2025 U.S. Maple Outlook

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Today

- ❑ Annual Production and Economic Trends
- ❑ U.S. – Canada Dynamic
- ❑ Sector Priorities
- ❑ Industry Strengths, Weaknesses, Opps, Threats (SWOT)

** Remember the **Dual-Identity** in maple industry : large producer/sellers operate in a different environment than direct sellers or localized wholesale brands.*

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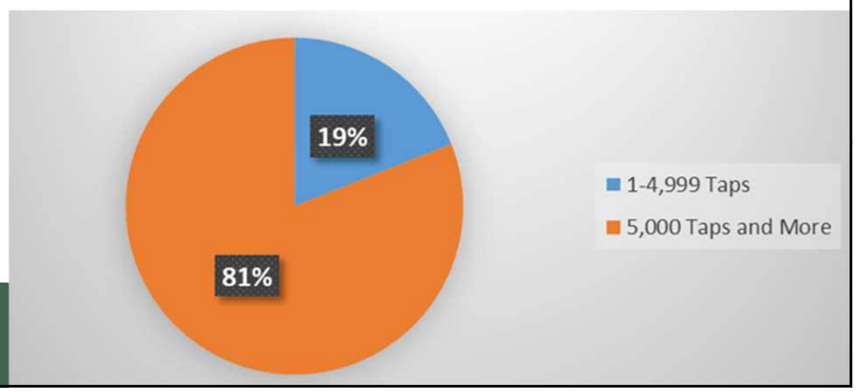
CROP DISTRIBUTION – 2 MAPLE SECTORS

- 82% of businesses are under 5,000 taps
- 80% of U.S. crop produced by 5,000+ taps enterprises.
  Chart Below: 2019 Crop Distribution by Tap Scale (UVM)



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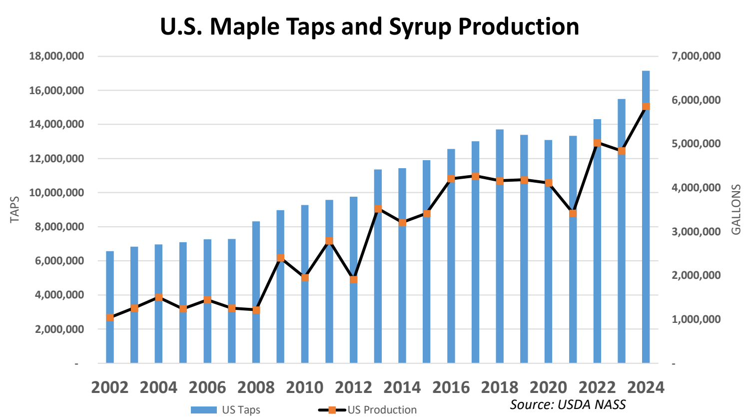
DOMESTIC PRODUCTION



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Historical Look

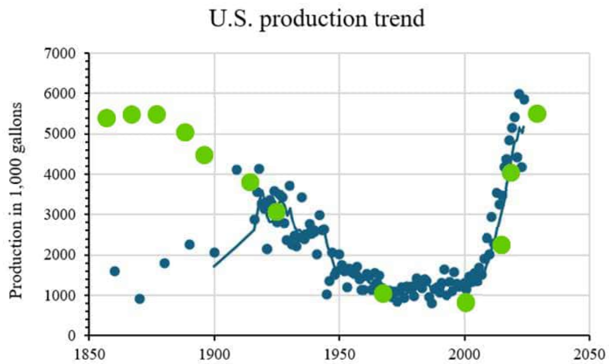

Fig. 1. United States Maple syrup production and 5-year moving average in 1,000 gallons from 1860 to 2024. Data source: National agricultural statistics and agricultural census.

Credit: Dr. Emmanuel O. Abah, University of Vermont

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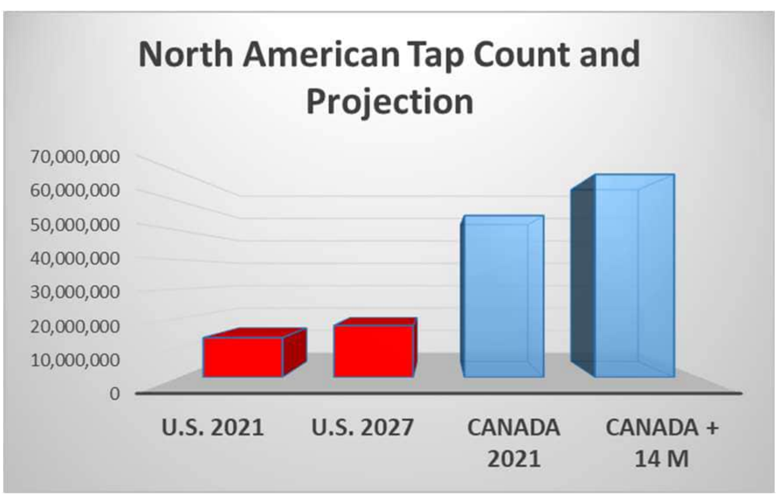

- **Canada** 80 – 85 % global taps
- **U.S.** 15 % - 20 % global taps

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U.S – CANADA CURRENCY EXCHANGE RATES

$ 1.44 CAD : $ 1.00 USD (1/13/25)

$ 3.20 per lb Golden (PPAQ)
= $2.23 U.S. pay price

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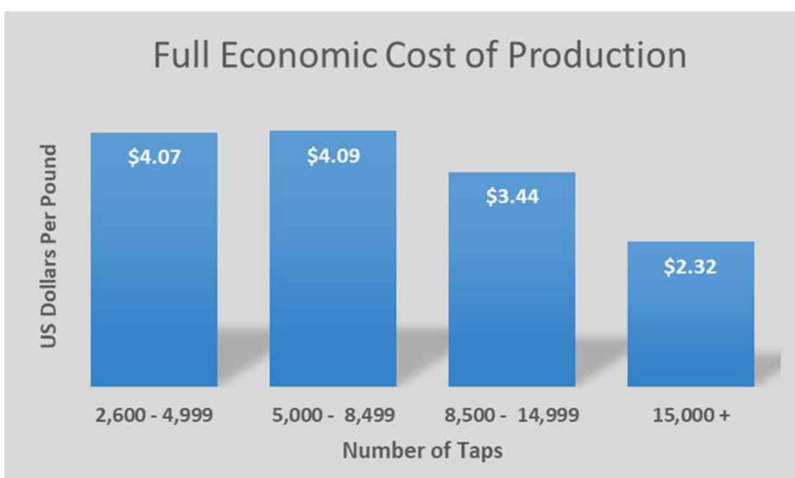

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U.S – Canada Trade Relations ?

- Potential Tariff Impacts, a 25% tariff !
- 55-60% U.S. consumption imported from Canada

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Industry Initiatives – International Maple Syrup Institute

- U.S. Statistics
- Standard of Identity
- Isopropyl Alcohol Approval

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Industry Initiatives – International Maple Syrup Institute

- ➢ Environment and Sustainable Development
- ➢ Industry Funded Market Development

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Crop Volatility (Climate Concerns)

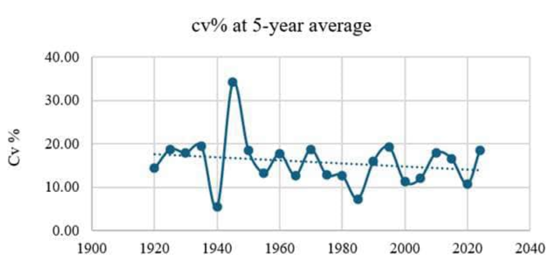

Figure 2. Coefficient of variation cv% for 10-year average and 5-year average.
Credit: Dr. Emmanuel O. Abah, University of Vermont

- ❑ Average yield across the entire U.S was **0.342 gallons per tap in 2024**, which is the <u>second highest yield recorded</u> in the past 25 years.

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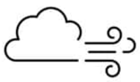
Resilience Planning

Need to adopt a **broader perspective on risk exposure**
to prepare for **business level disruption**
during or between production season



- ✓ **Equipment – Improvements at risk, on or off season**
- ✓ **Invasive Species and pests**
- ✓ **Key service disruptions**

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Climate Forward Strategy

Matching producer/production performance with consumer demand

- ✓ **Sustainable Forest Management**
- ✓ **Packaging**
- ✓ **Carbon Footprint – Life Cycle Analysis**

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More Industry Priorities

- Syrup Quality
- Quality Assurance
- Workforce / Labor / Aging Owners

** Remember the **Dual-Identity** in maple industry : large producer/sellers operate in a different environment that direct sellers or localized wholesale brands.*

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Industry Priorities

- Long-term tracking finds that at least 1/3 of syrup contest entries do not meet one or more basic criteria for Grade A syrup.

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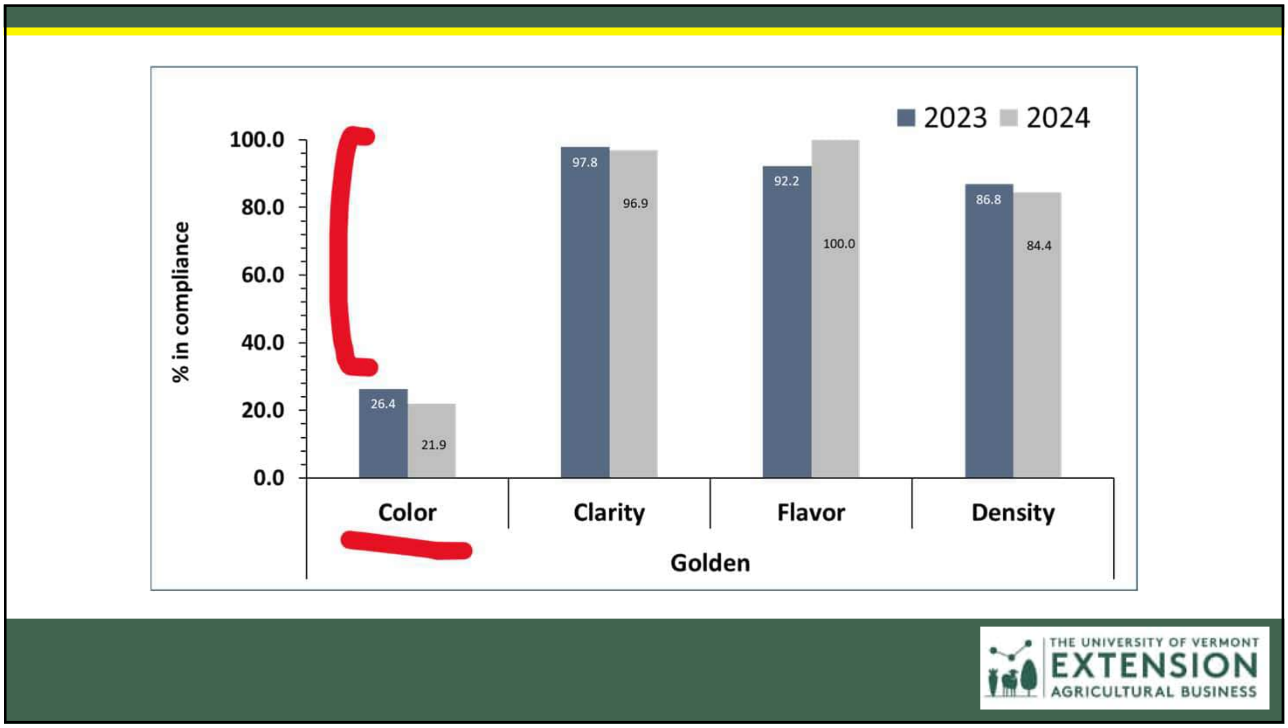
2023
2024
100.0
80.0
60.0
40.0
20.0
0.0
% in compliance
26.4
21.9
97.8
96.9
92.2
100.0
86.8
84.4
Color
Clarity
Flavor
Density
Golden
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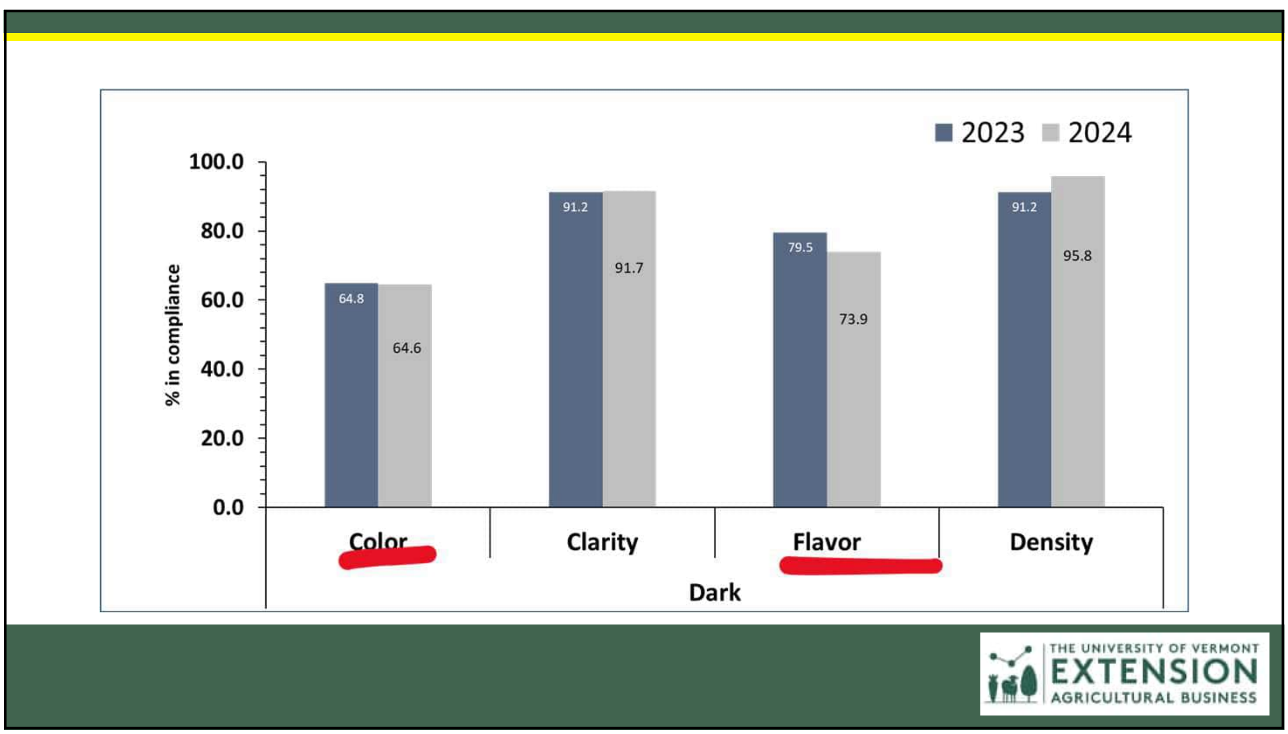
2023
2024
100.0
80.0
60.0
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20.0
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% in compliance
64.8
64.6
91.2
91.7
79.5
73.9
91.2
95.8
Color
Clarity
Flavor
Density
Dark
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QUALITY ASSURANCE – SUPPLY CHAIN

- The "industry" footprint is growing through major retail brands and large sellers (Club stores and grocer chains).
- High scrutiny from large buyers, seeking food quality/safety assurances

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WORKFORCE DEVELOPMENT- NEXT GEN PRODUCERS

- Average age of NE maple business owners: 55 years (2019)
- High Capital Costs (difficult capital access for entry level)
- Outdoor, physical, seasonal labor demands
- Low profits mean it's a balance sheet/appreciation business model

✓ ***$ Young/New Owner Capital Access (debt or equity)***

✓ ***Labor Policy – Labor Program***

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Is a Mandatory Promotion Program Desirable ?

- **Private Ordering:** Cooperative or Voluntary Check Off
- **Public:** Agency Grant Programs
- **Hybrid:** USDA AMS Market Orders or R&P Programs

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Is a Mandatory Promotion Program Desirable ?

YES PLEASE

- Price Control Concerns
- Changing Demographics – market outlook
- Representation-Participation-Contribution

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Is a Mandatory Promotion Program Desirable ?

NO , NOPE, NAH

- Sellers and markets are moving 4X crop since 2000!
- Lack of Collective Action Mindset
- Dual Industry Identity Issues

(note: See recent clinical health studies on maple and cardio-metabolic health. Morissette et al. Journal of Nutrition)

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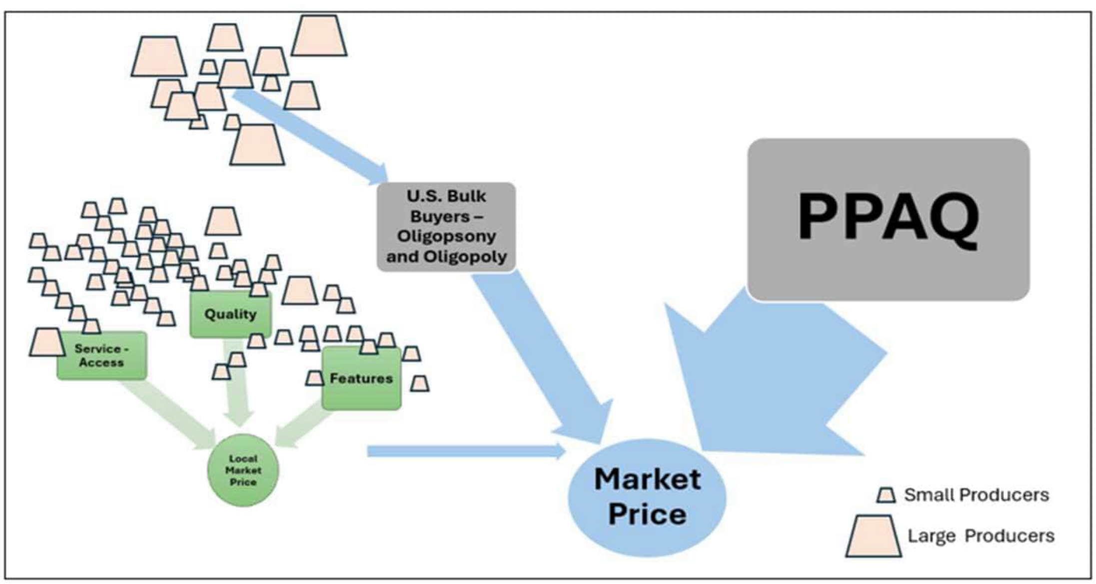

Fig 7: Fragmented producers, market channels and market power entities contributing to the political-economic context

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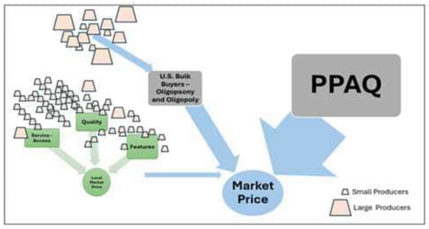

Fig 7: Fragmented producers, market channels and market power entities contributing to the political-economic context

Evolving Industry

- Legacy, Leadership
- Representation-Power Paradox
- Policy Time?

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