

Mapping the Industrial Hemp Infrastructure

Overview

Since the passage of the 2014 Farm Bill and Section 7606, industrial hemp within the United States has seen some dramatic shifts the industry. As the legal structures of hemp continue to evolve and as more producers and consumers enter this emerging market, the industry will continue to see more of these changes. While the nature and infrastructure of industrial hemp will likely look quite different in the coming years, it is important to take the time to assess the state of the industry today.

In this report the Seed CX research team constructs a national overview of the industrial hemp infrastructure for industry participants to gain a more holistic understanding of the current state of hemp in the United States in 2016.

Industrial Hemp Infrastructure

In order to get a better sense of the national hemp infrastructure, Seed set out to collect data on all registered hemp producers, processors, universities, and testing labs.

Section 7606 of the Agriculture Act of 2014 requires detailed records of hemp production within states that have legalized cultivation. Hemp producers must be registered with state departments of agriculture or state universities and provide comprehensive data on acreage, variety, and even GPS coordinates of all hemp fields. This type of rigorous record keeping has allowed for the collection of precise data, tracking hemp acreage that is not found in other specialty crops in the United States.

The Seed research team utilized state freedom of information act¹ (FOIA) requests², combined with interviews of state departments of agriculture³, to derive a precise figure for hemp acreage in 2016 of, 16,417 registered acres.

Data provided by state departments of agriculture included acreage figures and relative location of all registered hemp participants, including growers, processors, and universities, within the individual states. This data was aggregated to produce a national map of the hemp infrastructure.

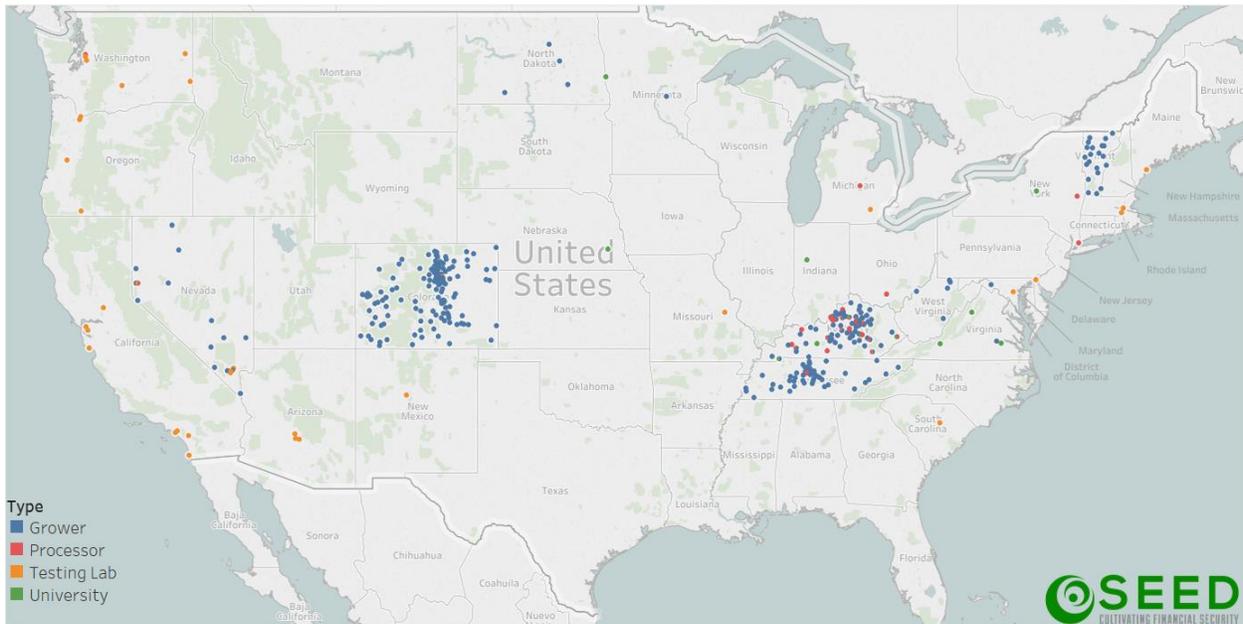
¹ Since 1967, the Freedom of Information Act (FOIA) has provided the public the right to request access to records from any federal agency. It is often described as the law that keeps citizens in the know about their government. Federal agencies are required to disclose any information requested under the FOIA unless it falls under one of nine exemptions which protect interests such as personal privacy, national security, and law enforcement.

² Freedom of Information Act (FOIA) requests were submitted to state departments of agriculture requesting information regarding approved cultivators, approved processors, historical acreage figures, current acreage figures, and planted acreage figures. A total of twenty-five requests were submitted with responses from eighteen. Requests were submitted July 25, 2016.

³ Interviews of state departments of agriculture were used to supplement FOIA requests that failed to return any results. These interviews were conducted from August 1, 2016 to October 20, 2016 and consisted of questions involving the structure of the state's hemp program, the acquisition of seed, the presence of any hemp processors, both historical and current officially registered acreage, and beliefs on future growth.

Hemp Map

Industrial Hemp Infrastructure (2016)



Source: Data obtained through officially registered acres with state departments of agriculture

As expected, data from Colorado, Kentucky, and Tennessee all show the presence of large amounts of growers. A large portion of the production in Colorado is situated on the eastern half of the state. This region offers more even growing conditions as opposed to the western half of the state which is located in the heart of the Rocky Mountains. The data also shows large clusters around two of Colorado's largest cities, Denver and Colorado Springs. Kentucky has a more even distribution of growers across the state. While there is some clustering around the capital, Lexington, grower-registered growers exist in all corners of the state. Kentucky also features large numbers of hemp processing facilities centered around Louisville and Lexington. Tennessee shows more clustering around its capital, Nashville, with only a few outliers at the far ends of the state.

Nevada and Vermont also feature several hemp producers spread across the state. Virginia, Indiana, and New York feature hemp production exclusively through research universities.

Data updates

The nature of industrial hemp within the United States will undoubtedly change over the coming years, with the map quickly becoming outdated. As industrial hemp progresses, this map will continue to be updated as more data from states like Oregon, Montana, and Minnesota becomes available⁴. Additionally, while hemp producers must be registered in each state, certain states do not require processor registration and as a result, these facilities in states like Colorado may be missing. If you feel we have missed any major points or have access to data that would help to improve or update this map, please reach out to us at daniel@seedcx.com.

⁴ Multiple requests, emails, and phone calls filed to the Oregon Department of Agriculture and Montana Department of Agriculture were not returned. The Minnesota Department of Agriculture left the decision to the growers to voluntarily provide data.