

The Economic Importance of Food and Fiber

A Spotlight on Hart County, Georgia

Prepared for
Hart County Cooperative Extension

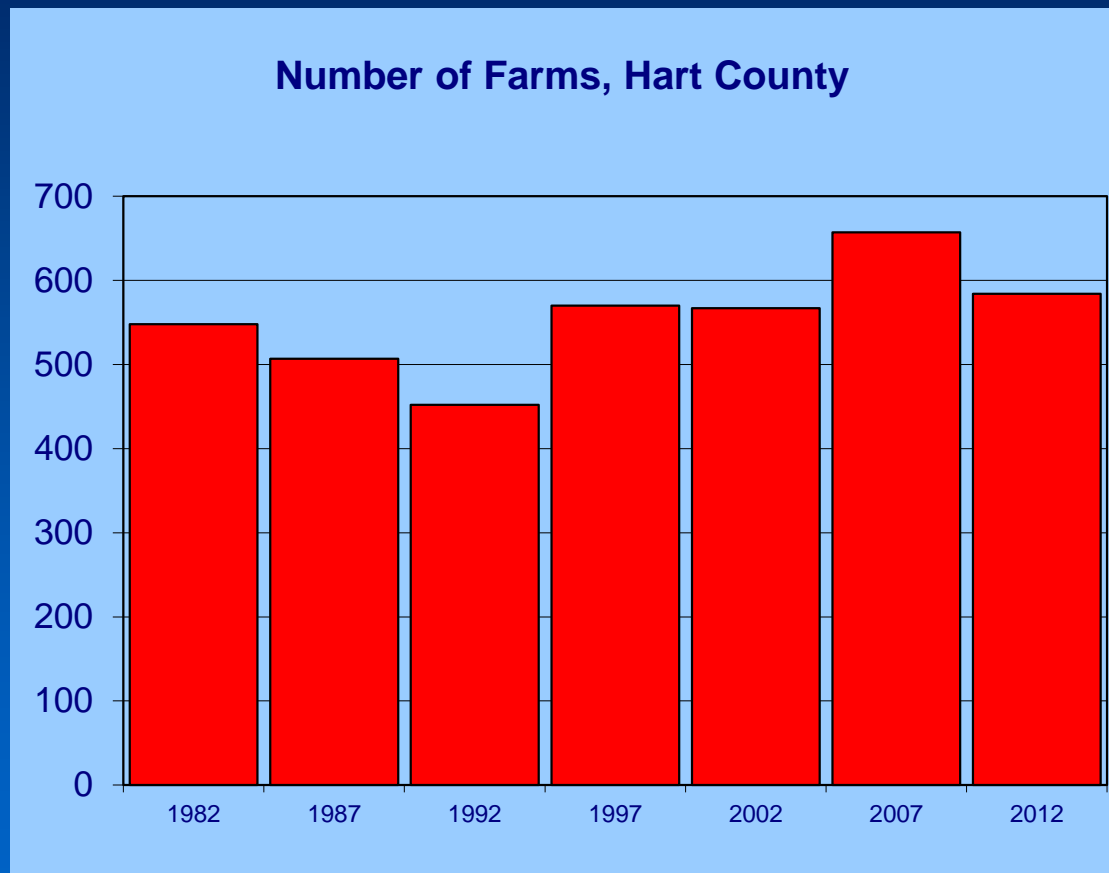
June 2015 by:

The Center for Agribusiness
and Economic Development

College of Agricultural
and Environmental Sciences

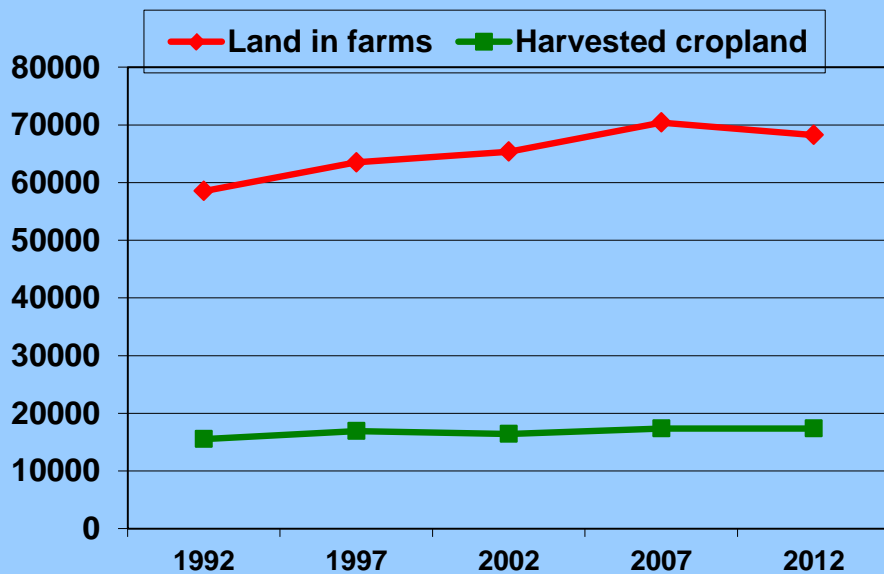
The University of Georgia

Trends in Hart County: Number of Farms

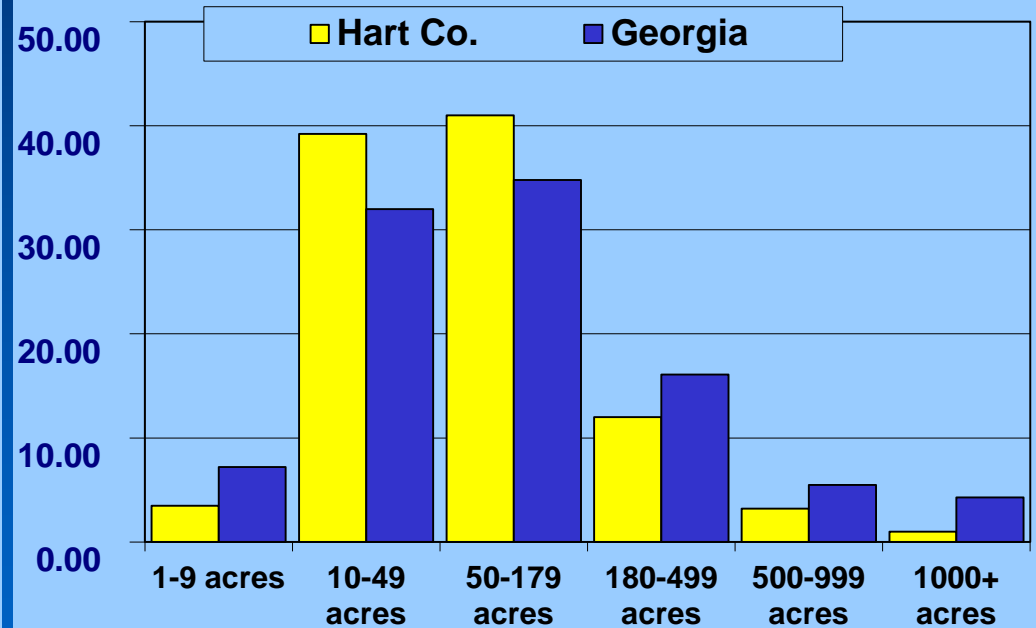


Trends in Hart County: Land in Farms, Harvested Cropland & Farms by Size

Land in Farms & Harvested Cropland
Hart County



Percent of Farms by Size, 2012



Agriculture in Georgia

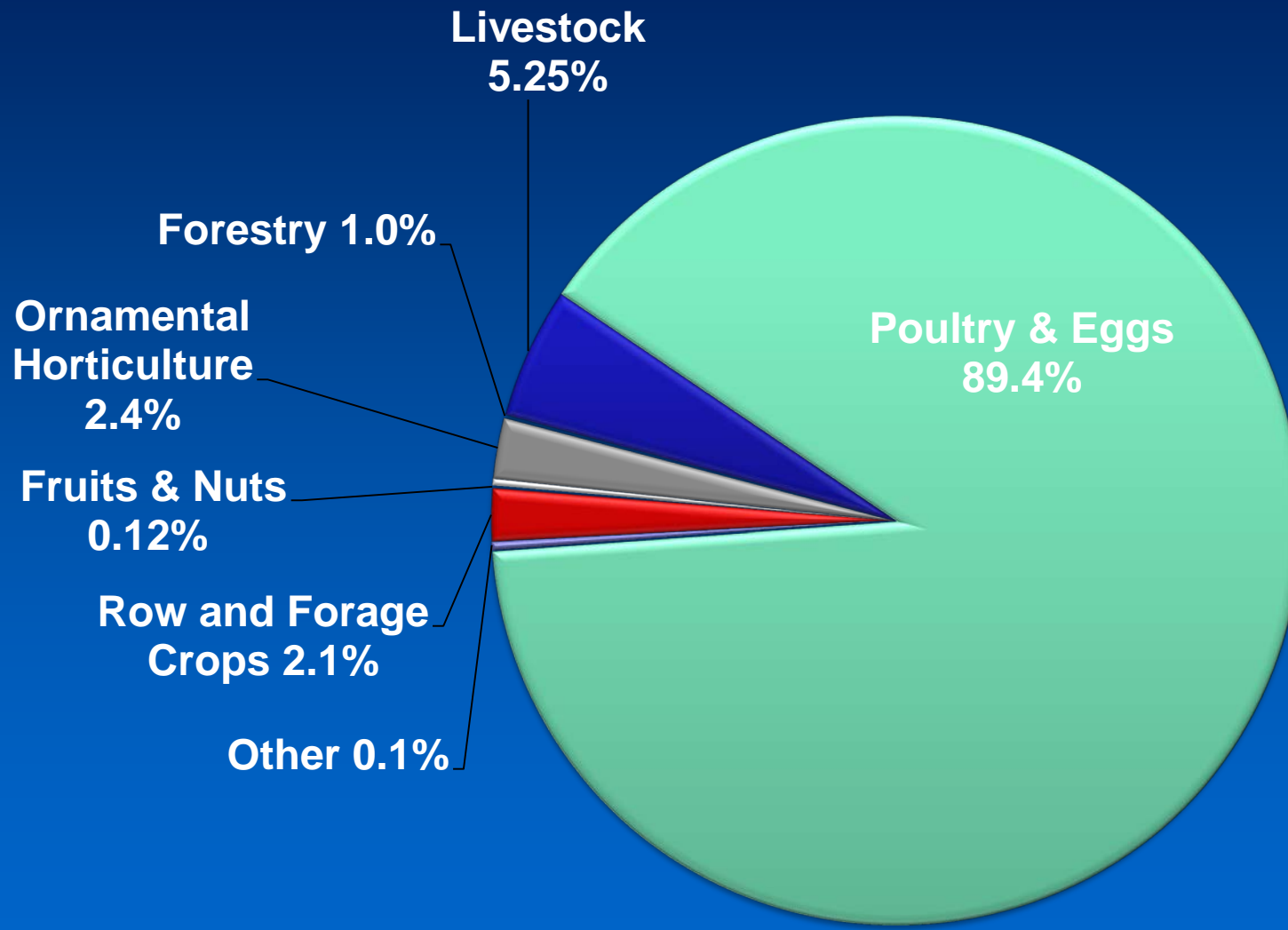
- Georgia's 2013 Farm Gate Value was \$13.59 billion. Adding the value of \$2.1 billion of landscape services increased the total agricultural production value to \$15.1 billion.
- Total food and fiber production and directly related businesses account for a \$72.5 billion *output impact* on Georgia's \$826.6 billion economy.

What We Know about Hart County

- 2013 Farm Gate Value in Hart Co. was \$324 million. Adding \$2 million of landscape services increased the total agricultural production value to \$326 million.
- The highest value commodity group was poultry and eggs, representing 89.4% of the total agricultural production value.

Hart County

2013 Farm Gate Production Value



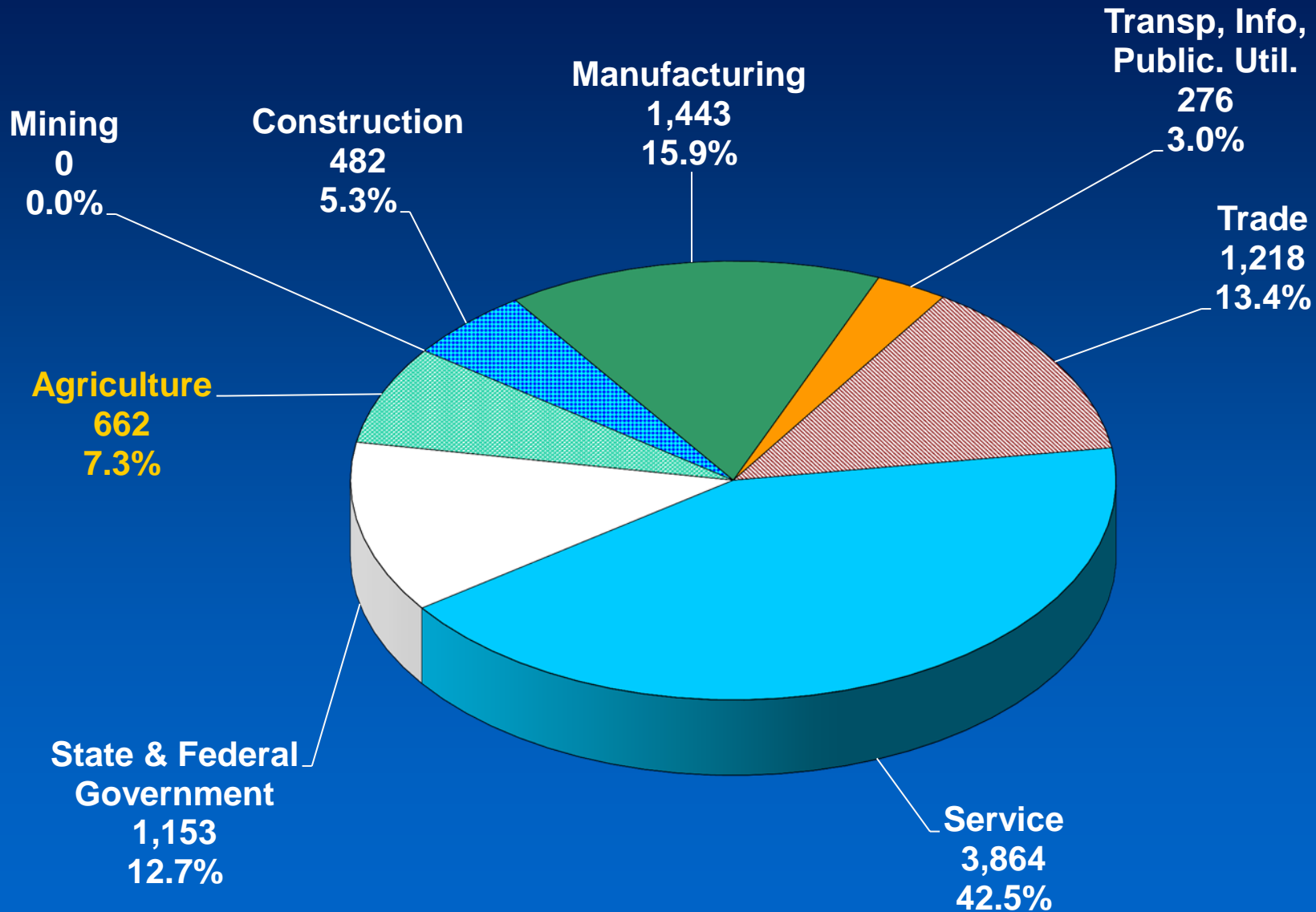
Examining the Contribution

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) *Economic Contribution* of food and fiber production and directly related industries?

Hart County Employment

Total Jobs = 9,098



An Economic Snapshot of Hart County

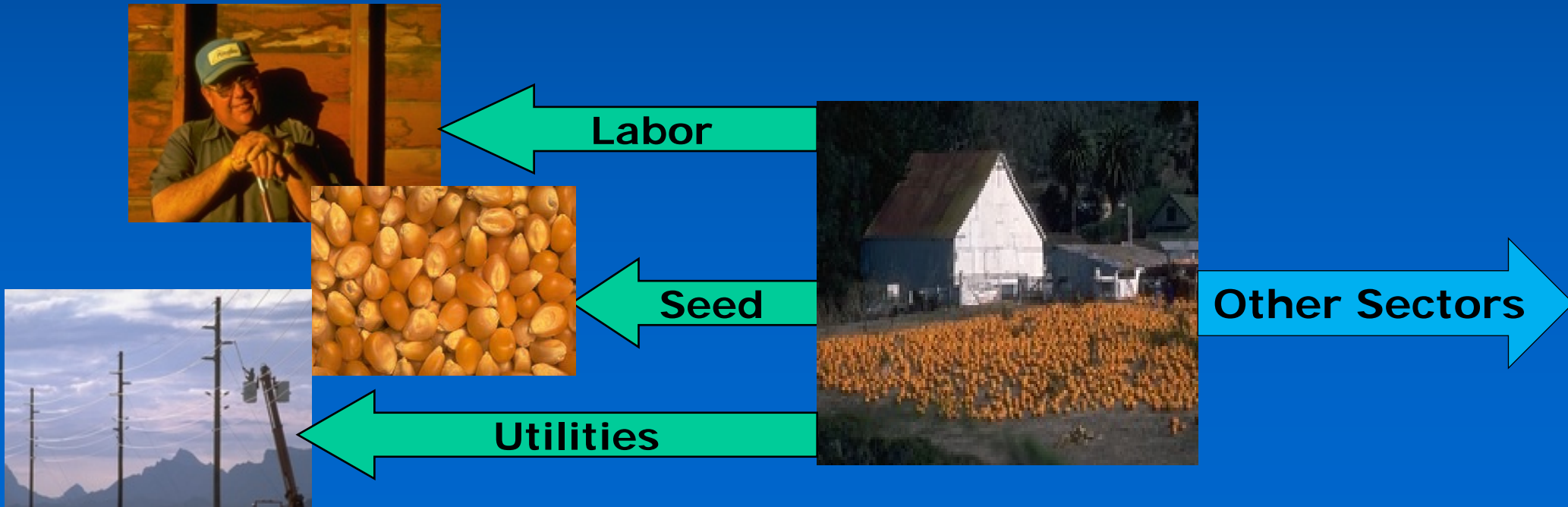
- How much of Hart County's total economic output comes from food and fiber production?
- AG value alone of \$326 million consisting of Farm Gate Value and landscape services comprises 18.8% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 21.2% of the county's economy.

What is the Economic Contribution?

- What is the total (direct and indirect) *contribution* 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 contribution measures output created due to food and fiber production and processing in the county.

What Economic Contribution Means: A Brief Explanation

- The *contribution* 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.
- Further, agricultural commodities are sold to other sectors as the inputs to production.



Hart County

Agriculture *Contribution*

| Sector | Direct | Total |
|--|--------------------|--------------------|
| Ag + Landscape | 326,064,042 | 326,064,042 |
| Mining | 0 | - |
| Utilities | 0 | 2,928,897 |
| Construction | 0 | 1,777,432 |
| Manufacturing | 0 | 483,383 |
| Wholesale Trade | 0 | 3,811,644 |
| Retail trade | 0 | 4,962,274 |
| Transportation & Warehousing | 0 | 2,734,159 |
| Information | 0 | 3,335,625 |
| Finance & insurance | 0 | 3,418,904 |
| Real estate & rental | 0 | 14,131,271 |
| Professional- scientific & tech services | 0 | 2,043,416 |
| Management of companies | 0 | - |
| Administrative & waste services | 0 | 833,455 |
| Educational svcs | 0 | 205,518 |
| Health & social services | 0 | 4,222,561 |
| Arts-entertainment & recreation | 0 | 114,667 |
| Accommodation & food services | 0 | 2,707,072 |
| Other services | 0 | 2,026,596 |
| Government & non NAICS | 0 | 218,766 |
| TOTAL | 326,064,042 | 376,019,680 |

Total
Contribution
of Production
AG = \$376
million
21.7% of total
economy

Hart County

Production Agriculture + Directly Related Businesses Contribution

| Sector | Direct | Total |
|--|--------------------|--------------------|
| Ag + Related | 367,676,163 | 367,676,163 |
| Mining | 0 | - |
| Utilities | 0 | 3,126,666 |
| Construction | 0 | 1,881,747 |
| Manufacturing | 0 | 39,573,588 |
| Wholesale Trade | 0 | 4,798,791 |
| Retail trade | 0 | 5,117,092 |
| Transportation & Warehousing | 0 | 3,612,486 |
| Information | 0 | 3,514,746 |
| Finance & insurance | 0 | 3,575,142 |
| Real estate & rental | 0 | 14,538,265 |
| Professional- scientific & tech services | 0 | 2,134,780 |
| Management of companies | 0 | - |
| Administrative & waste services | 0 | 908,415 |
| Educational svcs | 0 | 209,945 |
| Health & social services | 0 | 4,321,650 |
| Arts- entertainment & recreation | 0 | 121,669 |
| Accommodation & food services | 0 | 2,782,024 |
| Other services | 0 | 2,126,387 |
| Government & non NAICS | 0 | 251,332 |
| Total | 367,676,163 | 421,199,506 |

**Total
Contribution
of AG +
Related =
\$421.2 million
24.3% of total
economy**

Hart County

Production Agriculture + Directly Related Industries Employment *Contribution*

| Sector | Direct | Total |
|--|------------|--------------|
| Ag + Related | 962 | 962 |
| Mining | 0 | 0 |
| Utilities | 0 | 3 |
| Construction | 0 | 13 |
| Manufacturing | 0 | 12 |
| Wholesale Trade | 0 | 23 |
| Retail trade | 0 | 75 |
| Transportation & Warehousing | 0 | 31 |
| Information | 0 | 9 |
| Finance & insurance | 0 | 25 |
| Real estate & rental | 0 | 36 |
| Professional- scientific & tech services | 0 | 28 |
| Management of companies | 0 | 0 |
| Administrative & waste services | 0 | 18 |
| Educational svcs | 0 | 8 |
| Health & social services | 0 | 57 |
| Arts- entertainment & recreation | 0 | 2 |
| Accommodation & food services | 0 | 56 |
| Other services | 0 | 54 |
| Government & non NAICS | 0 | 3 |
| Total | 962 | 1,403 |

Total
Contribution
of AG + Related
Employment =
1,403
Accounts for
15.4% of
employment

What These Numbers Mean: A Brief Explanation

- *Direct contribution* is \$367.7 million.
- This includes food and fiber production, processing and directly related manufacturing.
- *Total contribution* includes related sectors and sums to \$421.2 million. This includes the captured 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.

Hart County Food and Fiber Conclusions

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is \$421.2 million.
- The total county *output* is \$1.7 billion.
- Thus, food and fiber (directly and indirectly) account for 24.3% 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

