

2017



POTATOES USA

**2016 U.S. Potato Sales & Utilization
March 2017**



2017

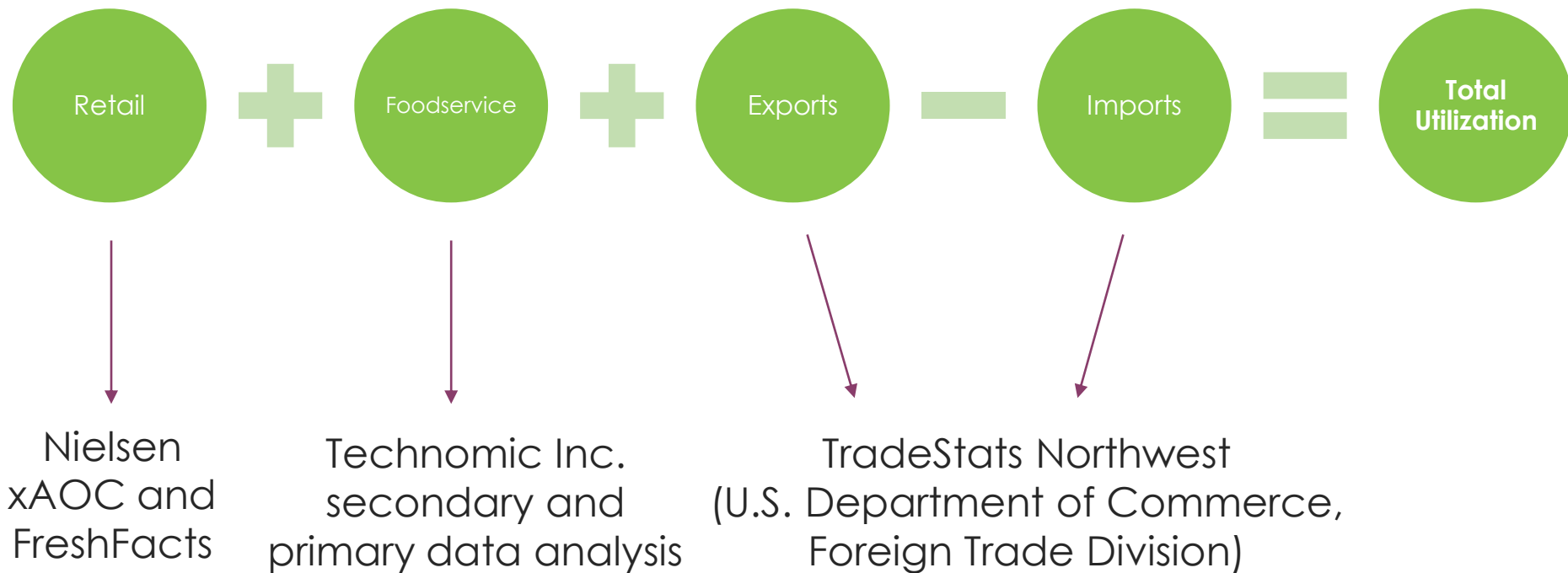


Report Objective

Track total U.S. potato usage
and sales volume by
channel and form



Methodology



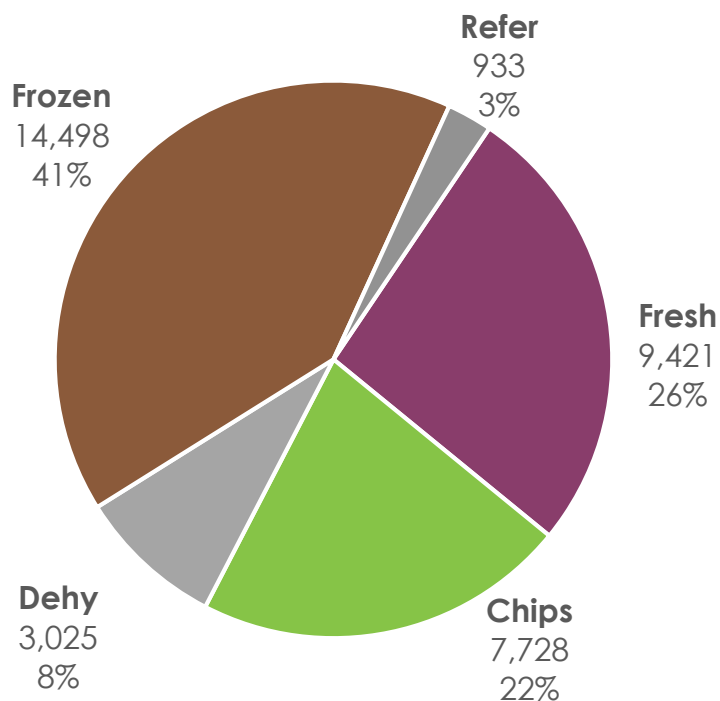
Total U.S. Potato Utilization

In Billion Pounds Fresh Weight Equivalent

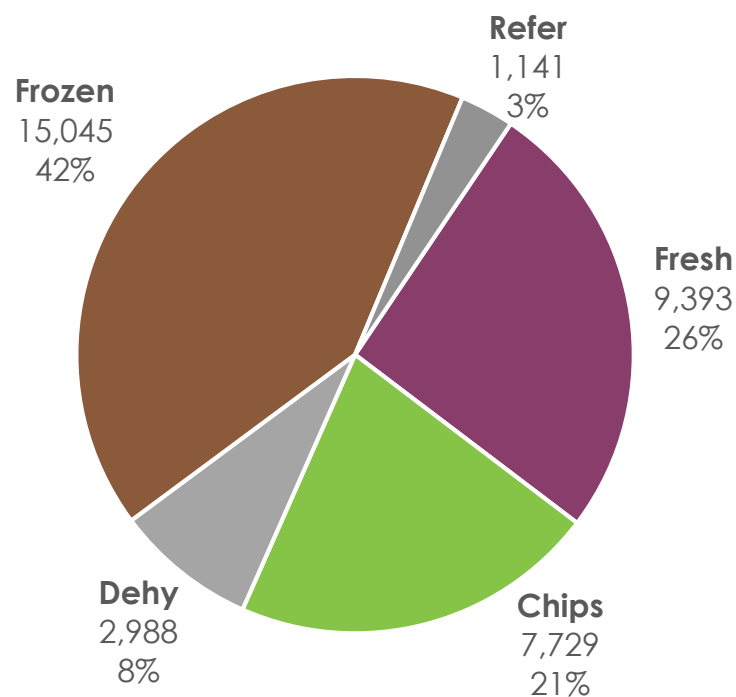
	Retail	+	FS	+	Exports	-	Imports	=	Total Utilization
2015	14,644		19,181		6,911		4,716		36,019
2016	14,524		20,389		6,976		5,119		36,690
% change	-0.8%		6.3%		0.9%		10.2%		1.9%

Share of total utilization by product

2015 Millions of lbs. (FWE)*



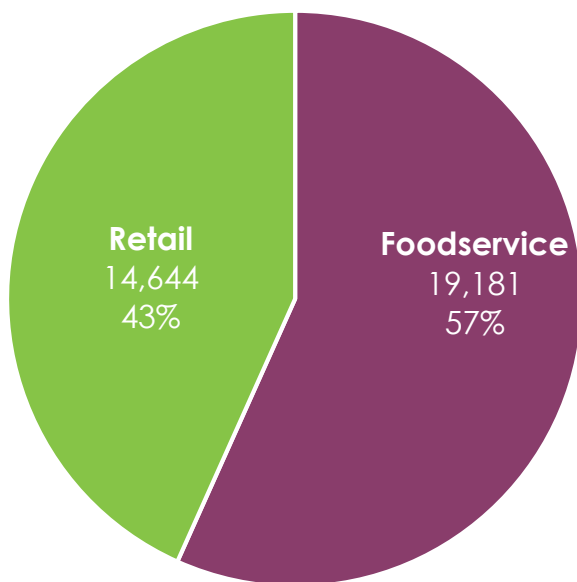
2016 Millions of lbs. (FWE)*



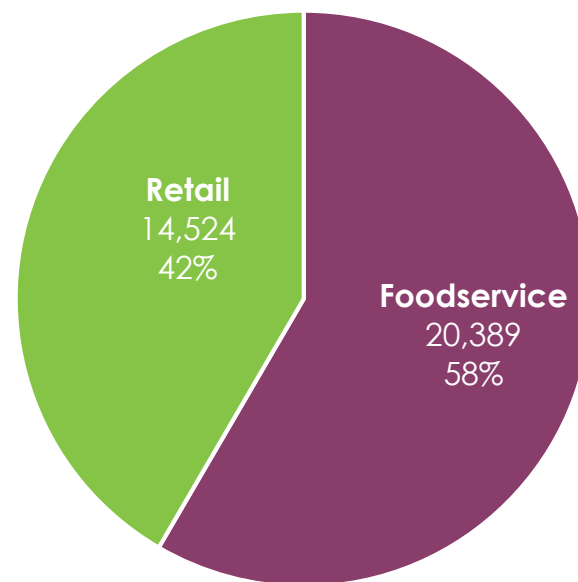
*Includes export/import adjustments

Retail vs. Foodservice channel sales

2015 Millions of lbs. (FWE)*



2016 Millions of lbs. (FWE)*



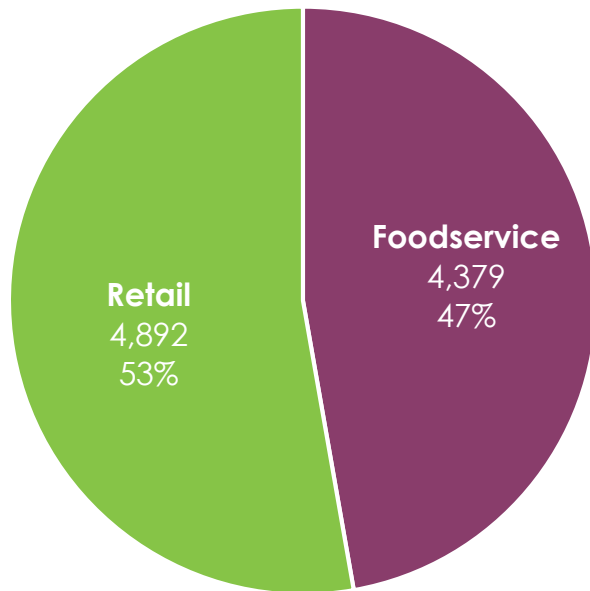
Sales by product and channel by year

Retail (millions of pounds FWE)			
	2015	2016	% change
Fresh	4,973	4,892	-1.6%
Chips	5,884	5,870	-0.2%
Dehy	890	864	-3.0%
Frozen	2,070	2,066	-0.2%
Refer	411	439	6.9%
Frozen RTE	355	337	-5.0%
Canned	60	57	-5.0%
Total	14,644	14,524	-0.8%

Foodservice (millions of pounds FWE)			
	2015	2016	% change
Fresh	4,310	4,379	1.6%
Chips	1,544	1,560	1.0%
Dehy	918	1,323	44.1%
Frozen	11,886	12,425	4.5%
Refer	522	702	34.5%
Frozen RTE	n/a	n/a	n/a
Canned	n/a	n/a	n/a
Total	19,181	20,389	6.3%

Fresh sales by channel and foodservice breakout

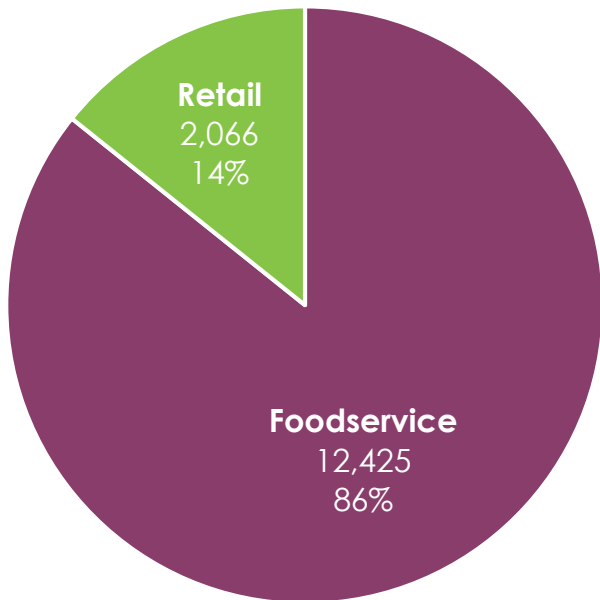
Fresh
2016 Millions of lbs. (FWE)*



Foodservice Segment	% of Fresh (\$)
Restaurants	72%
Limited Service	13%
Full Service	59%
Beyond Restaurant	28%
Travel & Leisure	9%
Retail Hosts	5%
Business & Industry	3%
College & University	3%
K-12 Schools	2%
Healthcare	5%
All Other	1%

Frozen sales by channel and foodservice breakout

Frozen
2016 Millions of lbs. (FWE)*



Foodservice Segment	% of FZ (\$)
Restaurants	84%
Limited Service	59%
Full Service	25%
Beyond Restaurant	16%
Travel & Leisure	4%
Retail Hosts	1%
Business & Industry	2%
College & University	2%
K-12 Schools	4%
Healthcare	2%
All Other	1%

Appendix

Methodology: Changes to Note

- Using xAOC data from Nielsen (which includes grocery, mass, drug, dollar, military, and Walmart) allows for fewer assumptions and projections
- Technomic has replaced the PotatoTrac report previously provided by the NPD Group for frozen potato volume in foodservice and estimates derived from CREST data (also from the NPD Group) for other forms in foodservice allowing for one source for all foodservice volume estimates

Calculation Factors for Consideration

- Fresh Weight Equivalent factors used are as follows:
 - Fresh = 1.08; chips = 4.00; dehy = 6.00; frozen = 1.70; refrigerated = 2.00; frozen RTE = 3.10; canned = 1.60
- Retail sales inflation factor for missing channels are as follows:
 - Fresh = 8%; dehy/frozen/refrig/frozen RTE/canned = 5%; chips = 20%
- Frozen RTE (i.e. potatoes used in frozen meals) and canned volume is assumed to be declining 5% annually from figures obtained from Nielsen in 2011