

Supply & Demand In Agriculture

Terminology

Supply

Supply is the amount of goods or services that are available to sell.



Utah farmers add over 800 ton of tart cherries to our available food supply each year.



Utah farmers add over 16 million pounds of apples to our food supply each year.



School lunch programs serve milk to thousands of students each day, increasing the demand or need for milk



The demand for boneless, skinless chicken increases as more people become overweight and need lean sources of protein for their diet.

Demand

Demand is the desire or willingness a consumer has to purchase a good or service.

Producer

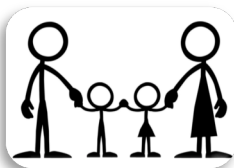
A producer is a person or company that makes, grows, or supplies goods to sell.



Circle 4 Farms, located in Milford, Utah produces pigs for market each year.



Oakdell Eggs in Lewiston Utah raises laying hens who produce eggs.



Families are consumers. They purchase food and other agricultural products.



Schools and businesses are consumers. They purchase food and other agricultural products.

Consumer

A consumer is an individual or group who purchases goods.



Shortage

A shortage occurs when the quantity of goods supplied are **LESS** than what is demanded or desired by consumers.

A grocery store supplies 10 gallons of ice cream and runs out. 5 consumers leave without ice cream.

Surplus



A surplus is when the quantity of goods supplied is **HIGHER** than the quantities that are demanded.

A farmer's market has 20 cases of strawberries, but only 3 cases are sold. There is a surplus of 17 cases.



The amount of beef cattle raised each year is equal to the amount of beef that is purchased and consumed.



The amount of peaches grown in orchards is equal to the amount of peaches that are purchased and consumed.

Equilibrium

Equilibrium is the point where supply and demand is balanced.

Shifters

Shifters are factors that change or shift the supply or demand.



A hurricane destroys thousands of citrus trees in Florida. The supply is shifted down and the price of citrus fruits goes up.



A new raspberry harvester is invented which makes picking raspberries faster and more efficient. Raspberry farmers start growing more berries. Supply rises and the price decreases.