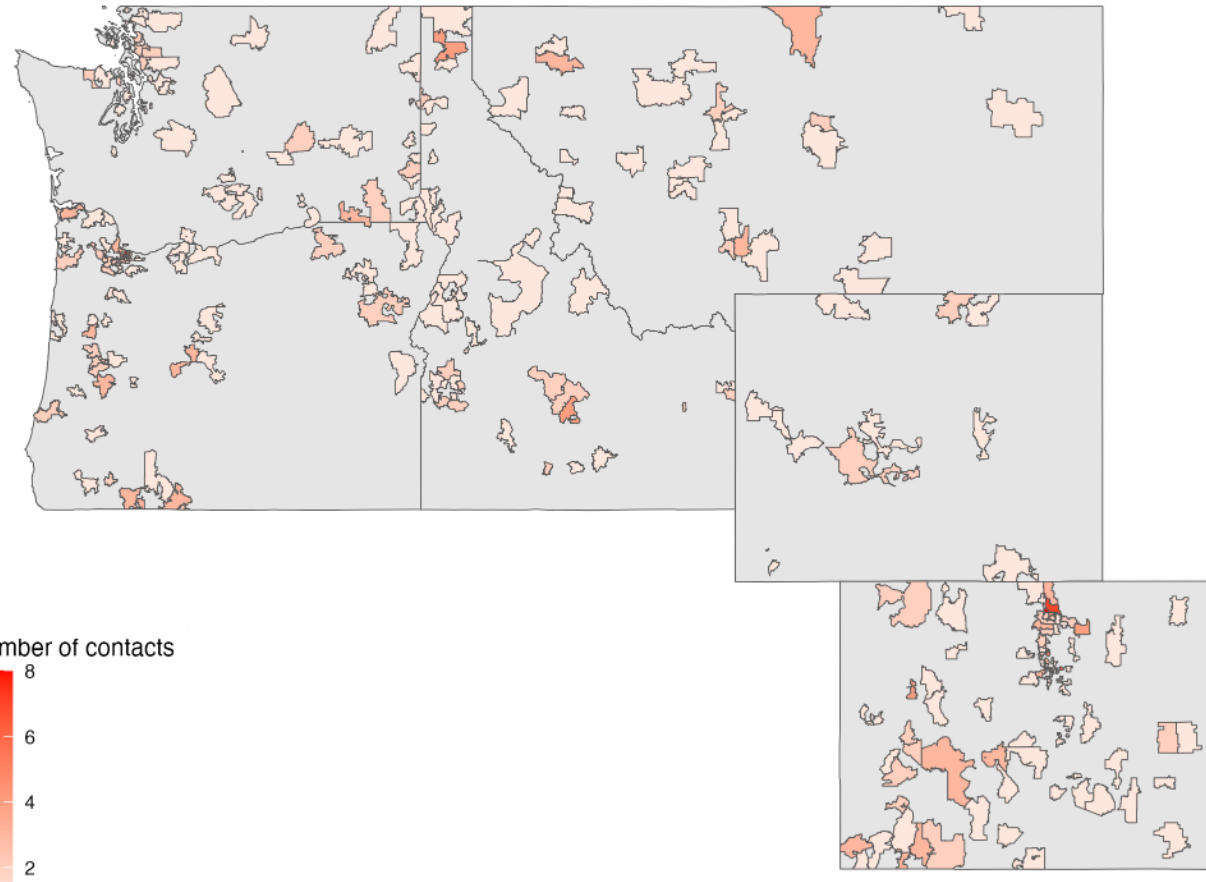


Supporting right-sized, appropriately targeted investment in food value chain infrastructure to enhance business success and long-term viability

# Colorado Activities

---

- Over 1000 contacts – Over 200 in Colorado alone
- Meat Summit and Meat School (online)
- 4 businesses to Regenerative Food System Investment Forum
- 5 businesses in the 2024 Colorado Food Collision
- Grain Summit–Salida March 2025



Dr. Dawn Thilmany, Professor  
 USDA Northwest Rocky Mountain Food Business Center Director  
 Dept of Ag and Resource Economics  
 NW Rocky Mountain Food Business Center, <https://nwrockymountainregionalfoodbusiness.com/>  
 Co-Director, Regional Economic Development Institute, <https://csuredi.org/>  
 CSU Food Systems Institute Affiliate, <https://foodsystems.colostate.edu/>  
 Local Food Economics Community of Practice, co-lead, <https://localfoodeconomics.com/>  
 Colorado Food Systems Advisory Council, Member

[Dawn.Thilmany@colostate.edu](mailto:Dawn.Thilmany@colostate.edu)

278 Nutrien, DARE, CSU

970-215-5502

@DawnTM

<https://www.linkedin.com/in/dawn-thilmany-654131a>

<https://scholar.google.com/citations?user=6eMunYkAAAAJ&hl=en>



# Questions?

---

Dawn Thilmany

[Dawn.Thilmany@colostate.edu](mailto:Dawn.Thilmany@colostate.edu)

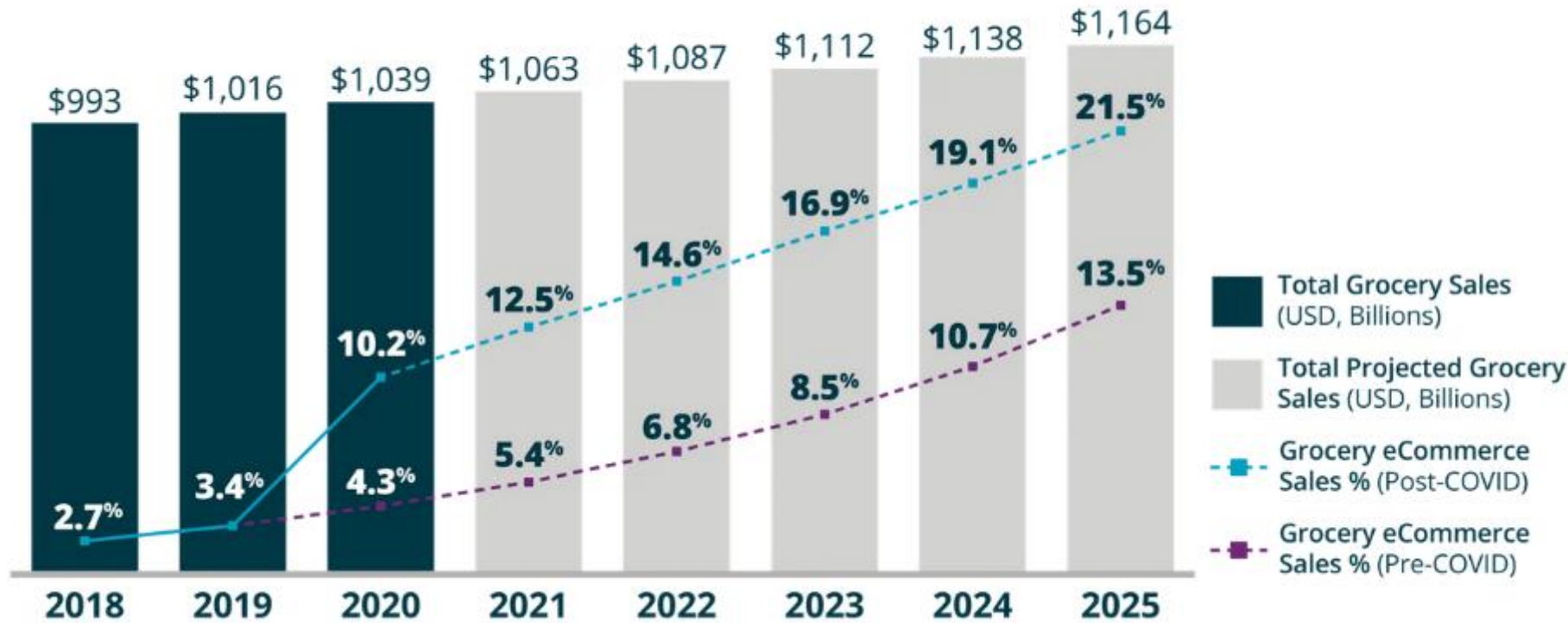
970-491-7220

@DawnTM Linked In: dawn-thilmany-654131



**COLORADO STATE UNIVERSITY  
EXTENSION**

# Online Grocery to Account for 21.5 Percent of Total Grocery Sales, Accelerating eCommerce Trends



- 2020 saw COVID-related restrictions “kink” the adoption of eCommerce, with a doubling of volume through online
- We explored this in a bit further detail
  - More channels
  - Differentiating delivery and curbside pick up

“eGrocery’s New Reality: The Pandemic’s Lasting Impact on U.S. Grocery Shopping Behavior,” Mercatus and Incisiv, [https://info.mercatus.com/egrocery-shopper-behavior-report?utm\\_source=ketner&utm\\_medium=media&utm\\_campaign=fy21-q3-shopper-survey-report-ketner-press-release](https://info.mercatus.com/egrocery-shopper-behavior-report?utm_source=ketner&utm_medium=media&utm_campaign=fy21-q3-shopper-survey-report-ketner-press-release)

