



A message from the Center Coordinator

Jane Howell Starnes

Coordinator for the Center of Tobacco Grower Research

We had an overwhelming response to the 2009 Annual Mail Survey of Current and Former Tobacco Growers with almost half of participants returning a survey. With very little information on tobacco production available today, the Center for Tobacco Grower Research (CTGR) depends on people like you, with experience in tobacco production, to provide valuable information to help support the sustainability of U.S. tobacco production. We greatly appreciate your participation and hope you will find useful information in this newsletter and on our website where you can find the complete summary of survey results.

Thank you,
Jane Howell Starnes

About the Center

The **Center for Tobacco Grower Research (CTGR)** was created to conduct timely research in the areas of tobacco production, economics, and markets that will provide information to support the sustainability of U.S. production of burley, flue-cured, dark and other types of tobacco. CTGR collects information from over 8,000 tobacco growers from 14 different states that volunteered to be a part of CTGR's database.

CTGR is housed at the University of Tennessee in Knoxville but cooperates with other tobacco state universities including:

THE UNIVERSITY of
TENNESSEE *UT*



The University of Georgia

UNIVERSITY OF
KENTUCKY

NC STATE UNIVERSITY

VirginiaTech

Response

The 2009 CTGR Mail Survey of Current and Former Tobacco Growers was mailed to 8,343 growers. The response rate was 45% with 3,698 returned surveys from over 14 different states. Of the 3,698 returned surveys, 47% were active growers and 53% were former growers.

State	Total Participants Returning Survey	Active Producers Returning Survey
Florida	9	3
Georgia	30	17
Indiana	92	47
Kentucky	1,753	935
Louisiana	1	0
Missouri	30	10
North Carolina	501	232
Ohio	167	85
Pennsylvania	1	1
South Carolina	50	22
Tennessee	681	247
Virginia	312	111
Wisconsin	35	21
West Virginia	36	9
Total	3,698	1,740

Acreage Estimates

Growers' acreage estimates for 2009 with respect to 2008



Burley

1,303 growers reported burley acreage for 2008 while only 1,275 growers reported burley acreage for 2009. From their responses there is an expected increase of 5.4 percent in burley acreage from 2008 to 2009. The expected change in average production size for the same period is expected to increase from 14.4 to 15.6 burley acres per farm. Of the respondents, only 19.4 percent of them are planting more burley acres than in 2008, while 44.0 percent are planting the same and 36.6 percent indicated a decrease in their burley acreage.

Dark Air

176 growers reported dark air acreage for 2008 while only 162 growers reported dark air acreage for 2009. From their responses there is an expected decrease of 30.0 percent in dark air acreage from 2008 to 2009. The expected change in average production size for the same period is expected to decrease from 9.2 to 7.0 dark air acres per farm. Of the respondents, only 6.3 percent of them are planting more dark air acres than in 2008, while 14.7 percent are planting the same and 79.0 percent indicated a decrease in their dark air acreage.

Dark-fired

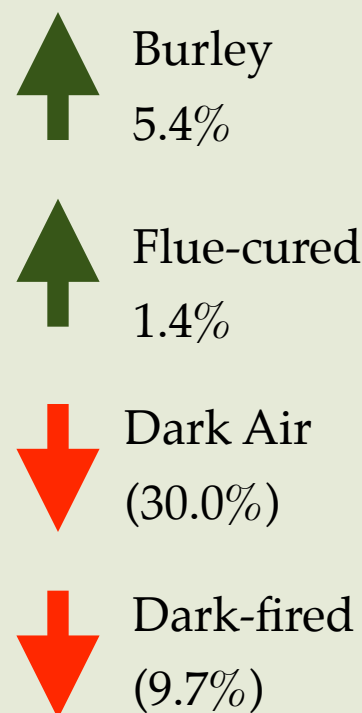
150 growers reported dark-fired acreage for 2008 while only 142 growers reported dark-fired acreage for 2009. From their responses there is an expected decrease of 9.7 percent in dark-fired acreage from 2008 to 2009. The expected change in average production size for the same period is expected to decrease from 20.7 to 19.6 dark-fired acres per farm. Of the respondents, only 14.0 percent of them are planting more dark-fired acres than in 2008, while 26.7 percent are planting the same and 59.3 percent indicated a decrease in their dark-fired acreage.

Flue-cured

296 growers reported flue-cured acreage for 2008 while only 286 growers reported flue-cured acreage for 2009. From their responses there is an expected increase of 1.4 percent in flue-cured acreage from 2008 to 2009. The expected change in average production size for the same period is expected to increase from 87.3 to 91.6 flue-cured acres per farm. Of the respondents, only 37.7 percent of them are planting more flue-cured acres than in 2008, while 28.3 percent are planting the same and 34.0 percent indicated a decrease in their flue-cured acreage.

Cigar

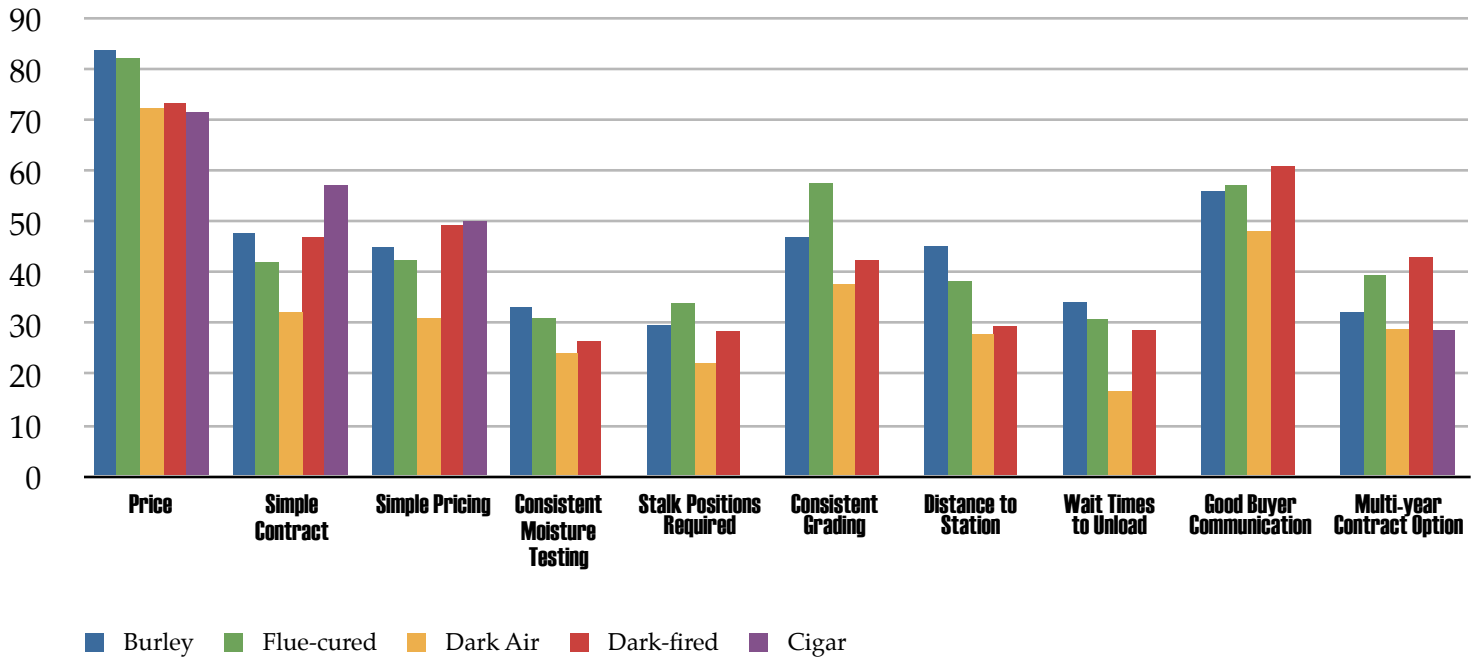
There were only 8 growers that reported cigar acres for 2008. Due to the small sample size, acreage estimates will not be reported. Most of the respondents reported that they were planning on decreasing their cigar acreage with one respondent planning on planting the same acreage in 2009 as they had in 2008.



Marketing Issues

According to our survey, the most important marketing issues when selecting a buyer or marketing location was price followed by good buyer communication except for cigar growers. Cigar growers chose price as their most important but chose simple contract terms as their second choice and simple pricing method as their third choice. Flue-cured and dark-fired growers chose consistent grading as their third choice while burley growers chose simple contract terms and dark air growers chose simple pricing method.

Percentage of growers that ranked issues as extremely important



Contracts

The majority (95 percent) of our active growers contracted their tobacco crop in 2008. Burley growers, with 6.7 percent of growers reporting that they did not have a contract in 2008, were the largest population with uncontracted acreage.

Did you contract in 2008?		
	Yes	No
Burley	93.3%	6.7%
Flue-cured	99.7%	0.3%
Dark Air	98.2%	1.8%
Dark-fired	99.2%	0.8%
Cigar	100%	0%

Labor

Forty-one percent of growers indicated they had trouble finding labor. The majority of flue-cured and dark-fired growers agreed that most of the labor on their farm was done by migrant labor. In contrast, the majority of the burley, dark air, and cigar growers agreed family members did most of the labor on their farm.

The majority of burley, dark air, and cigar growers also agreed that local workers were an important source of labor, where as a little less than half of flue-cured (48.1%) and dark-fired (46.6%) growers agreed with that statement.

Forty-nine percent of flue-cured growers and 57.4 percent of dark-fired producers agreed that the H-2A program was an important source of labor where as only 11.6 percent of burley growers and 25.9 percent of dark air growers agreed with that statement. None of the responding cigar growers agreed that H-2A program was an important source of labor.

In 2008, the average number of family members working in tobacco was 3.3. The average number of hired workers was 7.6. Flue-cured growers reported using relatively more hired workers per farm (9.7).

Future Production Issues

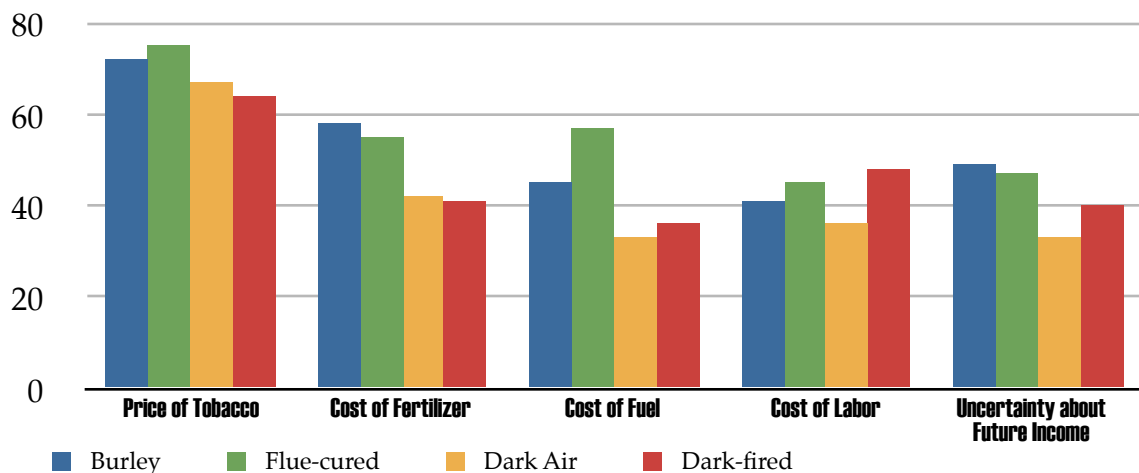
When considering their future tobacco production, 40.0 percent of active growers ranked curing barns and structures as the most important investment needed and 23.6 percent ranked market preparation facilities (location to strip and bale tobacco) as their second most important priority. All types followed this ranking of first and second except for flue-cured. Flue-cured producers, ranked mechanized harvesting and baling equipment as their second most important investment needed behind curing structures. The least important improvements or additions were migrant worker housing and buying more land.

Overall, 71.4 percent of tobacco growers considered the price of tobacco as the main factor in their decision on whether or not and how much tobacco to produce in 2008. The cost of fertilizer was the second most important decision variable with 55.7 percent of growers ranking it as extremely important.

Note: Due to the smaller sample size of cigar growers that answered the future production questions, there was not enough data available to accurately summarize the cigar results.

Top Five Production Decision Factors

Percentage of growers that ranked factors as extremely important



Your information is important and we want to thank you for sharing it with us. If you have other information or concerns you would like to share with us, please do not hesitate to contact us toll-free at (866) 974-0414 or by emailing jhstarnes@utk.edu.

For the complete results of the 2009 Annual Mail Survey of Current and Former Tobacco Growers, please visit our website at www.TobaccoGrowerResearch.com

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