

Regular readers of this newsletter know that per capita disappearance is often called “consumption,” and that it is a calculation (i.e., is not survey-based). It reflects usage in the domestic marketplace. It is not a depiction of demand, which in economics has both a quantity and a price dimension. We think a discussion of per capita consumption is timely given the resurgence of articles lamenting huge levels of consumption.

USDA’s Economic Research Service (ERS) calculates per capita disappearance (a link is here). Descriptively, the formulas are:

- 1) Carcass Weight Availability = (Production + Imports + Beginning Stocks) - (Exports - Ending Stocks)
- 2) Retail Weight = Carcass Weight Availability \* Conversion Factor (Note, Retail Weight is an estimate of the typical weight purchased at a grocery store, which is 70% for beef.)
- 3) Per Capita Disappearance = Retail Weight / Population.

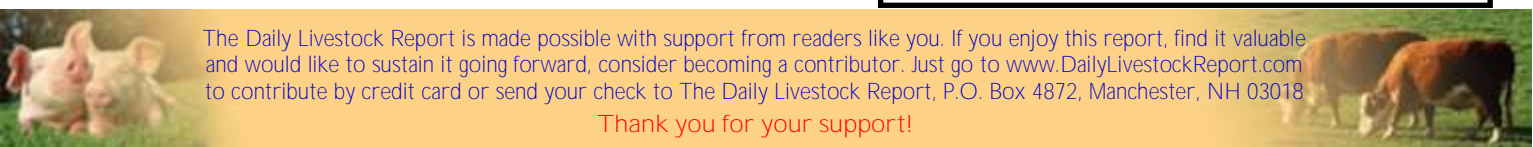
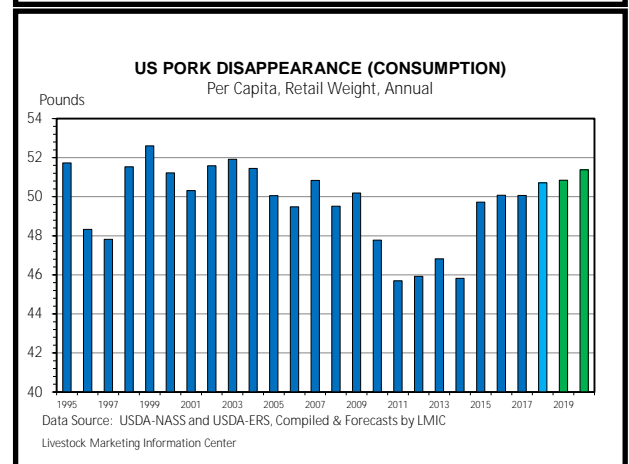
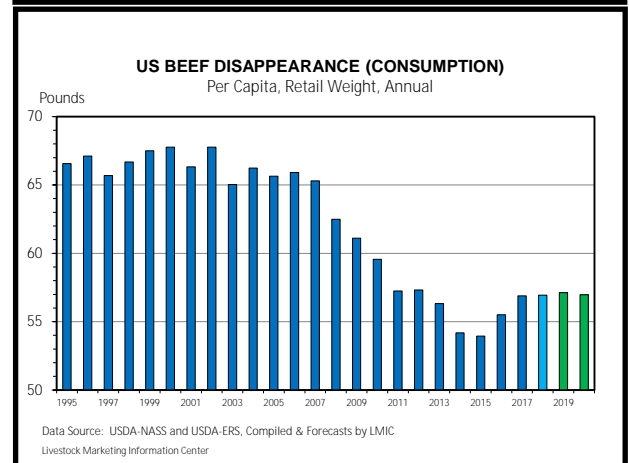
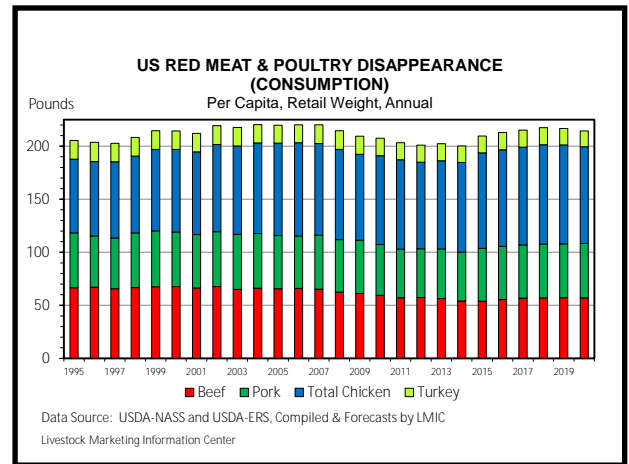
Those calculations give a basis for relative comparison of use, but we highlight some trends that are overlooked when describing this as “consumption.” The conversion factors used for meat and poultry items have been unchanged for decades. First, we state the obvious, not all the retail weight is actually consumed; there is trimming and deboning loss at home and waste (trimmed and deboned product not eaten).

Besides a retail weight calculation, ERS provides an often overlooked disappearance on a boneless basis, which is particularly important for chicken. The retail weight of most chicken products includes dramatically more bone than red meat items. Of course, people do not eat bones, and with increasing chicken that has inflated “consumption.” For 2018, the difference between retail chicken weight and boneless was 2.5 pounds per person.

There is long-term uptrend of eating in restaurants and eating pre-prepared meals (e.g., carry home meals). We have asked economists that work with restaurants; their belief is that there is more waste in food prepared and consumed in restaurants than for home-cooked meals. Again, a case where calculated “consumption” is an overstatement.

Finally, we point-out growing non-human meat and poultry consumption (i.e., pet food). Any pet foods purchased that list beef, veal, lamb, chicken, etc., must use skeletal meat and not byproducts (liver, tripe, etc.), although they may have both. Increasingly, packaged pet foods (canned and bagged) include fewer by-products and more meat/poultry. Further, the new fresh and frozen categories do so even more. Calculated “consumption” incorporates pet food, a dramatically growing usage, but one where data/research is virtually non-existent.

U.S. calculated retail weight beef consumption in 2018 was essentially unchanged from 2017’s level (see graphic), and forecasts for 2019 and 2020 are flat. In contrast, pork consumption is on the rise (see the last graphic). In 2018, on a per person basis, U.S. total red meat and poultry disappearance was 218.7 pounds and 184.3 pounds on a retail weight and a boneless weight, respectively. LMIC forecasts that number will slip in 2019 and 2020.



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