

The Economic Importance of Food and Fiber



A Spotlight on Putnam County, Georgia

Prepared for
Putnam County Cooperative Extension
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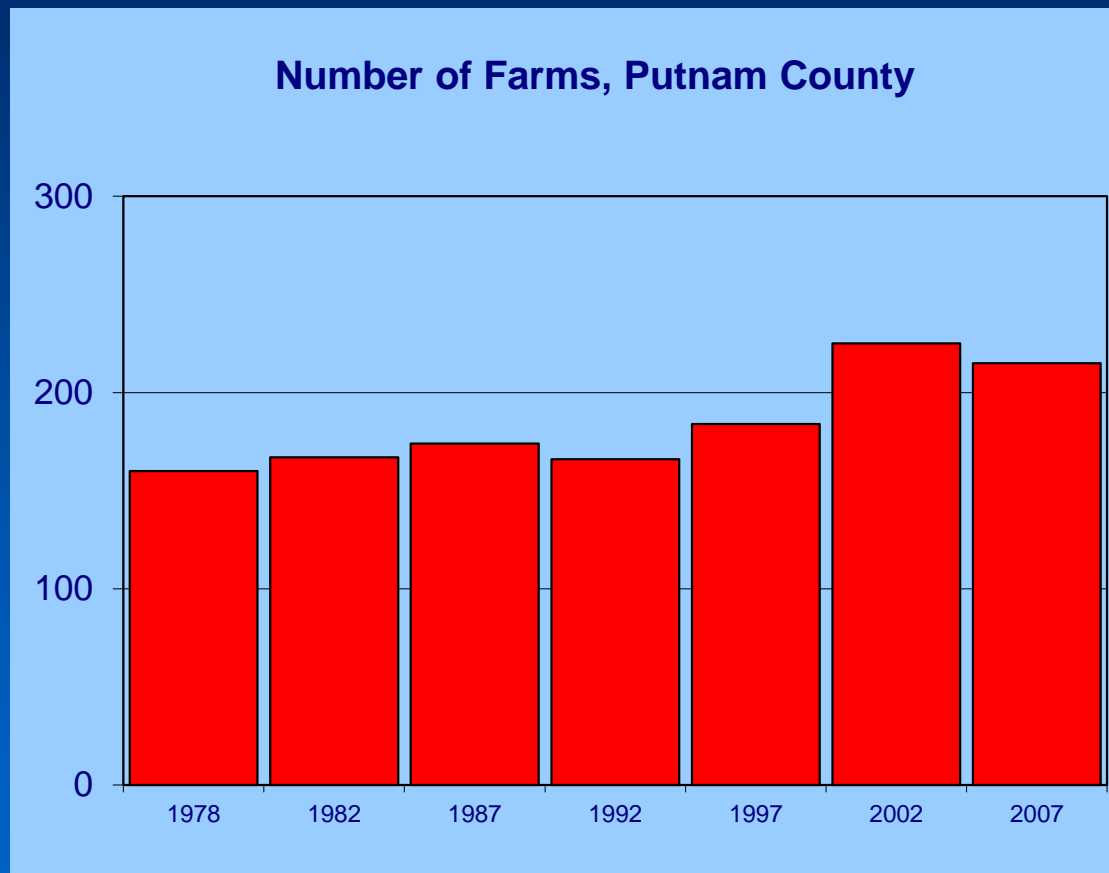
by:

**The Center for Agribusiness
and Economic Development**

**College of Agricultural
and Environmental Sciences**

The University of Georgia

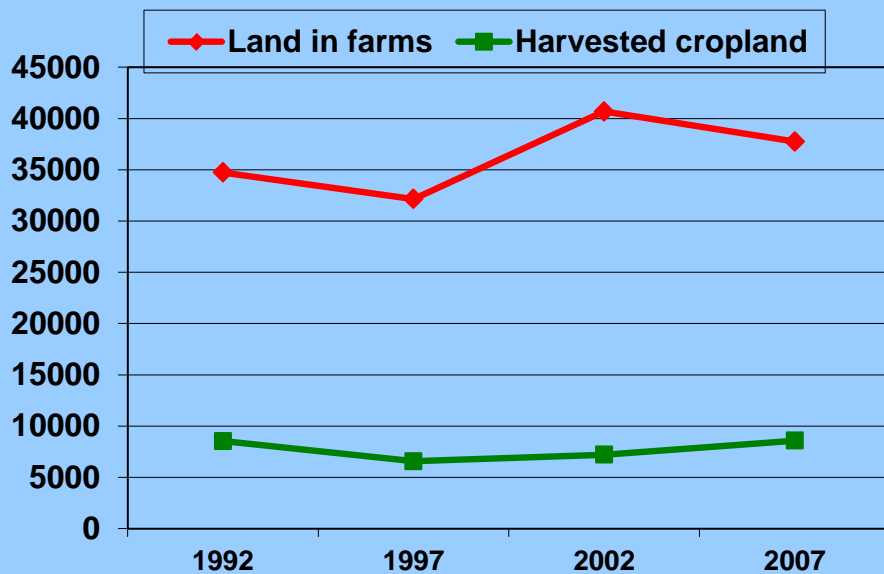
Trends in Putnam County: Number of Farms



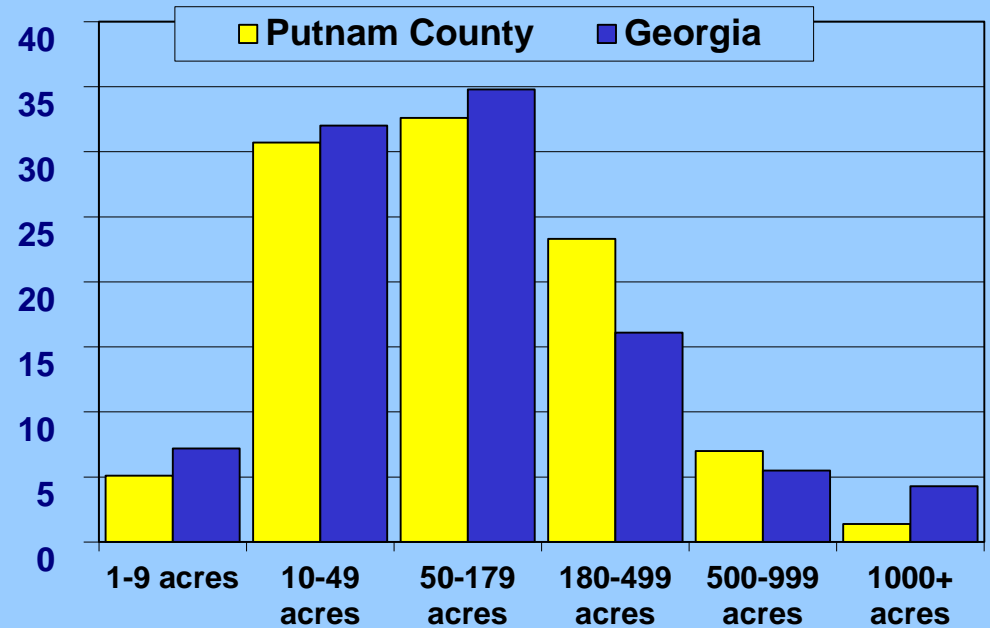
Source: 1978-2007 (quinquennial) Censuses of Agriculture

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

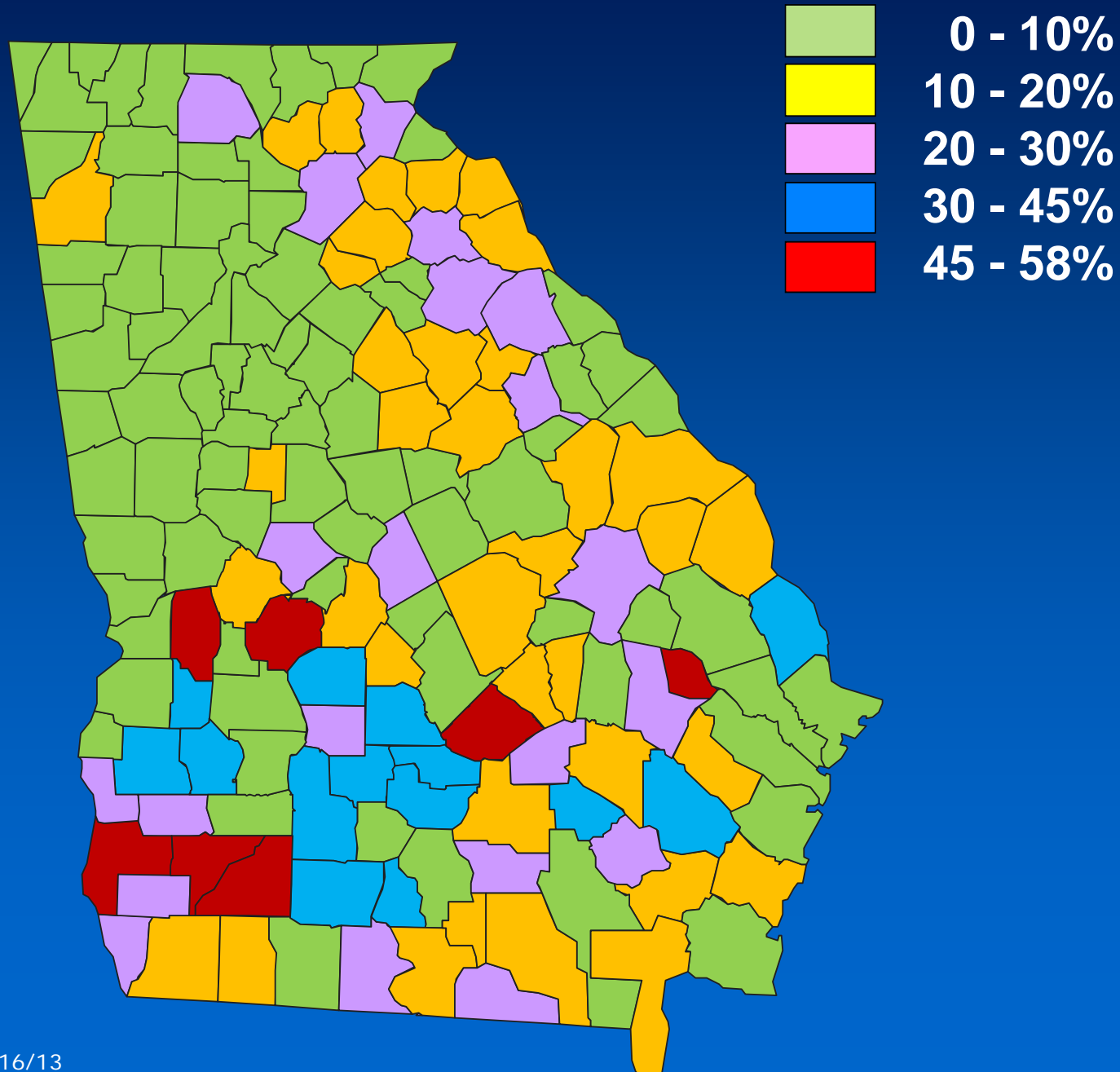
Land in Farms & Harvested Cropland
Putnam County



Percent of Farms by Size, 2007



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



Agriculture in Georgia

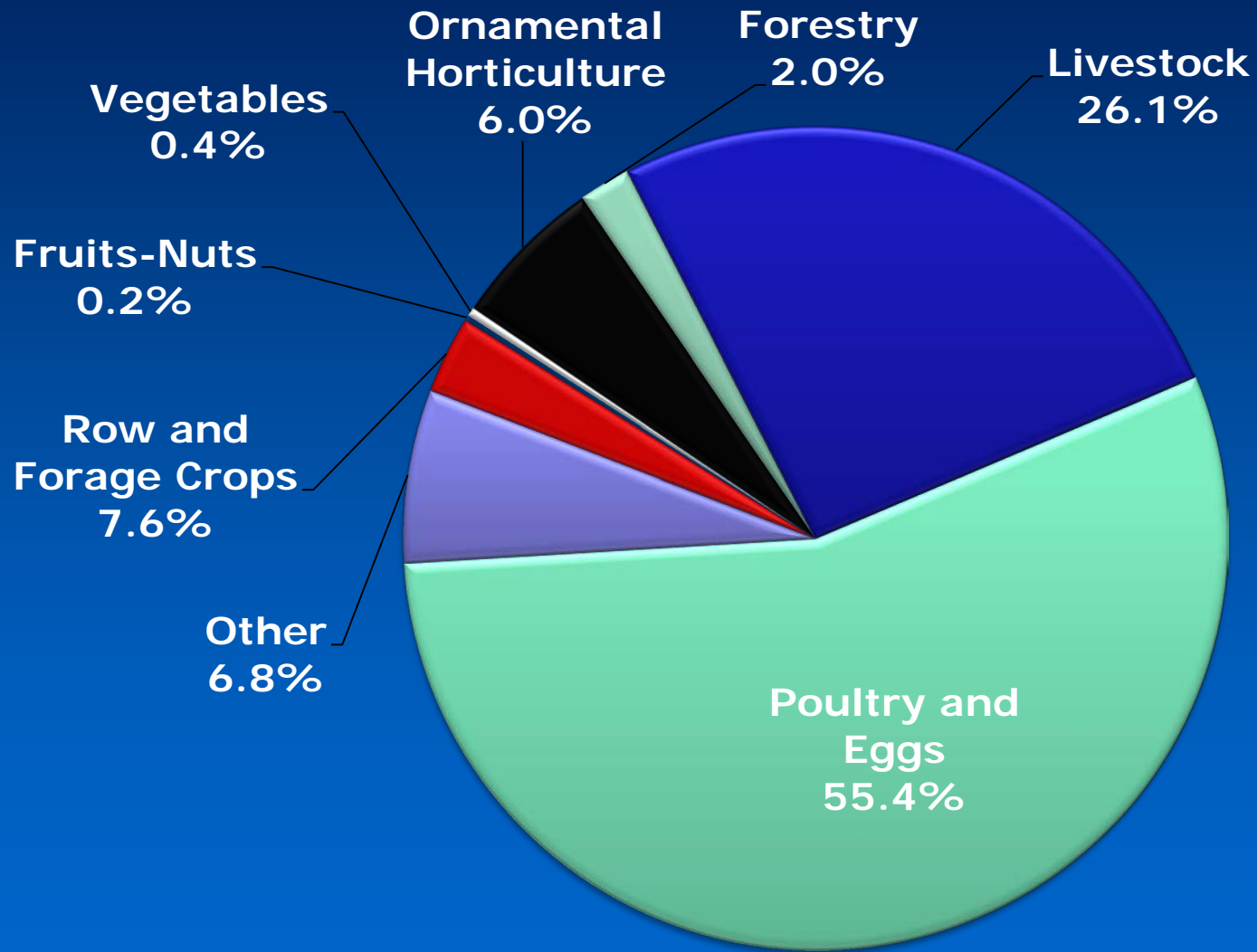
- Georgia's 2012 Farm Gate Value was \$13.88 billion. Adding the value of \$2.1 billion of landscape services increased the total agricultural production value to \$15.1 billion.
- Total food and fiber production and directly related businesses account for a \$76.9 billion *output impact* on Georgia's \$809.9 billion economy.

What We Know about Putnam County

- 2012 Farm Gate Value in Putnam Co. was \$96.1 million. Adding \$2.2 million of landscape services increased the total agricultural production value to \$98.3 million.
- The highest value commodity group was poultry and eggs, representing 55.4% of the total agricultural production value.

Putnam County

2012 Agricultural Production Value



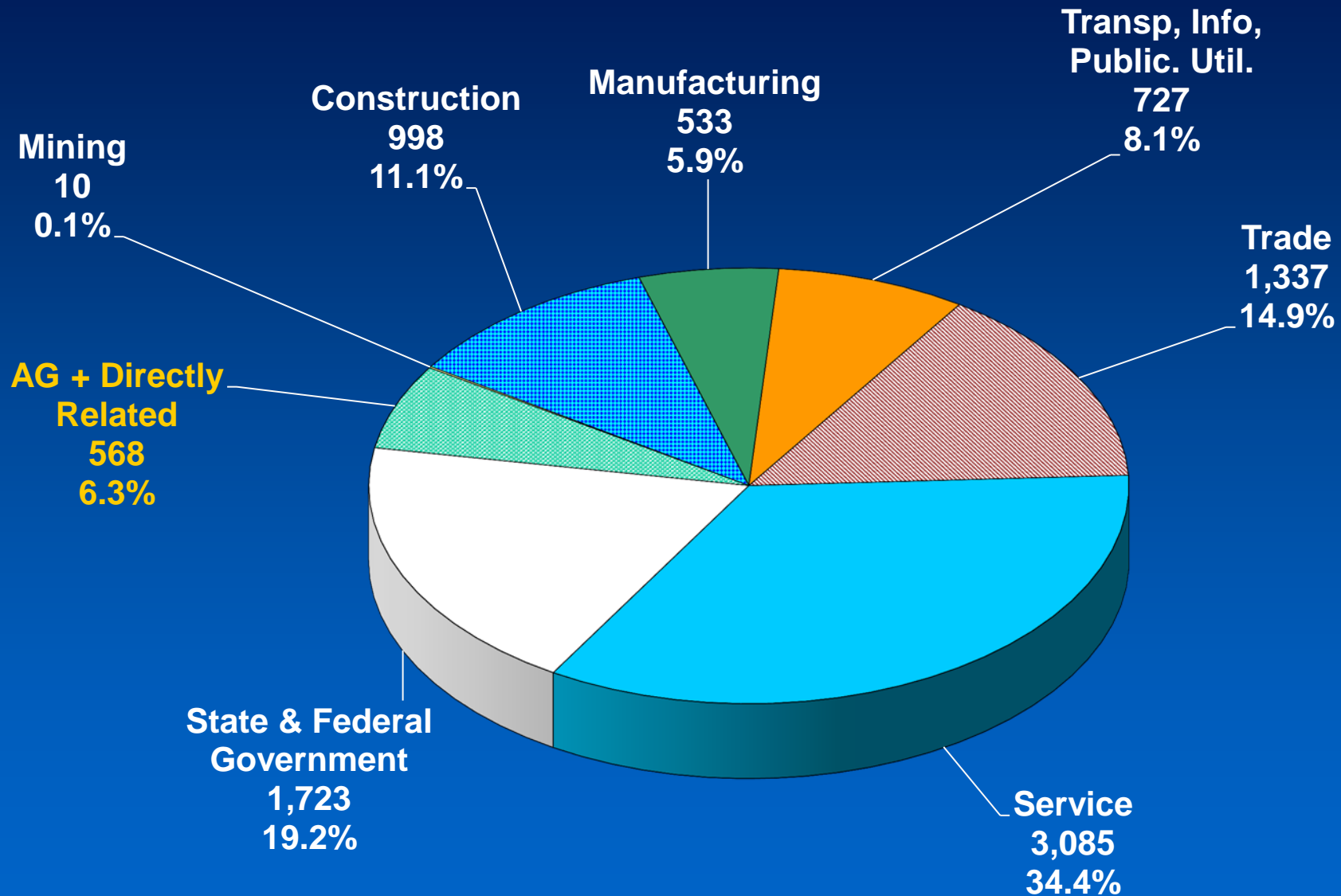
What We Did

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?

Putnam County Employment

Total Jobs = 8,981



An Economic Snapshot of Putnam County

- How much of Putnam County's total economic output comes from food and fiber production?
- AG value alone of \$98.3 million consisting of Farm Gate Value and landscape services comprises 8.1% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 15.8% 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.



Putnam County

Agriculture *IMPACT*

	Direct \$	Total \$
Agriculture	98,257,192	92,585,801
Mining	0	26,725
Construction	0	1,010,078
Manufacturing	0	9,797,335
Trans-Utilities-Info	0	3,460,304
Trade	0	3,125,336
Service Industries	0	16,591,179
Government	0	466,884
Total	98,257,192	127,063,642

Total Impact of Production AG = \$127.1 million
10.5% of total economy

Putnam County

Production Agriculture + Directly Related Businesses *IMPACT*

	Total \$
Agriculture + Direct	192,297,906
Mining	56,514
Construction	2,358,460
Manufacturing	10,431,416
Trans-Utilities-Info	6,621,022
Trade	5,737,484
Service	18,166,457
Government	761,929
Total	236,446,130

Total Impact of AG + Directly Related = \$236.4 million
19.5% of total economy

Putnam County

Production Agriculture + Directly Related Industries Employment *IMPACT*

	Direct	Total
Agriculture + Direct	981	0
Mining	0	.4
Construction	0	20
Manufacturing	0	10
Trans-Utilities-Info	0	29
Trade	0	63
Service	0	161
Government	0	6

Total Impact of AG + Directly Related Employment = 1,270 Jobs
14.1% of total employment

What These Numbers Mean: A Brief Explanation

- *Direct* impact is \$192.3 million. This includes food and fiber production, processing and directly related manufacturing.
- *Indirect* impact from related sectors is \$44.2 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.

Putnam County Food and Fiber Impact Conclusions

- The total *impact* of food and fiber production, processing and direct manufacturing is \$236.4 million.
- The total county *output* is \$1,215.3 million.
- Thus, food and fiber (directly and indirectly) account for 19.5% 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
#14-1A**

