

The Economic Importance of Food and Fiber

A Spotlight on Washington County, Georgia

**Prepared for
Washington County Cooperative Extension
June 2013**

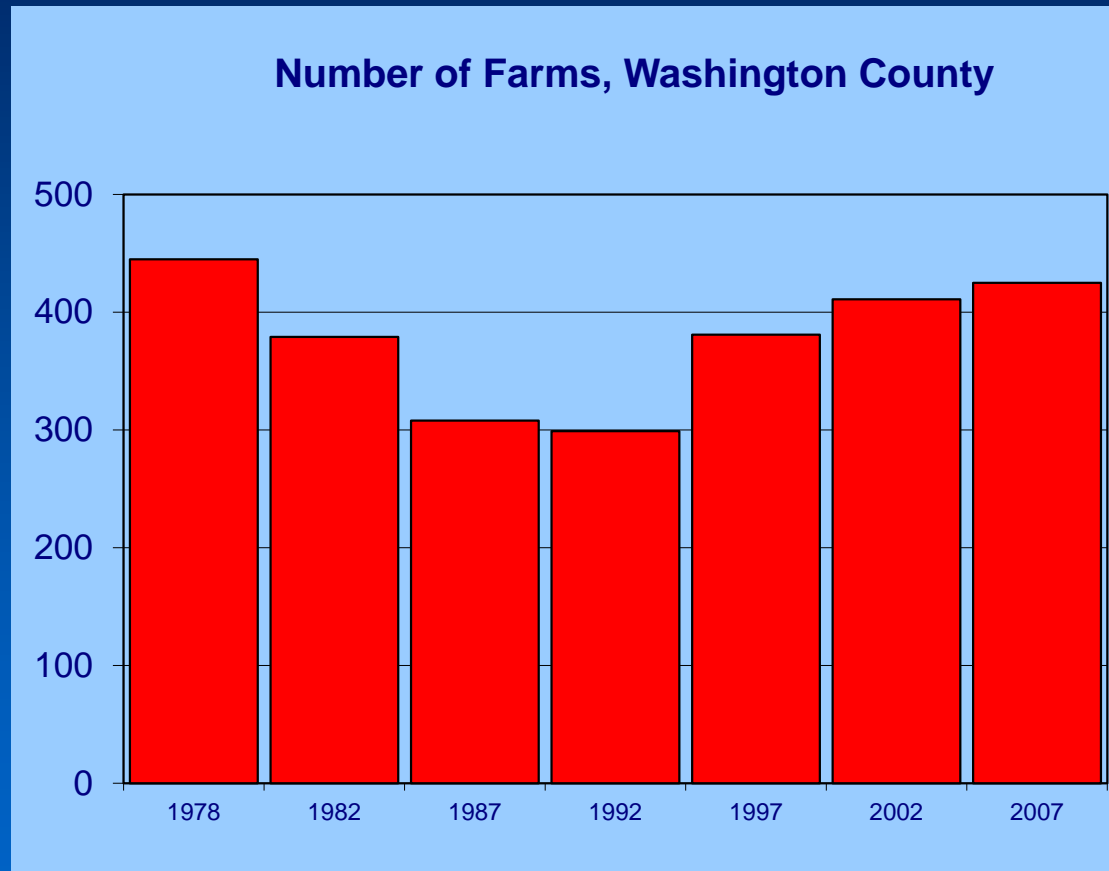
by:

**The Center for Agribusiness
and Economic Development**

**College of Agricultural
and Environmental Sciences**

The University of Georgia

Trends in Washington County: Number of Farms

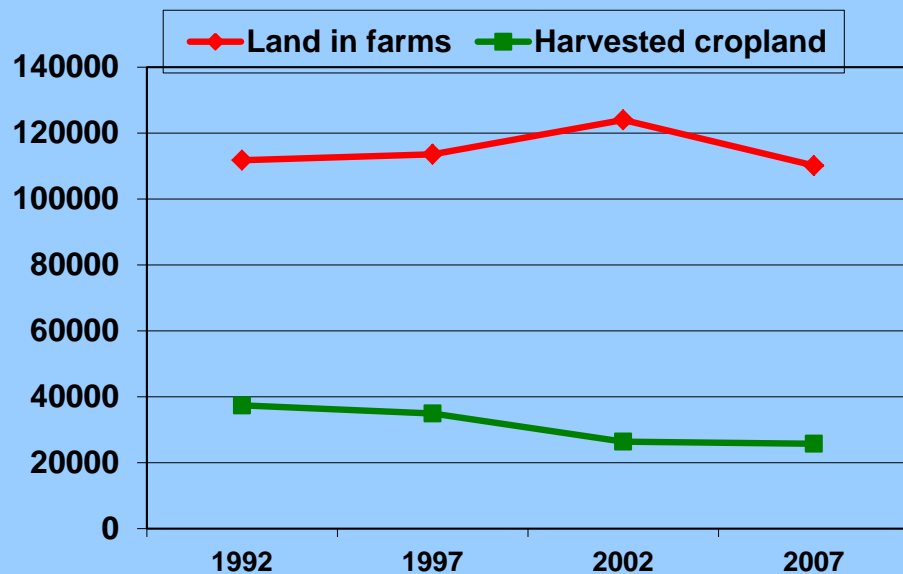


Source: 1978-2007 (quinquennial) Censuses of Agriculture

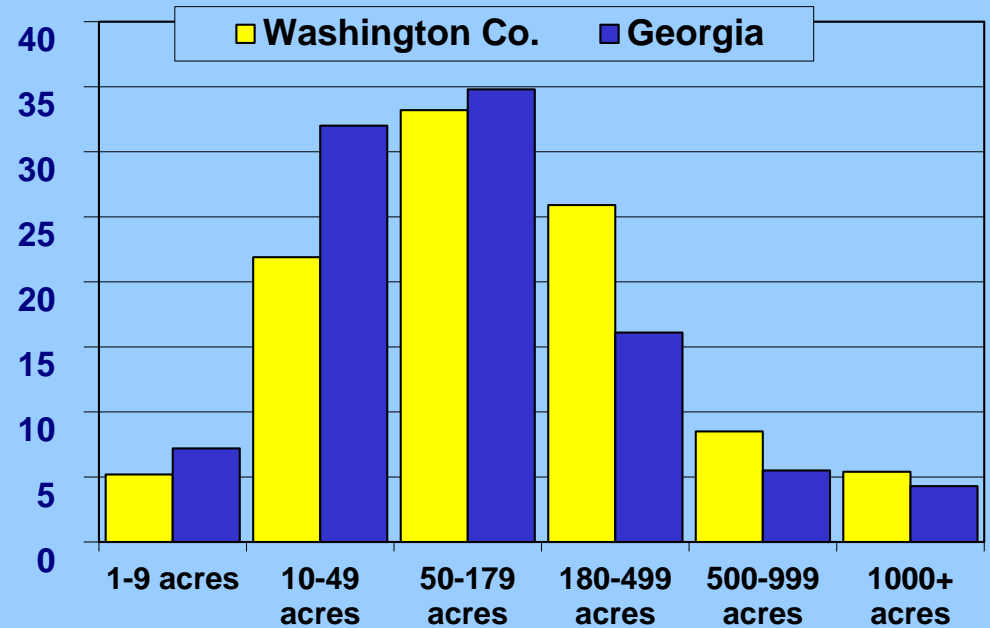
Trends in Washington County:

Land in Farms, Harvested Cropland & Farms by Size

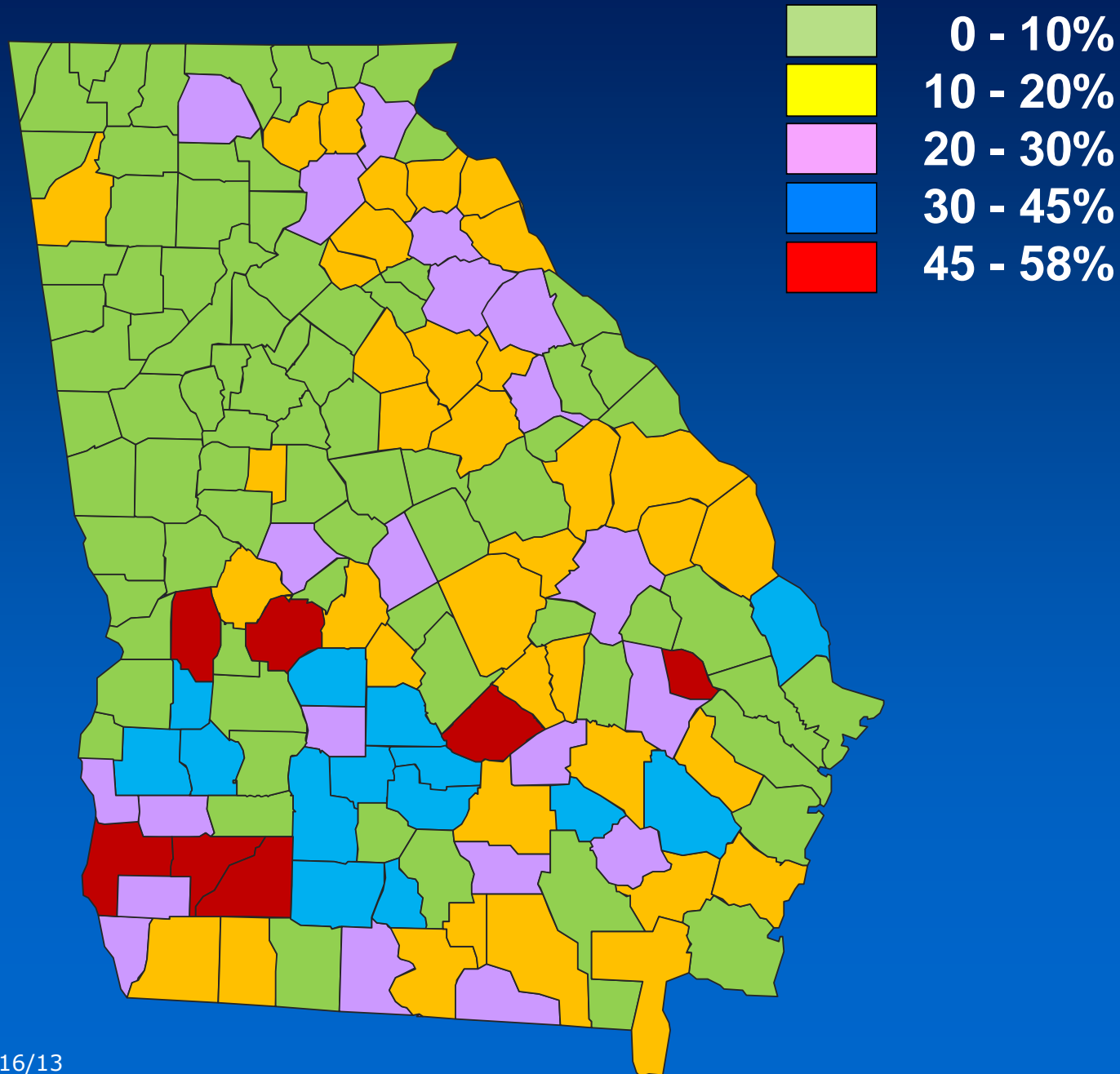
Land in Farms & Harvested Cropland Washington County



Percent of Farms by Size, 2007



Food and Fiber Production Plus Directly Related Sectors as % of Total Economic Output



Agriculture in Georgia

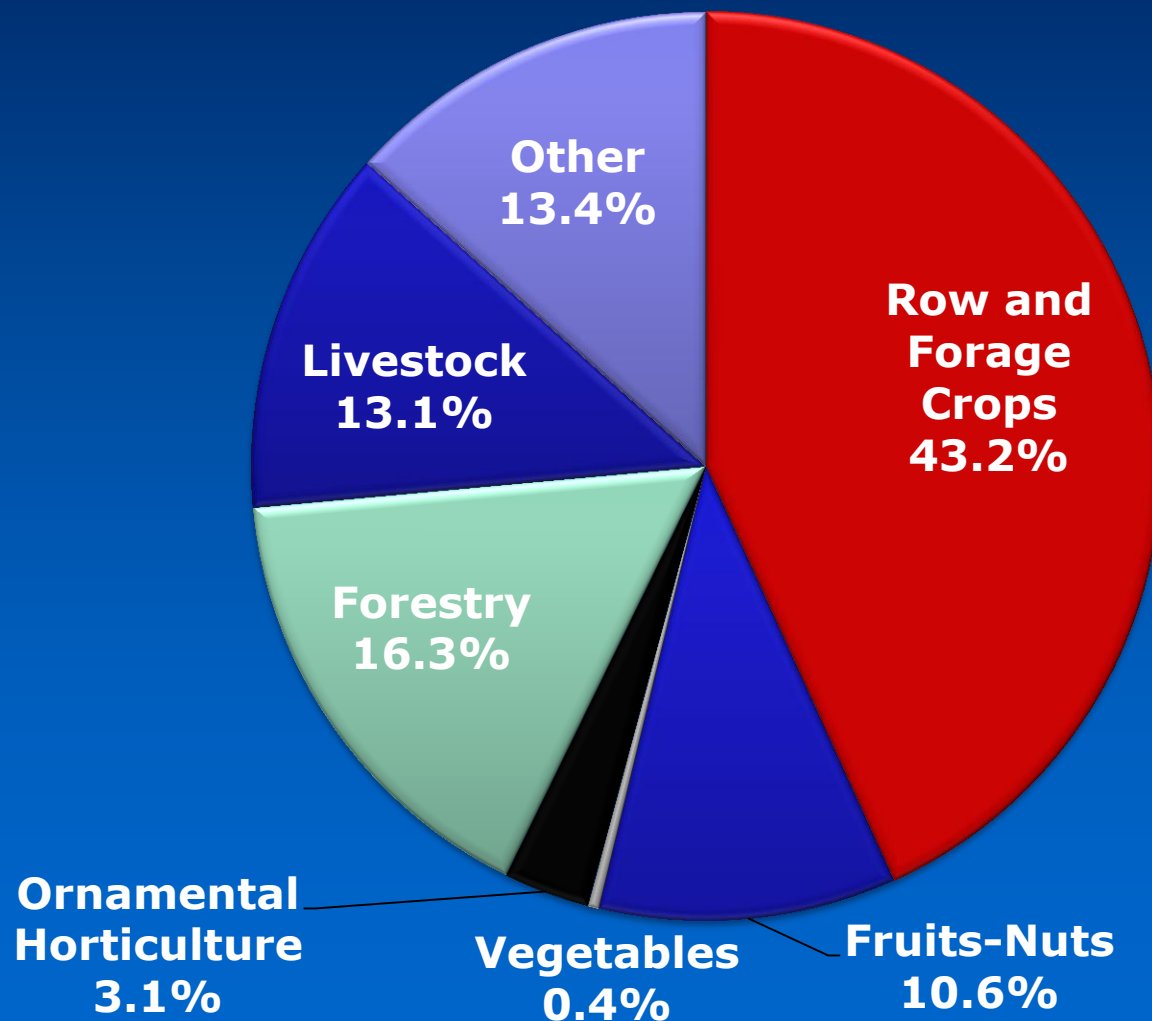
- Georgia's 2011 Farm Gate Value was \$13.0 billion. Adding the value of \$2.1 billion of landscape services increased the total agricultural production value to \$15.1 billion.
- Total food and fiber production and directly related businesses account for a \$71.1 billion *output impact* on Georgia's \$763.6 billion economy.

What We Know about Washington County

- **2011 Farm Gate Value in Washington Co. was \$38.5 million. Adding \$1.6 million of landscape services increased the total agricultural production value to \$40.1 million.**
- **The highest value commodity group was row and forage crops, representing 43.2% of the total agricultural production value.**

Washington County

2011 Agricultural Production Value



What We Did

County Economy Modeled

- **The Center for Agribusiness and Economic Development performed an analysis of the county's economy, focusing on the role of food and fiber.**
- **How much of the county's total current economic output comes from food and fiber production and directly related processing? (A Snapshot of the Economy)**
- **What is the total (direct and indirect) *Impact* of food and fiber production and directly related industries?**

Washington County Economy

Economy *OUTPUT* Distribution

| | Output in \$ | Percent |
|----------------------|--------------|---------|
| Agriculture | 40,080,379 | 3.78% |
| Mining | 45,113,122 | 4.26% |
| Construction | 45,420,043 | 4.29% |
| Manufacturing | 263,177,619 | 24.85% |
| Trans-Info-Publ.Util | 132,280,770 | 12.49% |
| Trade | 78,312,359 | 7.39% |
| Services | 333,140,339 | 31.45% |
| Govt. & non-NAICS | 121,676,724 | 11.49% |

Total County Economic Output = \$1,059.2 million

Washington County Economy

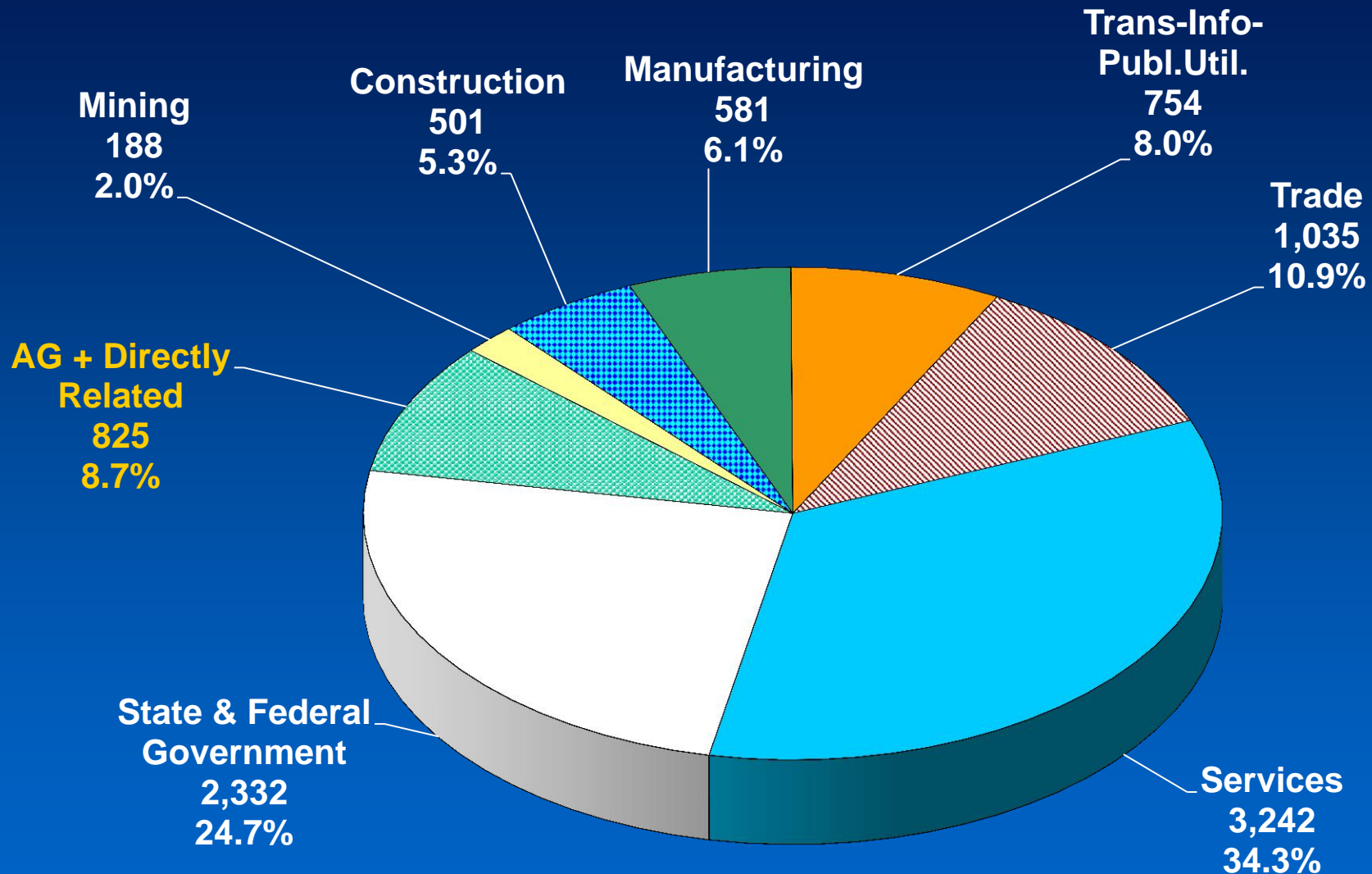
Agriculture + Directly Related Businesses *OUTPUT*

| | Output in \$ | Percent |
|----------------------|--------------|---------|
| Agriculture + Direct | 51,629,965 | 4.87% |
| Mining | 45,113,122 | 4.26% |
| Construction | 45,420,043 | 4.29% |
| Manufacturing | 251,628,033 | 23.76% |
| Trans-Info-Publ.Util | 132,280,770 | 12.49% |
| Trade | 78,312,359 | 7.39% |
| Services | 333,140,339 | 31.45% |
| Govt. & non-NAICS | 121,676,724 | 11.49% |

Total County Economic Output = \$1,059.2 million

Washington County Employment

Total Jobs = 9,456



An Economic Snapshot of Washington County

- **How much of Washington County's total economic output comes from food and fiber production?**
- **AG value alone of \$40.1 million consisting of Farm Gate Value and landscape services comprises 3.78% of the county's economy.**
- **AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 4.87% of the county's economy.**

What is the Impact?

- What is the total (direct and indirect) *impact* of food and fiber production and directly related industries?
- This scenario illustrates how other industries are affected by the presence of food and fiber in the county. The indirect impacts measure output created due to food and fiber production and processing in the county.

What Impact Means: A Brief Explanation

- The *impact* numbers capture the ripple effects that food and fiber create in the county's economy. Many other sectors rely in part on the existence of food and fiber for sales.



Labor



Seed

Utilities



Washington County

Agriculture *IMPACT*

| | Direct \$ | Indirect \$ |
|-----------------------|-------------------|------------------|
| Agriculture | 40,080,379 | 0 |
| Mining | 0 | 18,525 |
| Construction | 0 | 288,100 |
| Manufacturing | 0 | 275,967 |
| Trans-Info-Publ.Util. | 0 | 1,546,814 |
| Trade | 0 | 975,644 |
| Services | 0 | 5,386,070 |
| Govt. & non-NAICS | 0 | 313,063 |
| Total | 40,080,379 | 8,804,183 |

Total Impact of Production AG = \$48.9 million
4.6% of total economy

Washington County

Production Agriculture + Directly Related Businesses *IMPACT*

| | Direct \$ | Indirect \$ |
|-----------------------|-------------------|-------------------|
| Agriculture | 51,629,965 | 0 |
| Mining | 0 | 24,040 |
| Construction | 0 | 375,058 |
| Manufacturing | 0 | 282,493 |
| Trans-Info-Publ.Util. | 0 | 1,995,834 |
| Trade | 0 | 1,213,503 |
| Services | 0 | 6,300,741 |
| Govt. & non-NAICS | 0 | 347,276 |
| Total | 51,629,965 | 10,538,946 |

Total Impact of Production AG = \$62.2 million
5.9% of total economy

What These Numbers Mean: A Brief Explanation

- ***Direct*** impact is \$51.6 million. This includes food and fiber production, processing and directly related manufacturing.
- ***Indirect*** impact from related sectors is \$10.5 million. This captures the effects of farmers (direct source) buying supplies (seed, fertilizer, work boots) from local stores. These stores must increase their output to meet farmer demand.

What These Numbers Mean:

A Brief Explanation (continued)

- **As local stores increase their output, they may demand more stock from local wholesalers (also in the Trade sector). Local wholesalers demand more from local manufacturers, thus increasing activity in the Manufacturing sector.**
- **Local stores also hire employees to assist farmers. They take home wages and buy groceries at the local store which increases demand there.**

Washington County Food and Fiber

Impact Conclusions

- The total *impact* of food and fiber production, processing and direct manufacturing is \$62.2 million.
- The total county *output* is \$1,059.2 million.
- Thus, food and fiber (directly and indirectly) account for 5.9% of the total county output, considering the multiplier effects.

Contact Information

Prepared by:

Sharon P. Kane, Public Service Associate, Economist
Karen Stubbs, Research Professional
Center for Agribusiness & Economic Development
Dr. Kent Wolfe, Director

*“Adding Value to Georgia's Agricultural Economy
Through Research and Extension“*

*To learn more about your county, go to:
<http://www.caed.uga.edu/>
...click on “Resources”, then
“Georgia Statistics System”*

