

The Economic Importance of Food and Fiber

The background of the slide is a stylized, colorful illustration of a farm scene. It features a large red barn with a white roof, several silos, and a wooden fence in the foreground. The scene is set against a blue sky with white clouds. The overall style is reminiscent of a folk-art or naive painting style.

A Spotlight on Johnson County, Georgia

Prepared for
Johnson County Cooperative Extension

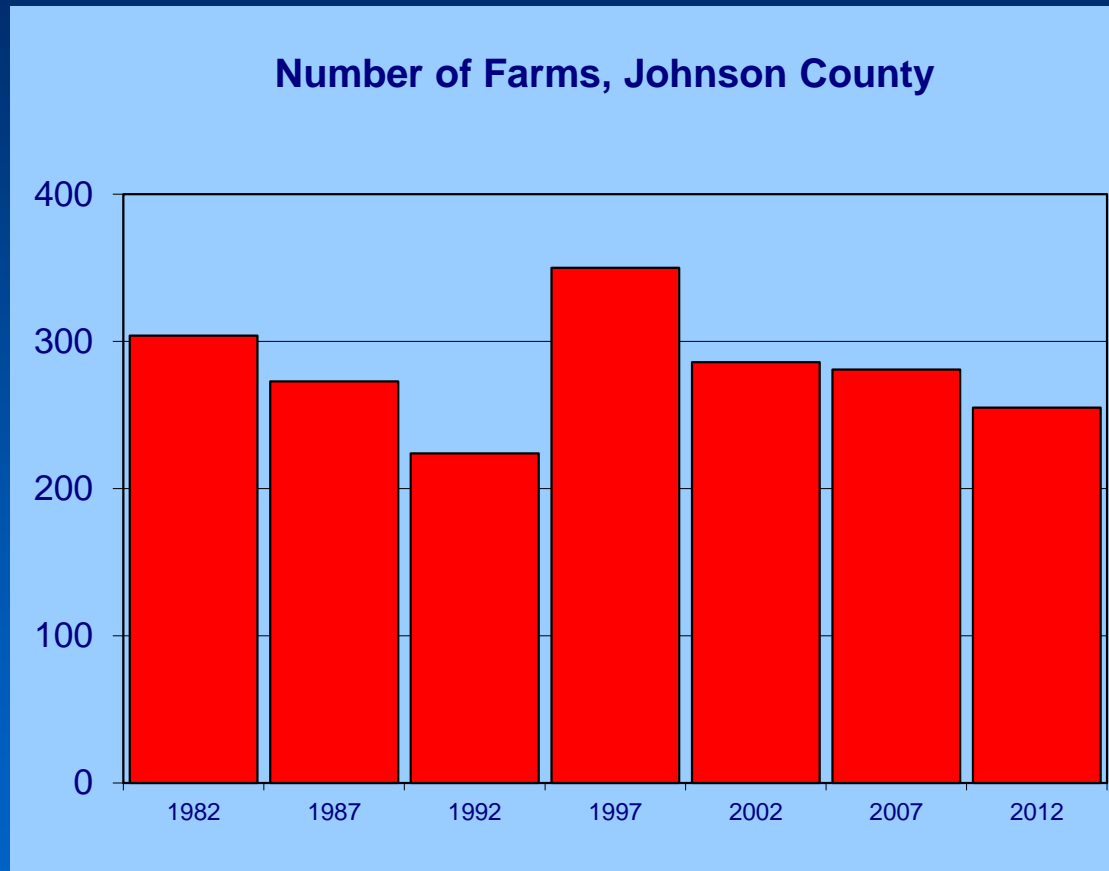
May 2016 by:

The Center for Agribusiness
and Economic Development

College of Agricultural
and Environmental Sciences

The University of Georgia

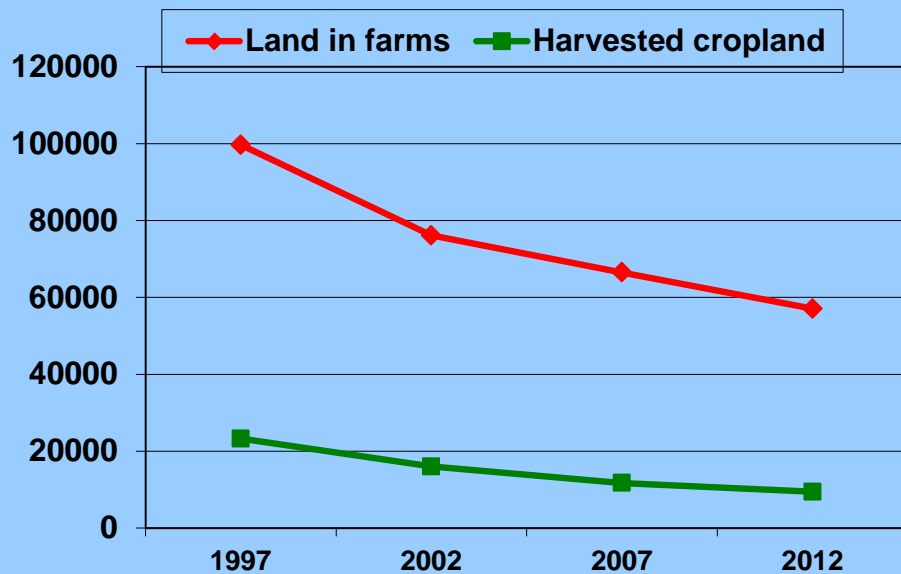
Trends in Johnson County: Number of Farms



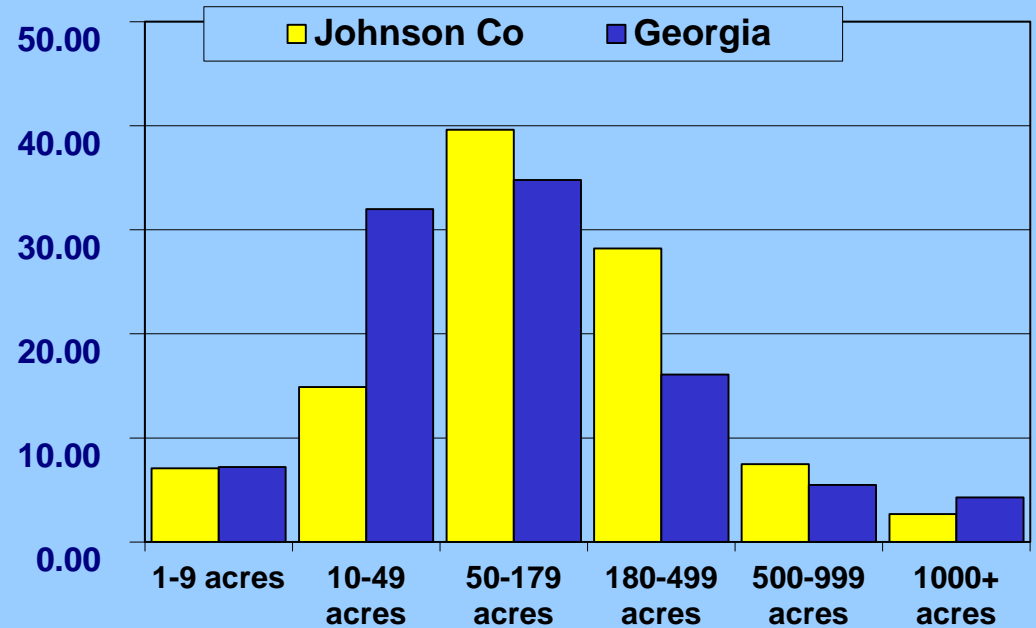
Source: 1978-2012 (quinquennial) Censuses of Agriculture

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

Land in Farms & Harvested Cropland
Johnson County



Percent of Farms by Size, 2012



Agriculture in Georgia

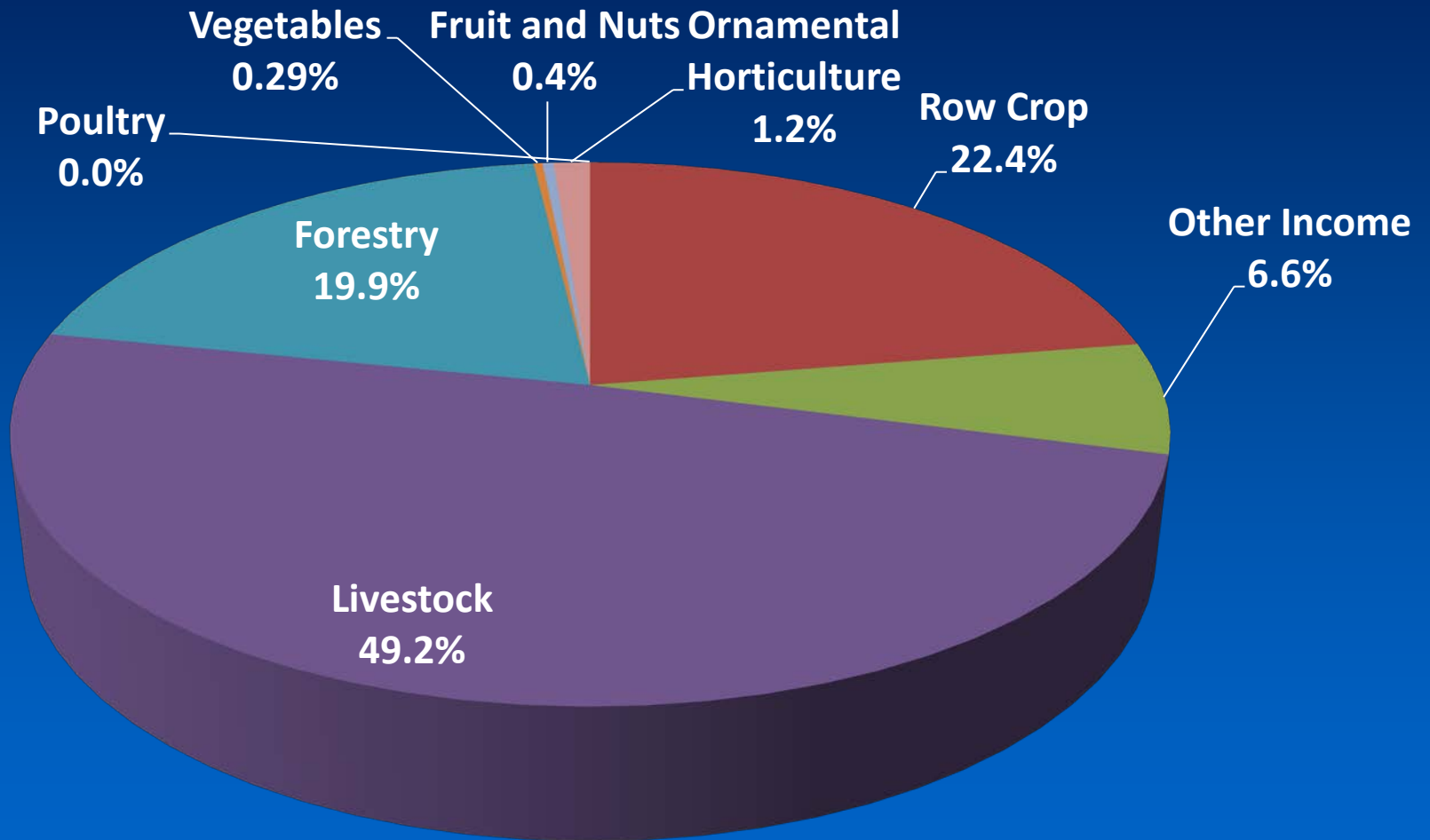
- Georgia's 2014 Farm Gate Value was \$13.99 billion. Adding the value of \$2.2 billion of landscape services increased the total agricultural production value to \$16.2 billion.
- Total food and fiber production and directly related businesses account for a \$74.3 billion *output impact* on Georgia's \$907.7 billion economy.

What We Know about Johnson County

- 2014 Farm Gate Value in Johnson Co. was \$29.4 million. Adding \$955,167 of landscape services increased the total agricultural production value to \$30.4 million.
- The highest value commodity group was livestock and aquaculture, representing 49.2% of the total agricultural production value.

Johnson County

2014 Farm Gate Production Value



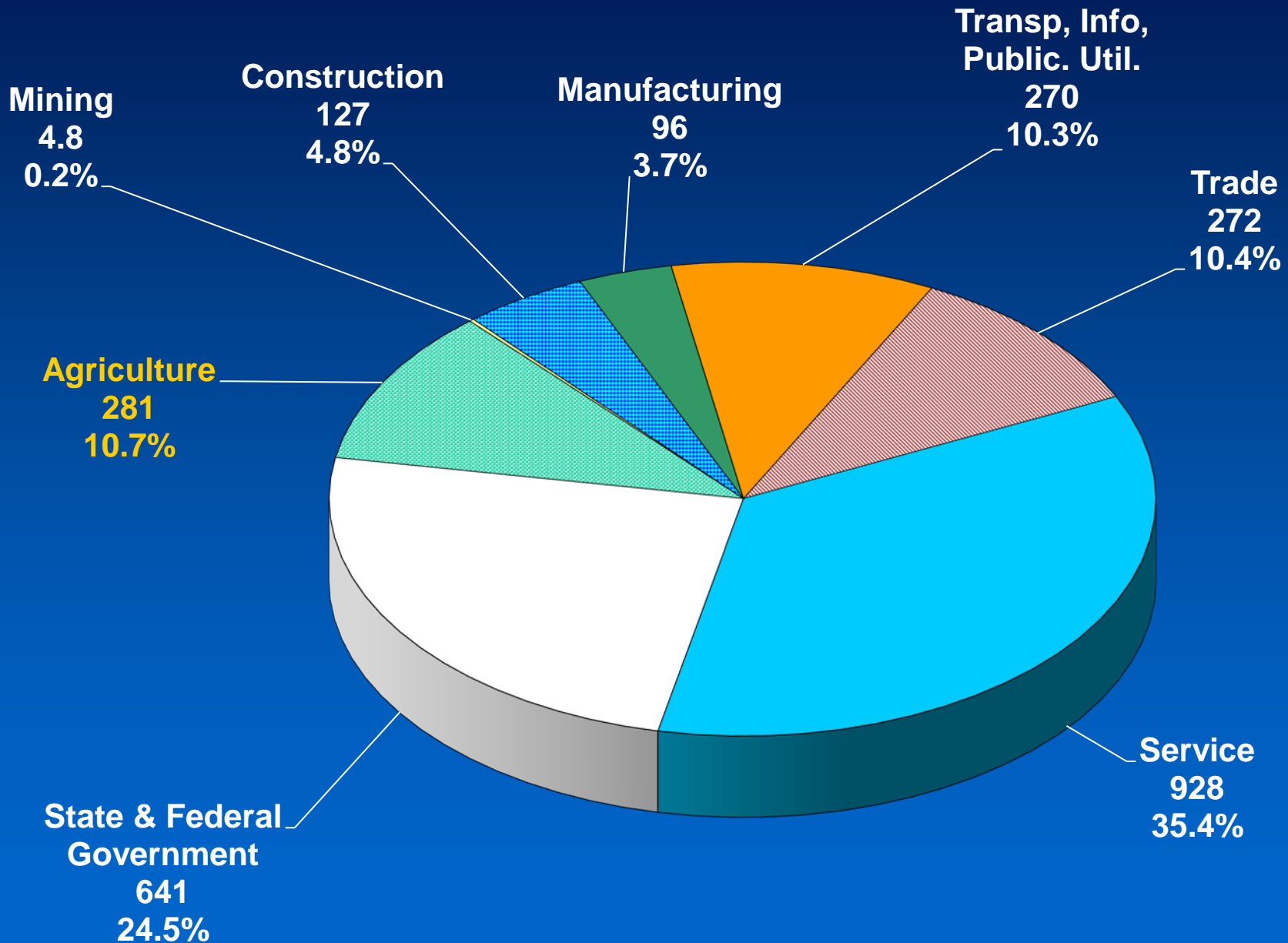
Examining the Contribution

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?

Johnson County Employment

Total Jobs = 2,619



An Economic Snapshot of Johnson County

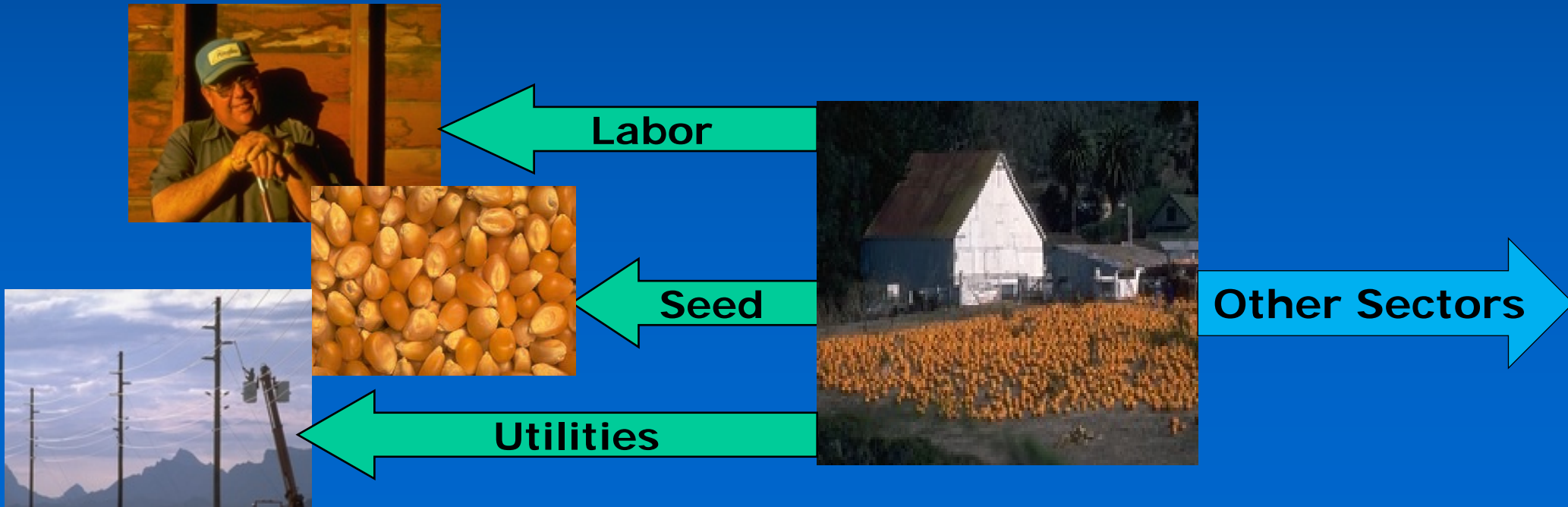
- How much of Johnson County's total economic output comes from food and fiber production and related industries?
- AG value alone of \$30.4 million consisting of Farm Gate Value and landscape services comprises 11.7% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 17.9% 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.



Johnson County

Agriculture *Contribution*

Sector	Direct	Total
Ag + Landscape Services	\$30,368,294	\$30,368,294
Mining		\$3,416
Utilities		\$12,483
Construction		\$175,366
Manufacturing		\$21,158
Wholesale Trade		\$660,172
Retail trade		\$357,610
Transportation & Warehousing		\$469,784
Information		\$164,918
Finance & insurance		\$805,733
Real estate & rental		\$1,578,146
Professional- scientific & tech services		\$58,071
Management of companies		\$0
Administrative & waste services		\$42,823
Educational svcs		\$14,901
Health & social services		\$676,213
Arts-entertainment & recreation		\$10,690
Accommodation & food services		\$159,636
Other services		\$158,196
Government & non NAICS		\$25,122
TOTAL	\$30,368,294	\$35,762,733

**Total
Contribution
of Production
AG = \$35.8
million
13.7% of total
economy**

Johnson County

Production Agriculture + Directly Related Industries Contribution

Sector	Direct	Total
Ag + Related Industries	\$46,665,846	\$46,665,846
Mining		\$4,433
Utilities		\$17,330
Construction		\$222,135
Other Manufacturing		\$36,385
Wholesale Trade		\$1,105,361
Retail trade		\$515,211
Transportation & Warehousing		\$861,514
Information		\$240,171
Finance & insurance		\$1,115,888
Real estate & rental		\$2,192,064
Professional- scientific & tech services		\$100,113
Management of companies		\$0
Administrative & waste services		\$64,834
Educational svcs		\$20,415
Health & social services		\$944,527
Arts- entertainment & recreation		\$17,368
Accommodation & food services		\$226,970
Other services		\$251,144
Government & non NAICS		\$49,566
Total	\$46,665,846	\$54,651,276

**Total
Contribution
of AG +
Related =
\$54.7 million
21% of total
economy**

Johnson County

Production Agriculture + Directly Related Industries Employment *Contribution*

Sector	Direct	Total
Ag + Related Industries	1,555	1,555
Mining		1
Utilities		3
Construction		14
Manufacturing		1
Wholesale Trade		67
Retail trade		67
Transportation & Warehousing		92
Information		7
Finance & insurance		27
Real estate & rental		43
Professional- scientific & tech services		40
Management of companies		8
Administrative & waste services		55
Educational svcs		5
Health & social services		45
Arts- entertainment & recreation		14
Accommodation & food services		53
Other services		25
Government & non NAICS		3
Total	1,555	1,617

**Total Contribution
of AG + Related
Industries
Employment =
1,617
Accounts for
61.7% of
employment***

*In addition to ag, forestry, and landscape services, includes positions in logging, ag support sectors, ag-related manufacturing, animal slaughtering and other related sectors

What These Numbers Mean: A Brief Explanation

- *Direct contribution* is \$46.7 million. This includes food and fiber production, processing and directly related manufacturing.
- *Total contribution* includes related sectors and sums to \$54.7 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.

Johnson County Food and Fiber Conclusions

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is \$54.7 million.
- The total county *output* is \$260 million.
- Thus, food and fiber (directly and indirectly) account for 21% 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”*

*Check our website for more resources:
www.caed.uga.edu*

**Ag Profile Report
#16-05A**

