Where Does Your Food Dollar Go?
What a Dollar Paid for in 2006

ERS monitors developments in the Nation’s food marketing system, which links farms to consumers via food manufacturing, wholesaling, and retailing. Analyses focus on economic issues affecting the competitiveness of the U.S. food sector, including factors related to performance, structure, and marketing.

For more information, see the ERS Website:

Consumers are demanding a greater variety of foods that are also convenient to eat, including more away-from-home foods. As more processing and other marketing services are added to foods, the total value of these services tends to become larger relative to the food’s farm value.

Value-added services 81¢

As the largest marketing cost component, labor exerts the greatest impact on food marketing costs. The restaurant sector employs the largest percentage of food industry workers, followed by foodstores, food manufacturers, and food wholesalers.

Labor

As a percent of consumer food expenditures

1980 30.8%
2006 38.5%

Food industry employees by sector

Manufacturing
Wholesale
Retail
Eating & drinking

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