

The Economic Importance of Food and Fiber



A Spotlight on Upson County, Georgia

Prepared for
Upson County Cooperative Extension

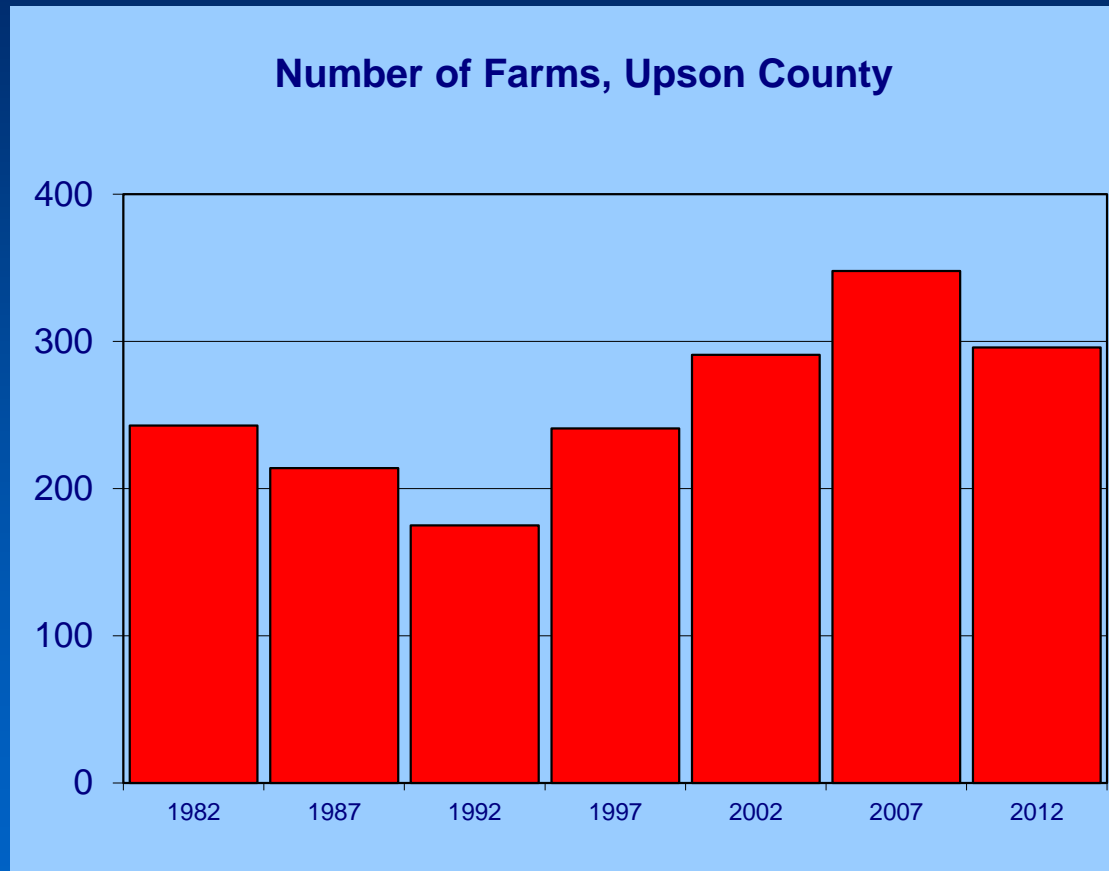
June 2015 by:

The Center for Agribusiness
and Economic Development

College of Agricultural
and Environmental Sciences

The University of Georgia

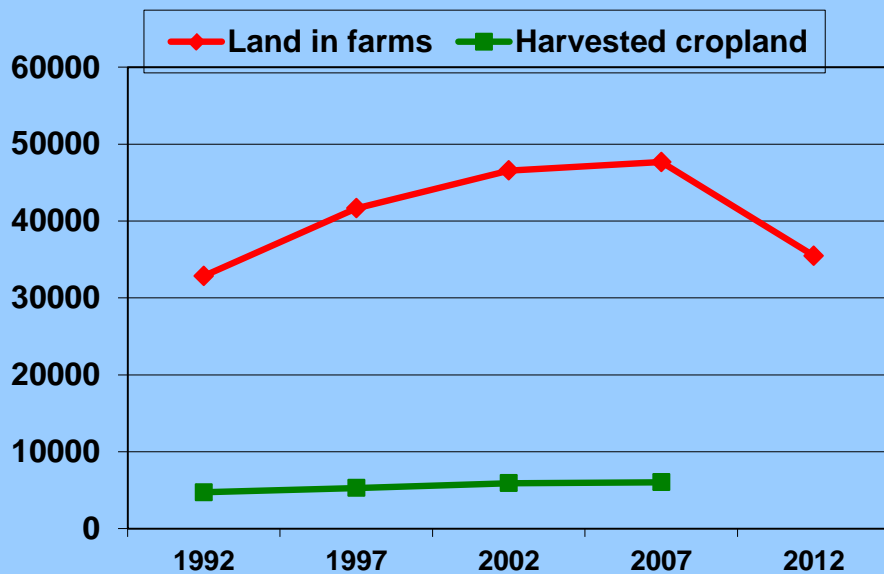
Trends in Upson County: Number of Farms



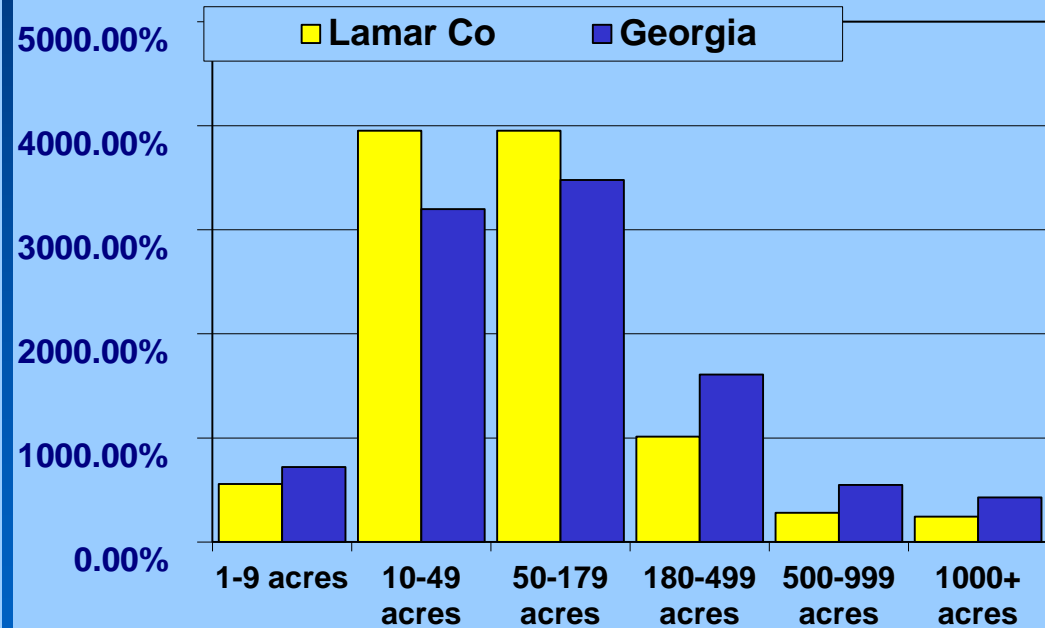
Source: 1978-2012 (quinquennial) Censuses of Agriculture

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

Land in Farms & Harvested Cropland
Upson County



Percent of Farms by Size, 2012



Agriculture in Georgia

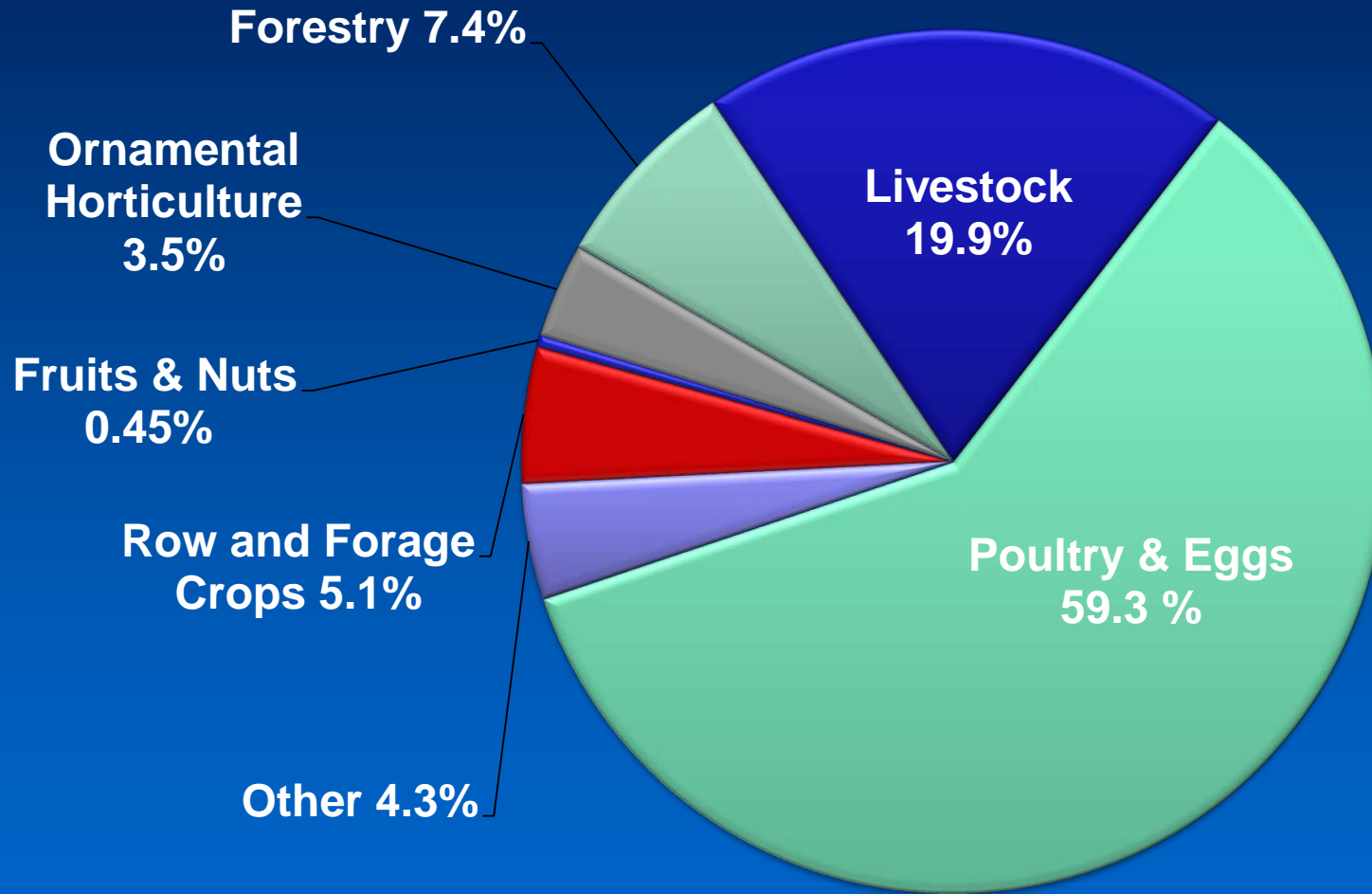
- Georgia's 2013 Farm Gate Value was \$13.59 billion. Adding the value of \$2.1 billion of landscape services increased the total agricultural production value to \$15.1 billion.
- Total food and fiber production and directly related businesses account for a \$72.5 billion *output impact* on Georgia's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

What We Know about Upson County

- 2013 Farm Gate Value in Upson Co. was \$38.3 million. Adding \$2.5 million of landscape services increased the total agricultural production value to \$40.8 million.
- The highest value commodity group was poultry and eggs, representing 59.3% of the total agricultural production value.

Upson County

2013 Farm Gate Production Value



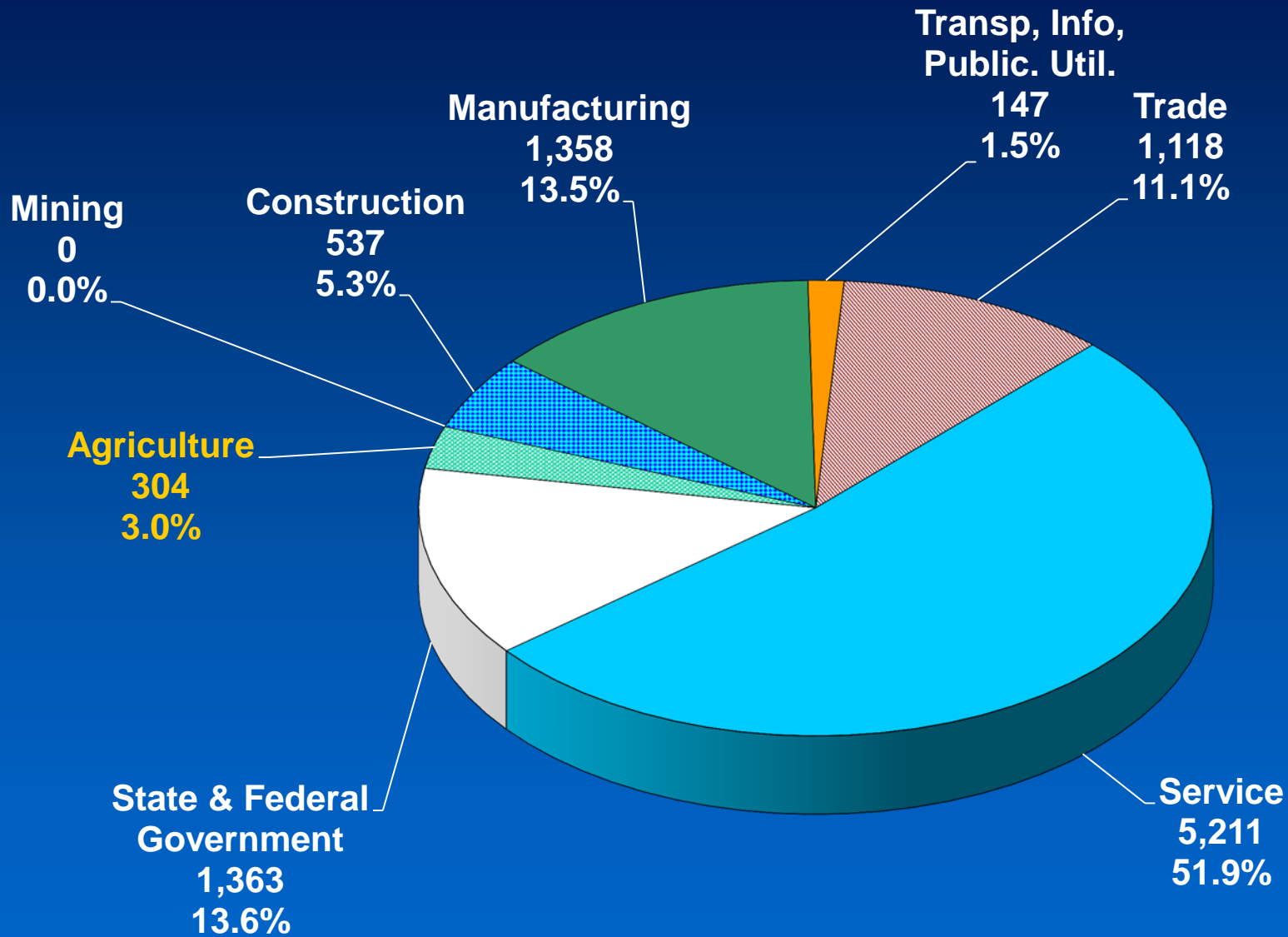
Examining the Contribution

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?

Upson County Employment

Total Jobs = 10,037



An Economic Snapshot of Upson County

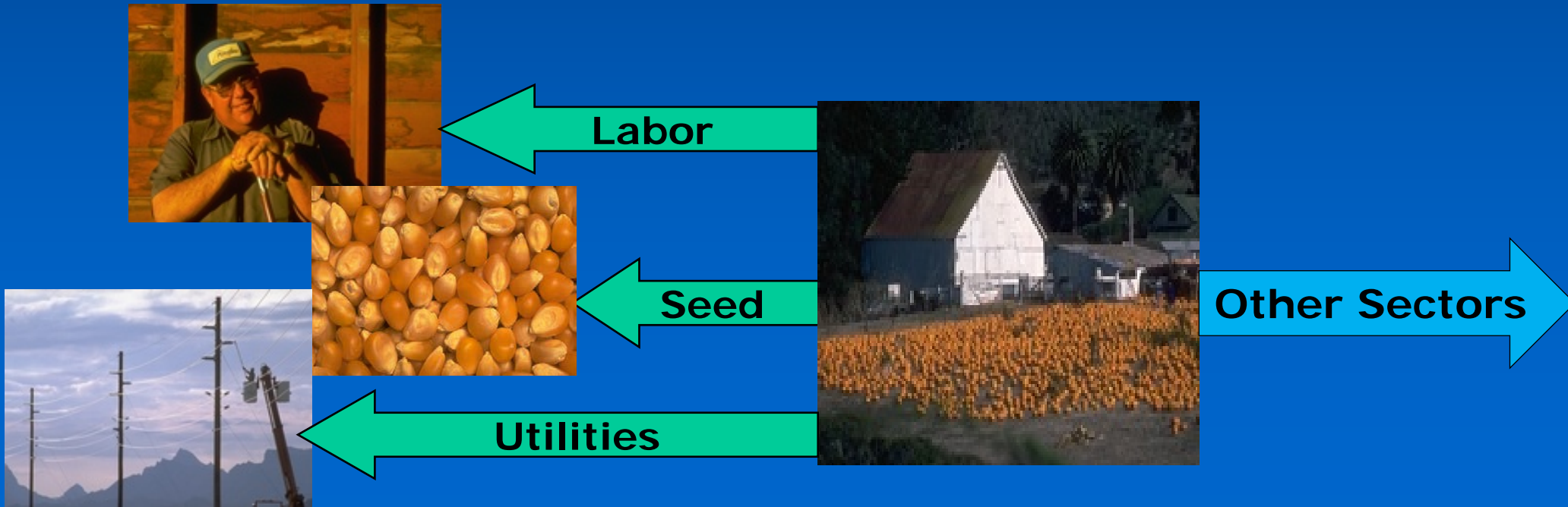
- How much of Upson County's total economic output comes from food and fiber production?
- AG value alone of \$40.8 million consisting of Farm Gate Value and landscape services comprises 3.2% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 5.3% 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.



Upson County

Agriculture *Contribution*

Sector	Direct	Total
Ag + Landscape	40,755,734	40,755,734
Mining	0	-
Utilities	0	491,968
Construction	0	292,825
Manufacturing	0	303,988
Wholesale Trade	0	195,260
Retail trade	0	920,515
Transportation & Warehousing	0	310,933
Information	0	434,419
Finance & insurance	0	910,144
Real estate & rental	0	2,064,334
Professional- scientific & tech services	0	582,025
Management of companies	0	14,319
Administrative & waste services	0	266,542
Educational svcs	0	32,218
Health & social services	0	1,953,071
Arts-entertainment & recreation	0	36,172
Accommodation & food services	0	541,588
Other services	0	514,420
Government & non NAICS	0	34,201
TOTAL	40,755,734	50,656,706

Total
Contribution
of Production
AG = \$50.7
million
3.9% of total
economy

Upson County

Production Agriculture + Directly Related Businesses Contribution

Sector	Direct	Total
Ag + Related	68,889,456	68,889,456
Mining	0	-
Utilities	0	1,126,502
Construction	0	614,341
Manufacturing	0	533,376
Wholesale Trade	0	510,662
Retail trade	0	1,343,665
Transportation & Warehousing	0	696,029
Information	0	768,284
Finance & insurance	0	1,532,185
Real estate & rental	0	2,924,941
Professional- scientific & tech services	0	1,130,607
Management of companies	0	98,894
Administrative & waste services	0	517,537
Educational svcs	0	44,266
Health & social services	0	2,780,702
Arts- entertainment & recreation	0	83,093
Accommodation & food services	0	918,183
Other services	0	809,352
Government & non NAICS	0	58,630
Total	68,889,456	85,383,911

**Total
Contribution
of AG +
Related =
\$85.4 million
6.6% of total
economy**

Upson County

Production Agriculture + Directly Related Industries Employment *Contribution*

Sector	Direct	Total
Ag + Related	522	522
Mining	0	0
Utilities	0	1
Construction	0	4
Manufacturing	0	3
Wholesale Trade	0	3
Retail trade	0	19
Transportation & Warehousing	0	4
Information	0	2
Finance & insurance	0	11
Real estate & rental	0	5
Professional- scientific & tech services	0	15
Management of companies	0	1
Administrative & waste services	0	11
Educational svcs	0	2
Health & social services	0	33
Arts- entertainment & recreation	0	1
Accommodation & food services	0	17
Other services	0	16
Government & non NAICS	0	1
Total	522	671

Total
Contribution
of AG + Related
Employment =
671

Accounts for
6.7% of
employment

What These Numbers Mean: A Brief Explanation

- *Direct contribution* is \$68.9 million. This includes food and fiber production, processing and directly related manufacturing.
- *Total contribution* includes related sectors and sums to \$85.4 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.

Upson County Food and Fiber Conclusions

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is \$85.4 million.
- The total county *output* is \$1.3 billion.
- Thus, food and fiber (directly and indirectly) account for 6.6% 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

