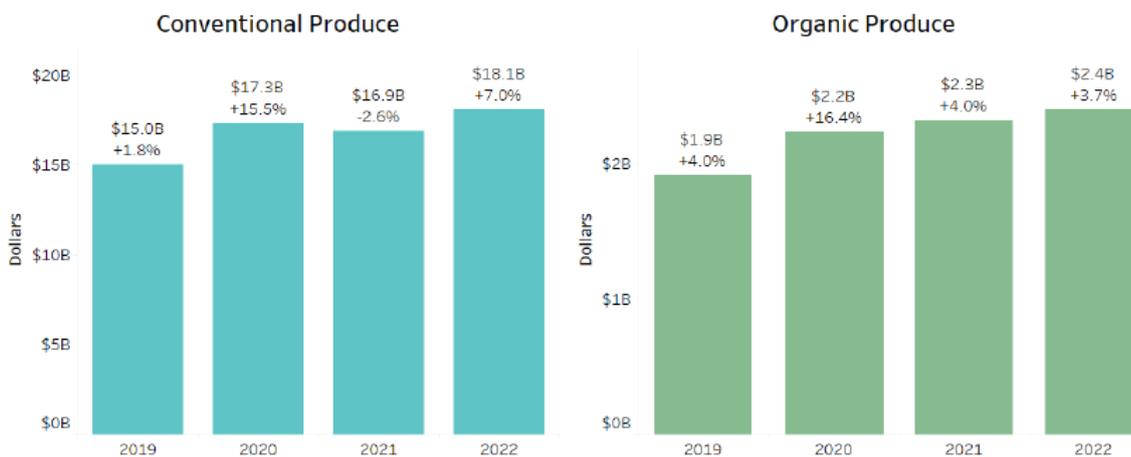


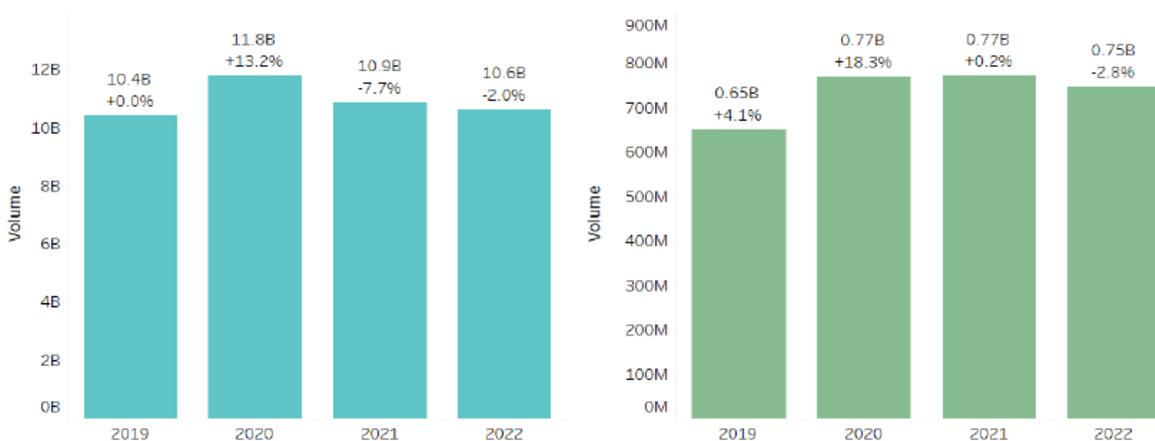
Higher retail prices of organic fresh produce during the second quarter of 2022 generated a 3.7 percent increase in total organic dollars but also contributed to a decline in organic volume of 2.8 percent, according to the [Q2 2022 Organic Produce Performance Report](#).

Overall, organic fresh produce pricing increased by 6.7 percent for Q2/2022 compared to the same period last year, with sales for the quarter topping \$2.4 billion. At the same time, conventional produce's average price increased by more than 9 percent, with total sales of \$18.1 billion.

### Four Year Performance Comparison in Dollar - Q2 2022



### Four Year Performance Comparison in Volume - Q2 2022



Therefore, the report suggests consumers are watching grocery spending carefully as inflation often takes its toll on higher priced items, which would include many organic fresh produce items.

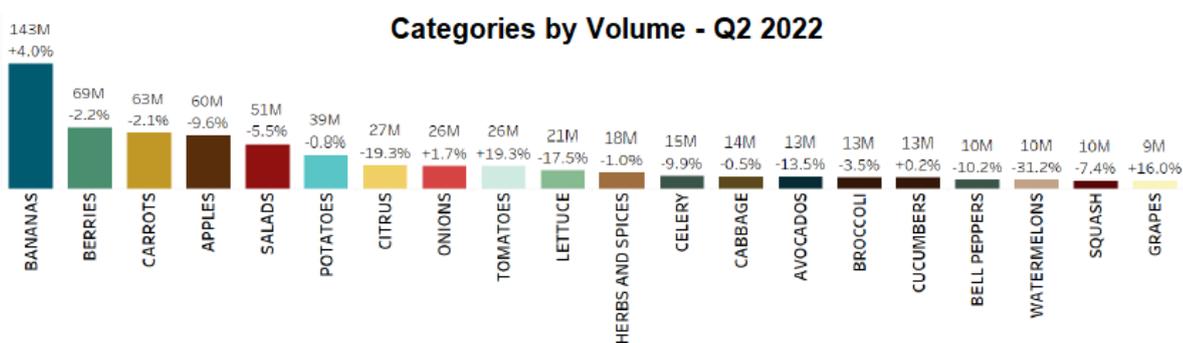
“Seeing a decline in organic volume for Q2 suggests food budgets are under stress in many US households,” said Tom Barnes, CEO of Category Partners.

“It’s common to see budget-centric consumers trade down, substituting for lower-priced conventional items or shifting from a high-priced organic item to a cheaper organic alternative from another category,” he added.

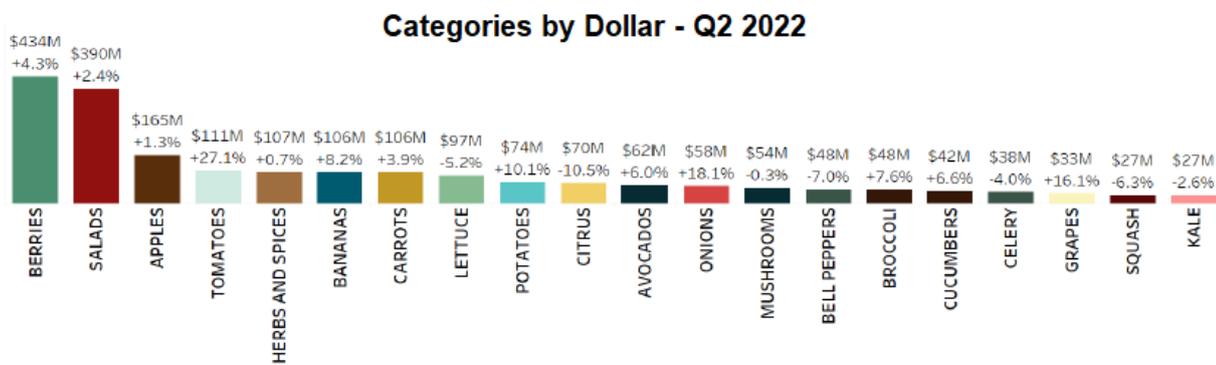
Barnes believes organic substitution explains why organic bananas had a particularly strong quarter in Q2.

“Bananas are one of the lowest-priced organic fruits and have the smallest price spread between conventional and organic. [...] While nearly every other organic fruit declined in volume, bananas increased in both dollars (4.3 percent) and volume (4.0 percent).” he said.

In addition to bananas having an exceptional quarter, the berry category led the way in dollar sales, topping \$430 million. Organic blackberries generated the largest percent increase in dollars, gaining 27.6 percent year over year, followed by tomatoes, onions, and raspberries.



Conversely, blueberries posted the largest decline in dollars, with bell peppers and squash also showing noticeable declines. Berries and salads continue to be the top organic produce categories by total sales, responsible for nearly 40 percent of all organic produce dollars.



OPN Co-founder and CEO Matt Seeley commented on the long-term prospects for growth of organic fresh produce: “While there are likely some difficult months ahead, the long-term potential for continued organic fresh produce growth remains unchanged.”

“Inflation and supply chain challenges have impacted pricing in the short term; however, organic fresh produce will remain an important component of weekly food shopping as consumers look for healthy, safe, and nutritious products for their families,” Seeley concluded.

To read the full Q2 2022 Organic Produce Performance Report please [click here](#).