

2024 MAPLE SYRUP INDUSTRY OUTLOOK

FARM CREDIT EAST
KNOWLEDGE EXCHANGE



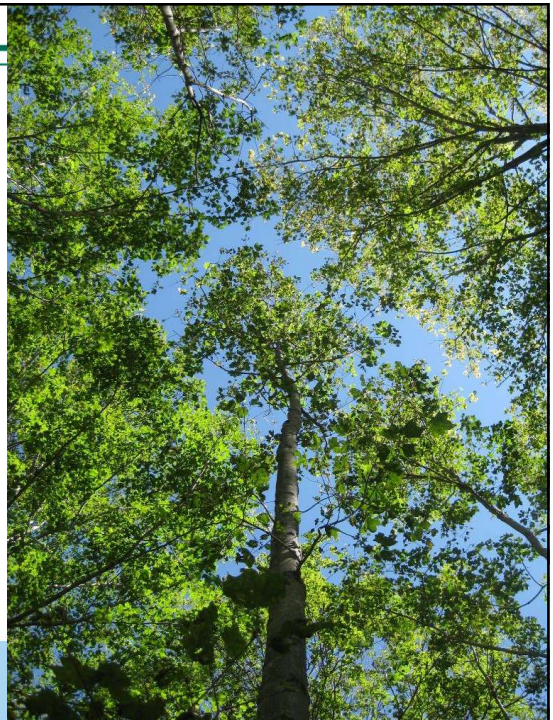
THE UNIVERSITY OF VERMONT
EXTENSION

Mark Cannella
Mark.Cannella@uvm.edu
802-881-1576

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(University of Vermont)*

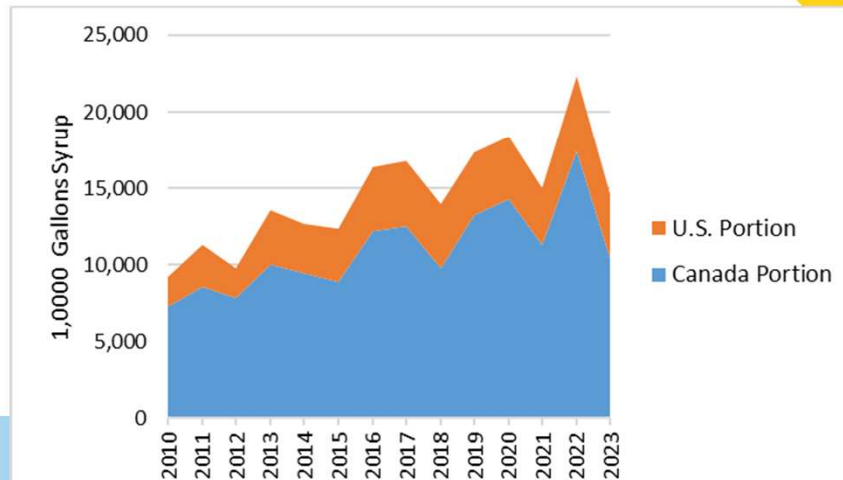
TODAYS PRESENTATION

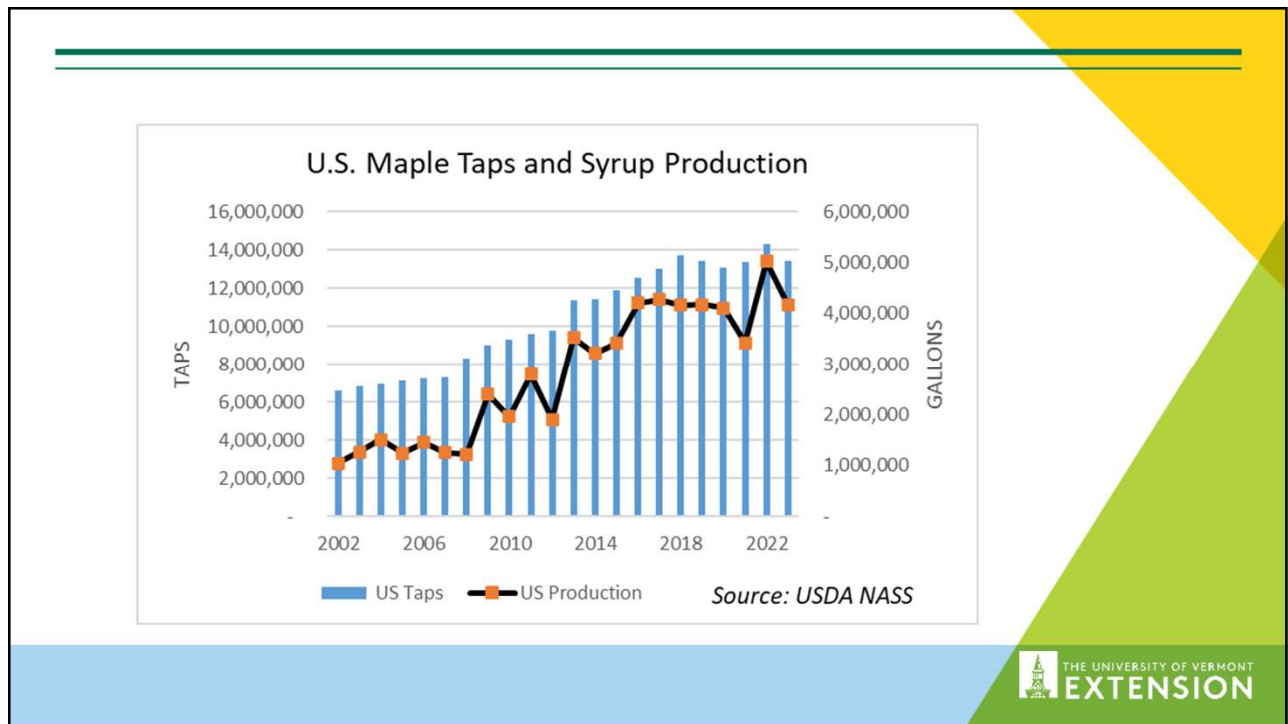
- North American Totals
- Canada- Quebec Influence
- U.S. Trends
- Prices – Markets – Viability
- Strategy and Outlook



NORTH AMERICAN CROP STATISTICS

- ☐ **2022** : large crop
- ☐ **2023** : below average
- ☐ **2024** : in progress
 - ✓ Large crop expected





U.S. LEADING STATES

❑ **Vermont:** 49% of the total domestic crop

❑ **New York:** 18%

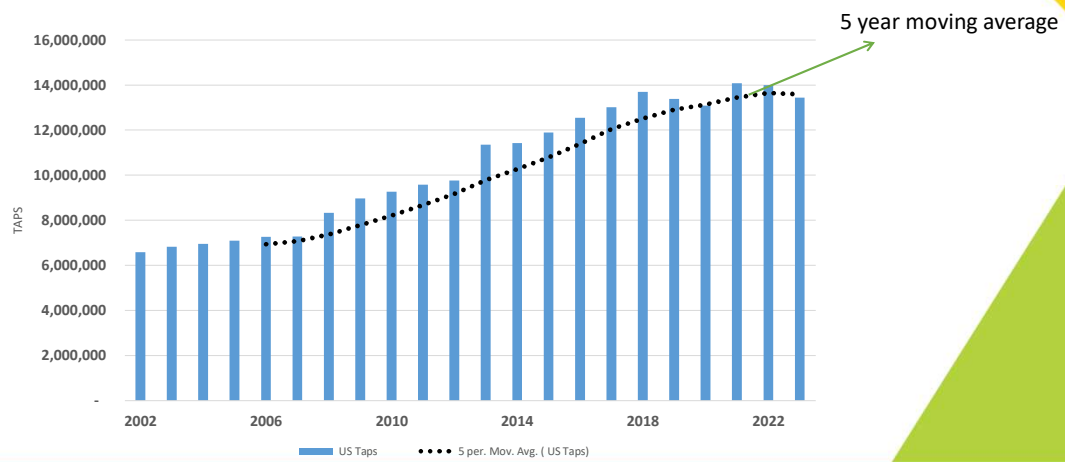
❑ **Maine:** 11%



✓ U.S. tap count holding at +/- 14 million taps.

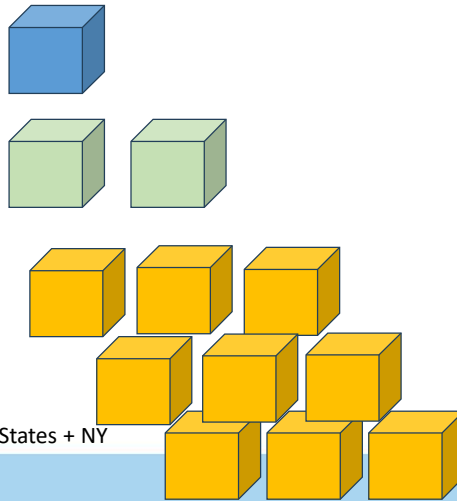
✓ **Wisconsin** is a fast growing state from 2017 – 2022: + 29%

U.S. TAP COUNT : ~ 14 MILLION TAPS



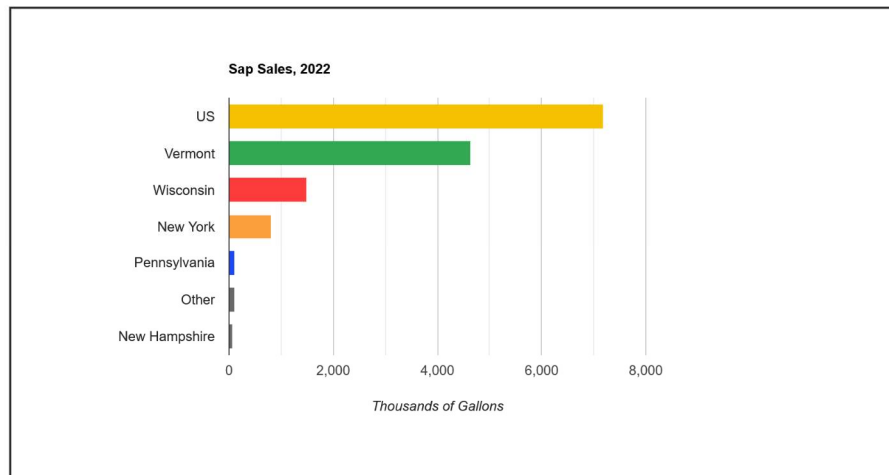
TOTAL VALUE OF U.S. PRODUCTION

- ❑ 1985 : \$19 M *
- ❑ 1990 : \$21 M *
- ❑ 1995 : \$28 M *
- ❑ 2000 : \$34 M
- ❑ 2005 : \$37 M
- ❑ 2010 : \$73M
- ❑ 2015 : \$125M
- ❑ 2020 : \$132M
- ❑ 2022 : \$171M



* Only includes New England States + NY

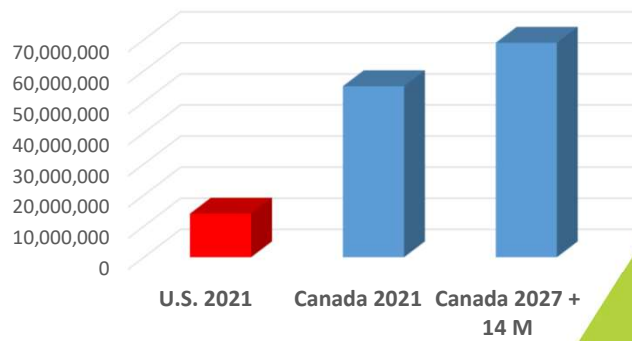
STATISTICS TRACK SAP SALES



QUEBEC PRODUCTION EXPANSION

- ☐ PPAQ announces new tap allocation
 - ✓ + 7 M 2021
 - ✓ + 7 M 2023

North American Tap Count and Projection



INTEREST RATES

**July 2023 -
Present:**

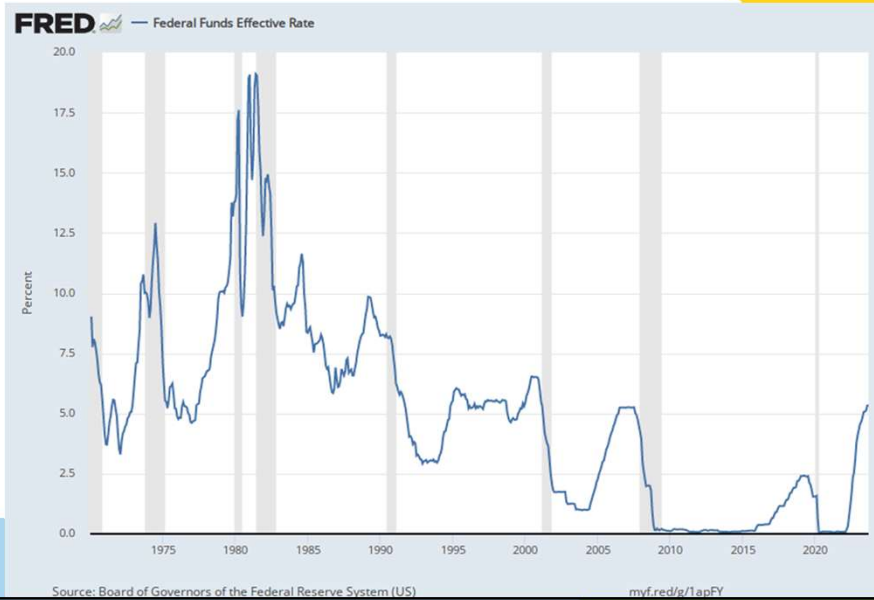
5.33 %

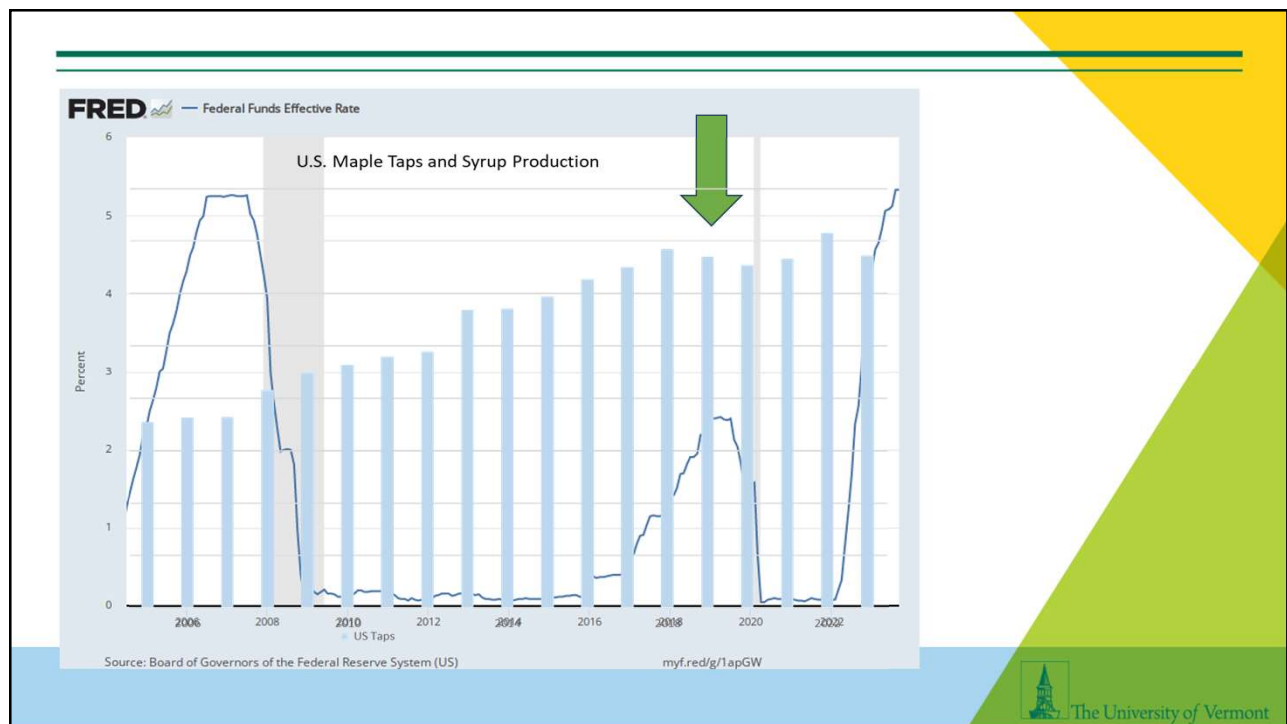


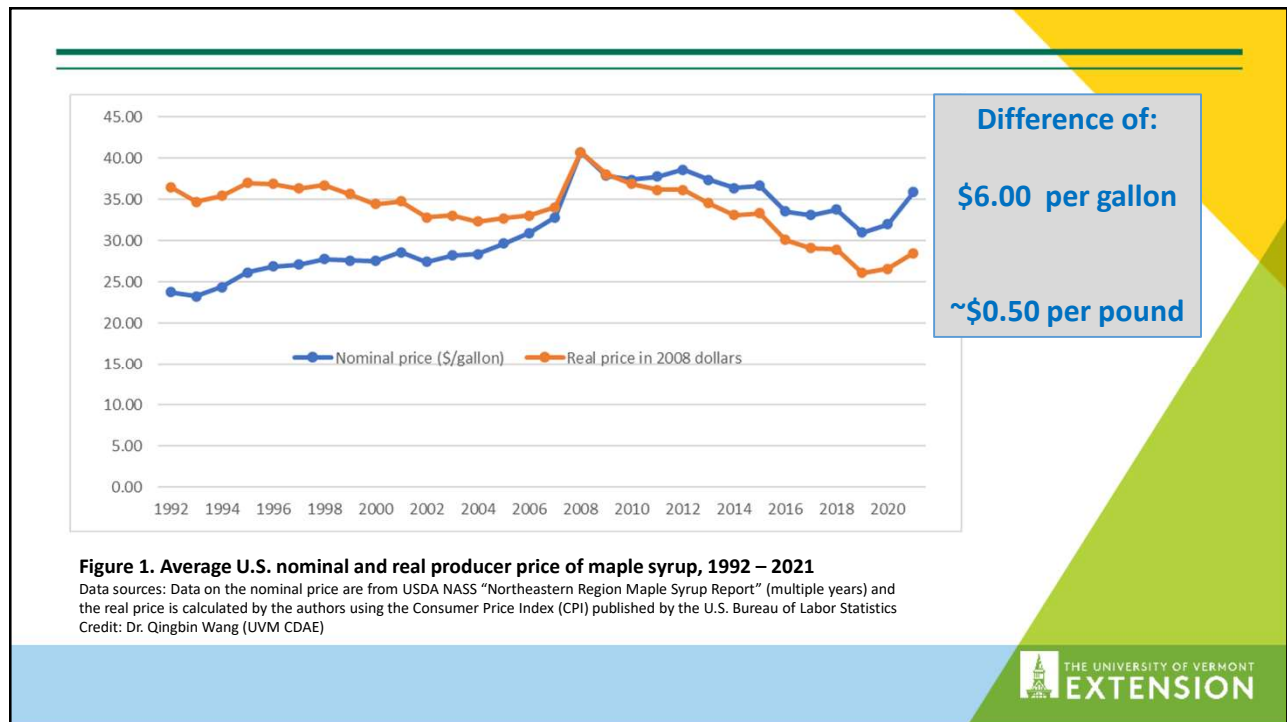
INTEREST RATES

Fed Funds Rate
5.33 %

Prime Rate:
Generally about 3% higher
than Fed Funds Rate







PRODUCER VIABILITY

❑ Cost price squeeze is:

- Real
- Externally drive
- Capable of impacting industry trajectory

❑ Impacts:

- Scale-ups (for some)
- Differentiation and “price-making” business models
- Cash flow challenges ?
- Investment risk increases ? Expansion appetite decreases ?



PRICE – MARKETS - INVENTORY

	U.S. Bulk Prices (Average Across Table Grades)	PPAQ Golden Price	USD-CAD Exchange Rate (May to June)	Inventory Estimates
2020	\$1.95 - \$2.00 USD\$	\$2.98 CAD\$	1.36	Average
2021	\$2.20 - \$2.40 USD\$	\$2.99 CAD\$	1.22	Low
2022	\$2.55 - \$2.70 USD\$	\$3.00 CAD\$	1.27	High in U.S.
2023	\$2.25 - \$2.40 USD\$	\$3.20 CAD\$	1.34	Average to High in U.S.
2024	Announcement Expected late April- May \$2.09 - \$2.42	\$3.29 CAD\$ <small>Amber \$3.25 CAD\$ Dark \$3.18 CAD\$ Very Dark \$2.84 CAD\$</small>	1.36	Quebec: Low U.S.: No report

Organic premium payments are approximately +\$0.15 - +\$0.20 per pound

MARKET GROWTH TRENDS



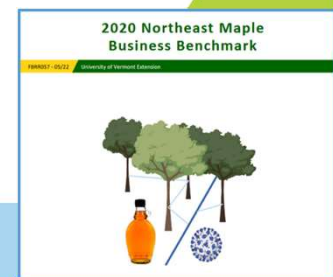
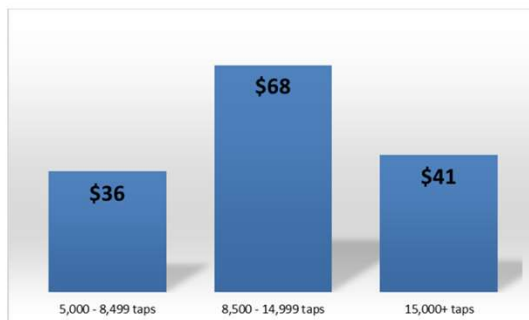
- ☐ Slower rates of growth compared to 2021-2022
- ☐ Consumer cost of living still higher due to inflation.
- ☐ Higher inflation in Europe constrains new U.S. export efforts



BENCHMARKS FOR START-UP, EXPANSION, BIZ PURCHASE

☐ Intermediate Assets (no real estate):

Historical Cost Method: ~\$55 per tap (2014 – 2021)



BENCHMARKS: REVENUE FORECAST

☐ Average Sales Per Gallon Equivalent (PGE)

- Retail: \$85 - \$95+ PGE
- Retail/Wholesale: \$40 - \$60 PGE
(depends on your market mix)
- Bulk: \$2.10 - \$2.40



BENCHMARKS: REVENUE FORECAST

❑ 80:20 Market Mix Scenario

- 10,000 taps
- 55 taps per acre
- 0.45 gallons per tap = 5 lbs per tap



	80 % Bulk Sales	20% Retail Mix
Sales Per Channel	\$90,000	\$80,000
Total Cash Receipts	\$170,000	



2024 CHALLENGES AND POSITIONING

- ☐ Climate Change
- ☐ Labor
- ☐ Market and Supply Chain Evolution



2024 CHALLENGES AND POSITIONING

- ☐ Climate Change
- ☐ Market and Supply Chain Evolution



CURRENT RESEARCH AT UVM

- ❑ **National Consumer Demand:** Wang (UVM), Mehmood (OSU), Cannella (UVM)
- ❑ **International Consumer Demand:** Wang (UVM), Guo (UVM), Cannella (UVM), partner Universities in Japan and China
- ❑ **US Marketing Policy:** Cannella (UVM), International Maple Syrup Institute
- ❑ **Sustainability Indicators:** Wang, Isselhardt, D'Amato , Smith , Abah, May, Cannella (UVM)

