

The Economic Importance of Food and Fiber

A Spotlight on Wheeler County, Georgia

**Prepared for
Wheeler County Cooperative Extension
May 2013**

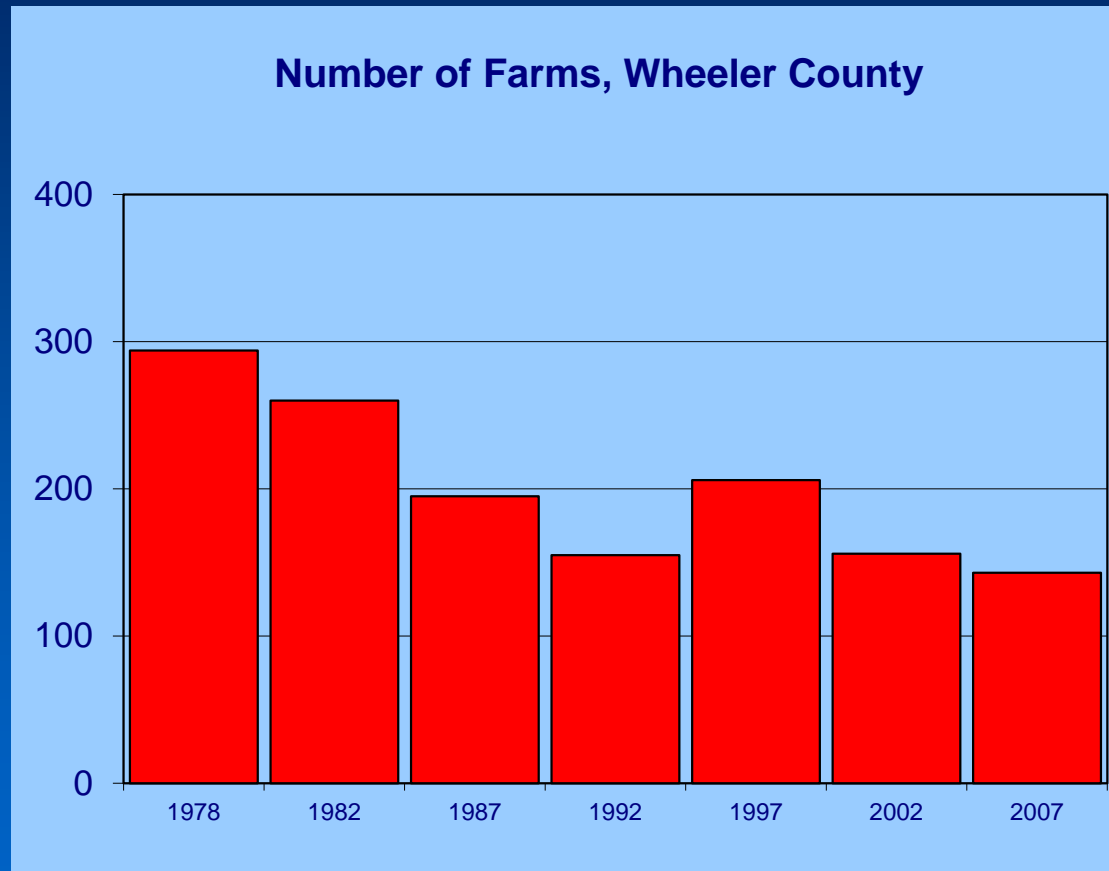
by:

**The Center for Agribusiness
and Economic Development**

**College of Agricultural
and Environmental Sciences**

The University of Georgia

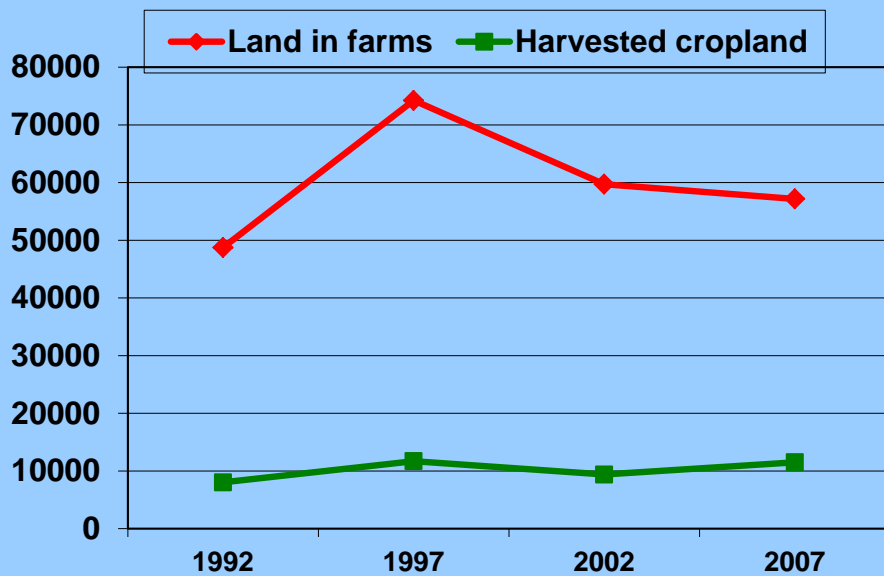
Trends in Wheeler County: Number of Farms



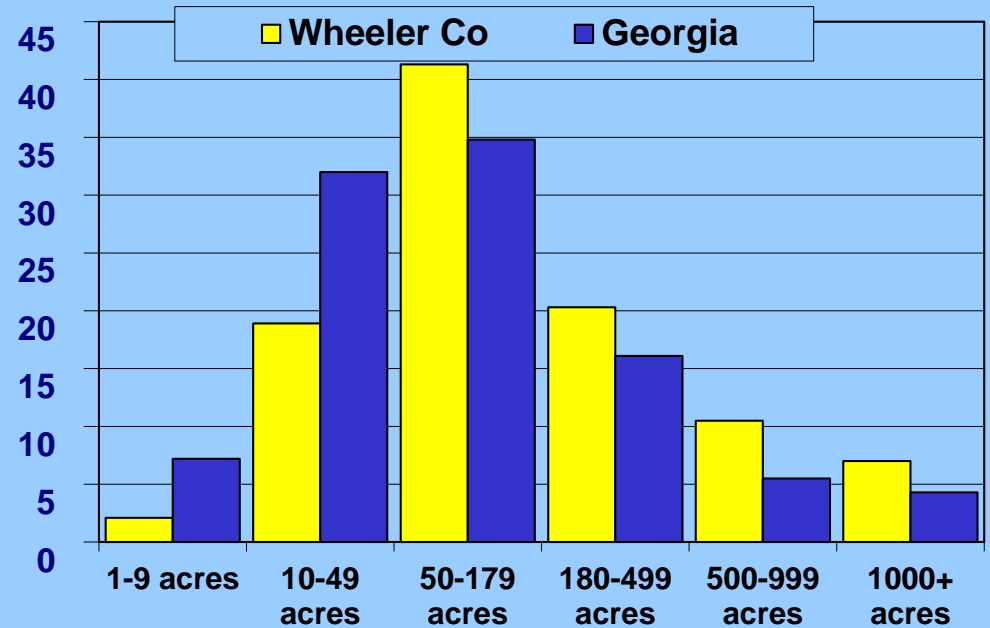
Source: 1978-2007 (quinquennial) Censuses of Agriculture

Trends in Wheeler County: Land in Farms, Harvested Cropland & Farms by Size

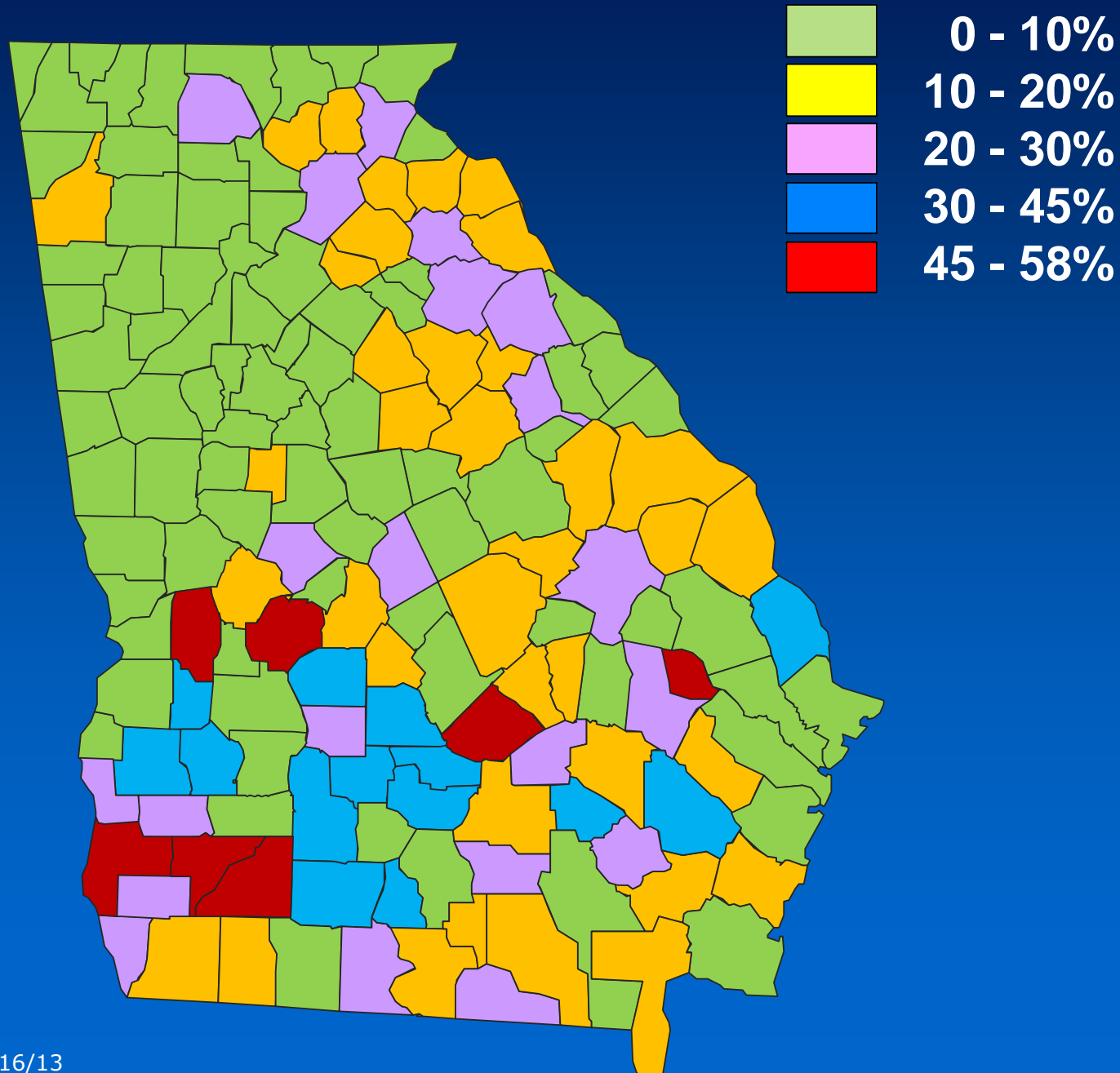
Land in Farms & Harvested Cropland
Wheeler County



Percent of Farms by Size, 2007



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



Agriculture in Georgia

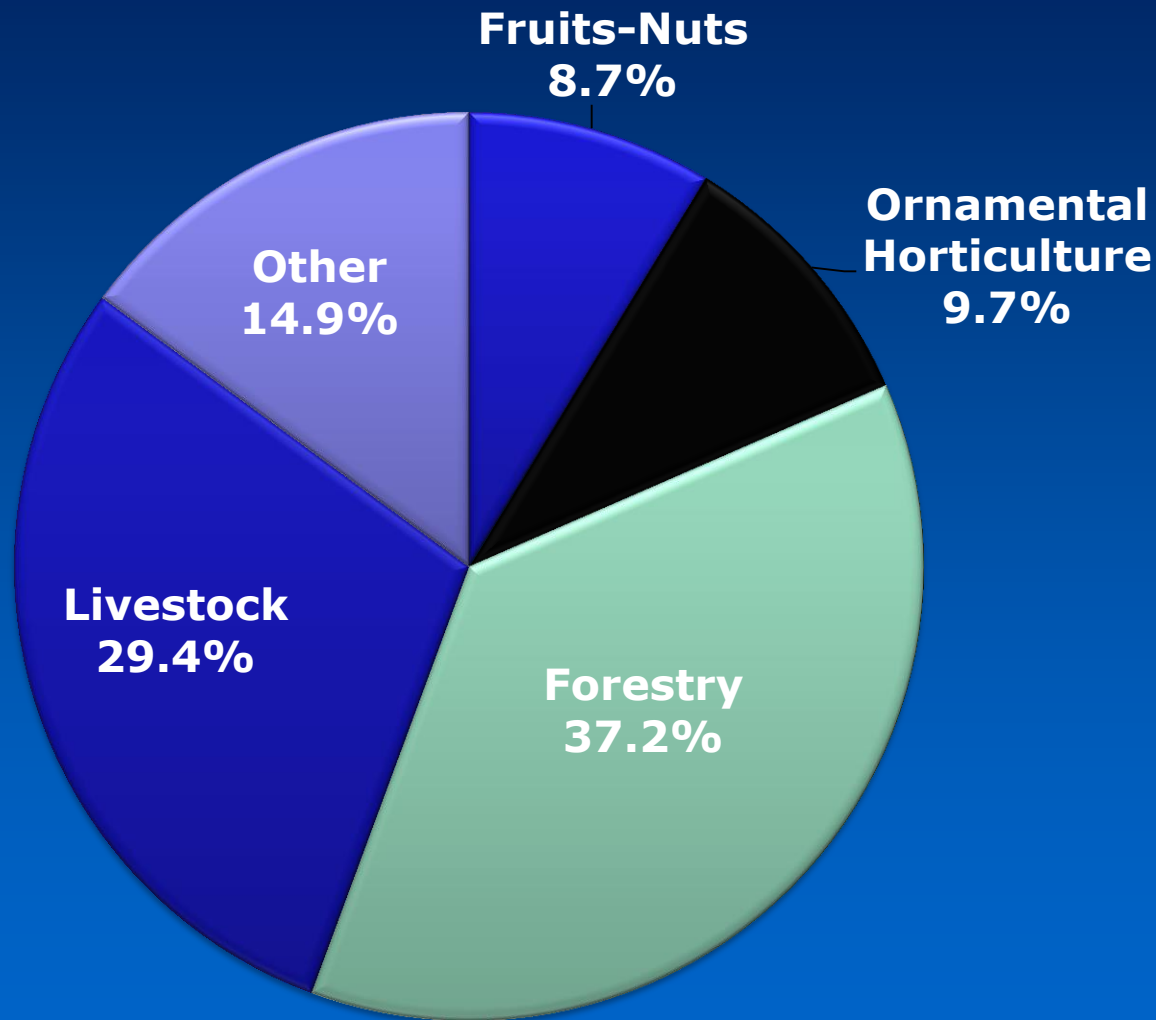
- Georgia's 2011 Farm Gate Value was \$13.0 billion. Adding the value of \$2.1 billion of landscape services increased the total agricultural production value to \$15.1 billion.
- Total food and fiber production and directly related businesses account for a \$71.1 billion *output impact* on Georgia's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

What We Know about Wheeler County

- **2011 Farm Gate Value in Wheeler Co. was \$20.5 million. Adding \$131,900 of landscape services increased the total agricultural production value to \$20.6 million.**
- **The highest value commodity group was Forestry, representing 37.2% of the total agricultural production value.**

Wheeler 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?**

Wheeler County Economy

Agriculture *OUTPUT*

	Output in \$	Percent
Agriculture	20,603,398	8.50%
Mining	0	0.00%
Construction	3,077,496	1.27%
Manufacturing	12,428,637	5.13%
Trans-Utilities-Info	49,851,011	20.57%
Trade	6,117,396	2.52%
Finance-Ins-RE	50,607,631	20.88%
Services	78,940,080	32.58%
Govt. & non-NAICS	20,705,955	8.54%

Total County Economic Output = \$242.3 million

Wheeler County Economy

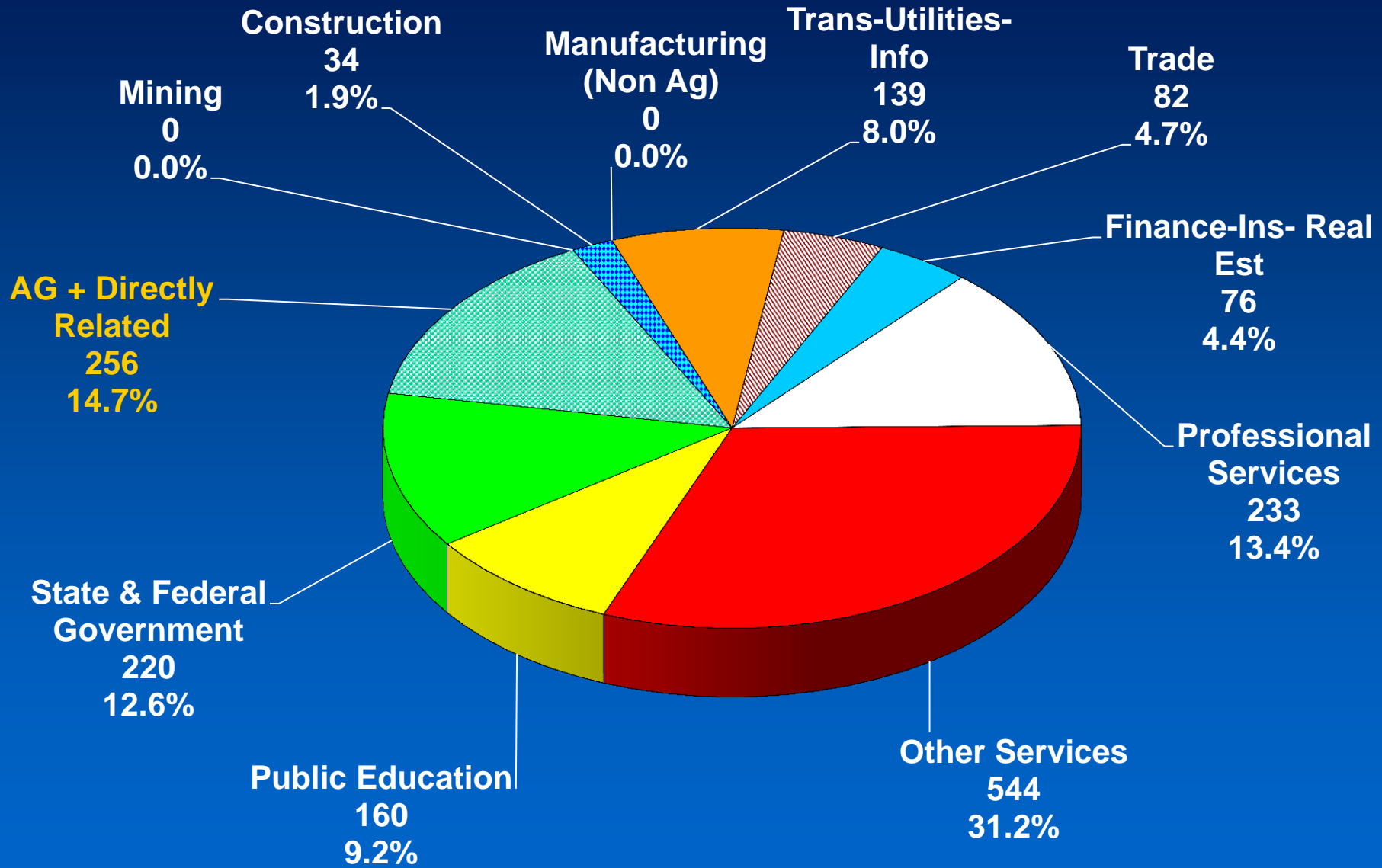
Agriculture + Directly Related Businesses *OUTPUT*

	Output in \$	Percent
Agriculture + Direct	33,032,035	13.63%
Mining	0	0.00%
Construction	3,077,496	1.27%
Manufacturing	0	0.00%
Trans-Utilities-Info	49,851,011	20.57%
Trade	6,117,396	2.52%
Finance-Ins-Real Est	50,607,631	20.88%
Services	78,940,080	32.58%
Govt. & non-NAICS	20,705,955	8.54%

Total County Economic Output = \$242.3 million

Wheeler County Employment

Total Jobs = 1,744



An Economic Snapshot of Wheeler County

- **How much of Wheeler County's total economic output comes from food and fiber production?**
- **AG value alone of \$20.6 million consisting of Farm Gate Value and landscape services comprises 8.5% of the county's economy.**
- **AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 13.6% 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



Wheeler County

Agriculture *IMPACT*

	Direct \$	Indirect \$
Agriculture	20,603,398	0
Mining	0	0
Construction	0	13,504
Manufacturing	0	0
Trans-Utilities-Info	0	562,605
Trade	0	82,935
Finance-Ins-Real Est	0	1,236,375
Services	0	297,076
Govt. & non-NAICS	0	80,711
Total	20,603,398	2,273,206

Total Impact of Production AG = \$22.9 million
9.44% of total economy

Wheeler County

Production Agriculture + Directly Related Businesses *IMPACT*

	Direct \$	Indirect \$
Agriculture + Direct	33,032,035	0
Mining	0	0
Construction	0	20,449
Manufacturing (NonAg)	0	0
Trans-Utilities-Info	0	1,092,301
Trade	0	243,095
Finance-Ins-Real Est	0	2,452,165
Services	0	916,582
Govt. & non-NAICS	0	153,022
Total	33,032,035	4,877,614

**Total Impact of AG + Directly Related = \$37.9 million
15.6% of total economy**

Wheeler County

Production Agriculture + Directly Related Industries Employment *IMPACT*

	Direct	Indirect
Agriculture + Direct	256	0
Mining	0	0
Construction	0	0
Manufacturing	0	0
Trans-Utilities-Info	0	4
Trade	0	3
Finance-Ins-Real Est	0	4
Services	0	14
Govt. & non-NAICS	0	1

**Total Impact of AG + Directly Related Employment = 283 Jobs
16.2% of total employment**

What These Numbers Mean: A Brief Explanation

- ***Direct*** impact is \$33.0 million. This includes food and fiber production, processing and directly related manufacturing.
- ***Indirect*** impact from related sectors is \$4.9 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.**

Wheeler County Food and Fiber Impact Conclusions

- The total *impact* of food and fiber production, processing and direct manufacturing is \$37.9 million.
- The total county *output* is \$242.3 million.
- Thus, food and fiber (directly and indirectly) account for 15.6% of the total county output, considering the multiplier effects.

Contact Information

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*“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”*

**Ag Profile Report
#13-07A**

