

The Economic Importance of Food and Fiber

The background of the slide is a stylized, colorful illustration of a farm scene. It features a red barn with a white roof, several silos, and green fields. The style is reminiscent of a folk-art or naive painting style, with bold outlines and a limited color palette. The sky is a mix of blue and purple tones.

A Spotlight on McDuffie County, Georgia

Prepared for
McDuffie County Cooperative Extension

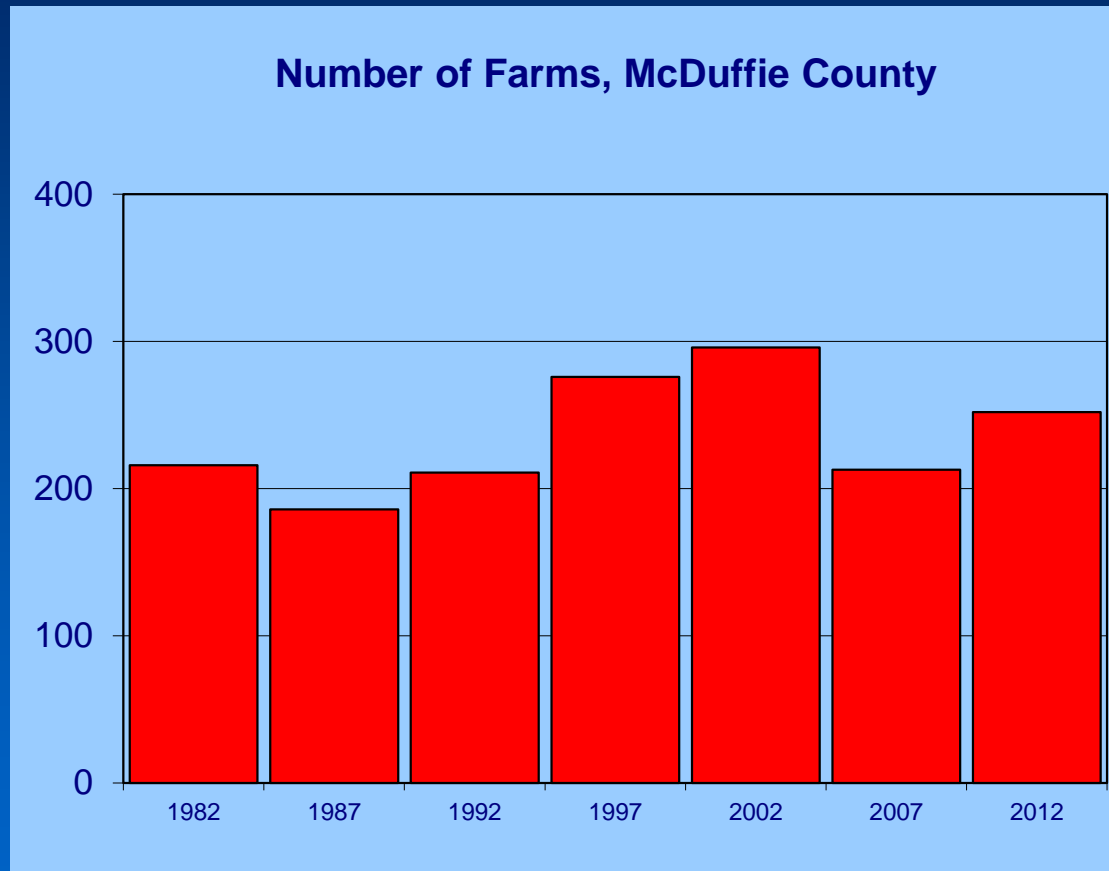
June 2016 by:

The Center for Agribusiness
and Economic Development

College of Agricultural
and Environmental Sciences

The University of Georgia

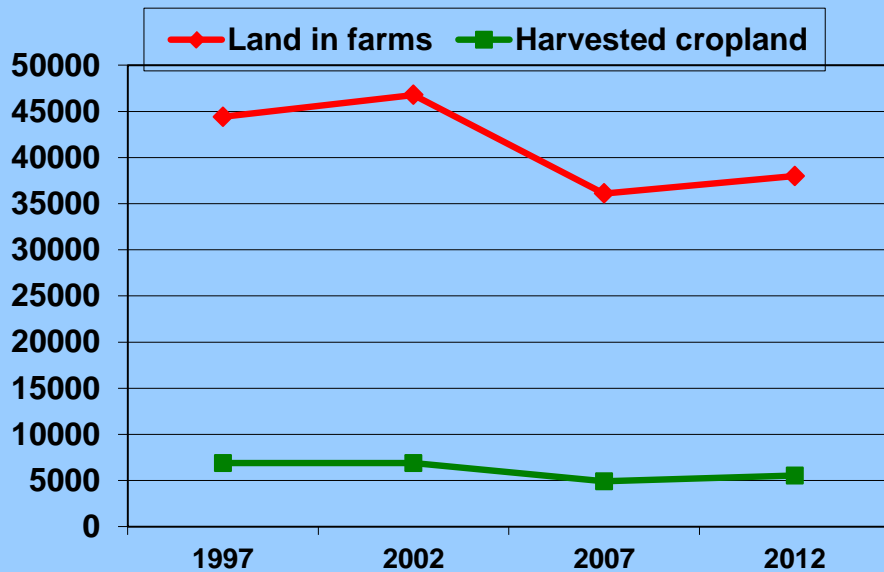
Trends in McDuffie County: Number of Farms



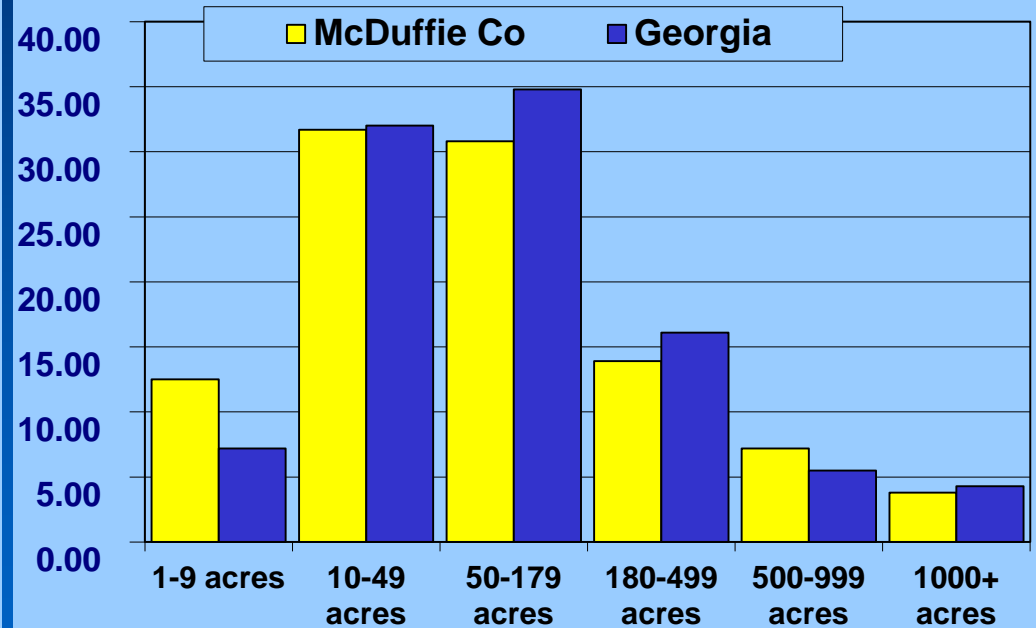
Source: 1978-2012 (quinquennial) Censuses of Agriculture

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

Land in Farms & Harvested Cropland
McDuffie County



Percent of Farms by Size, 2012



Agriculture in Georgia

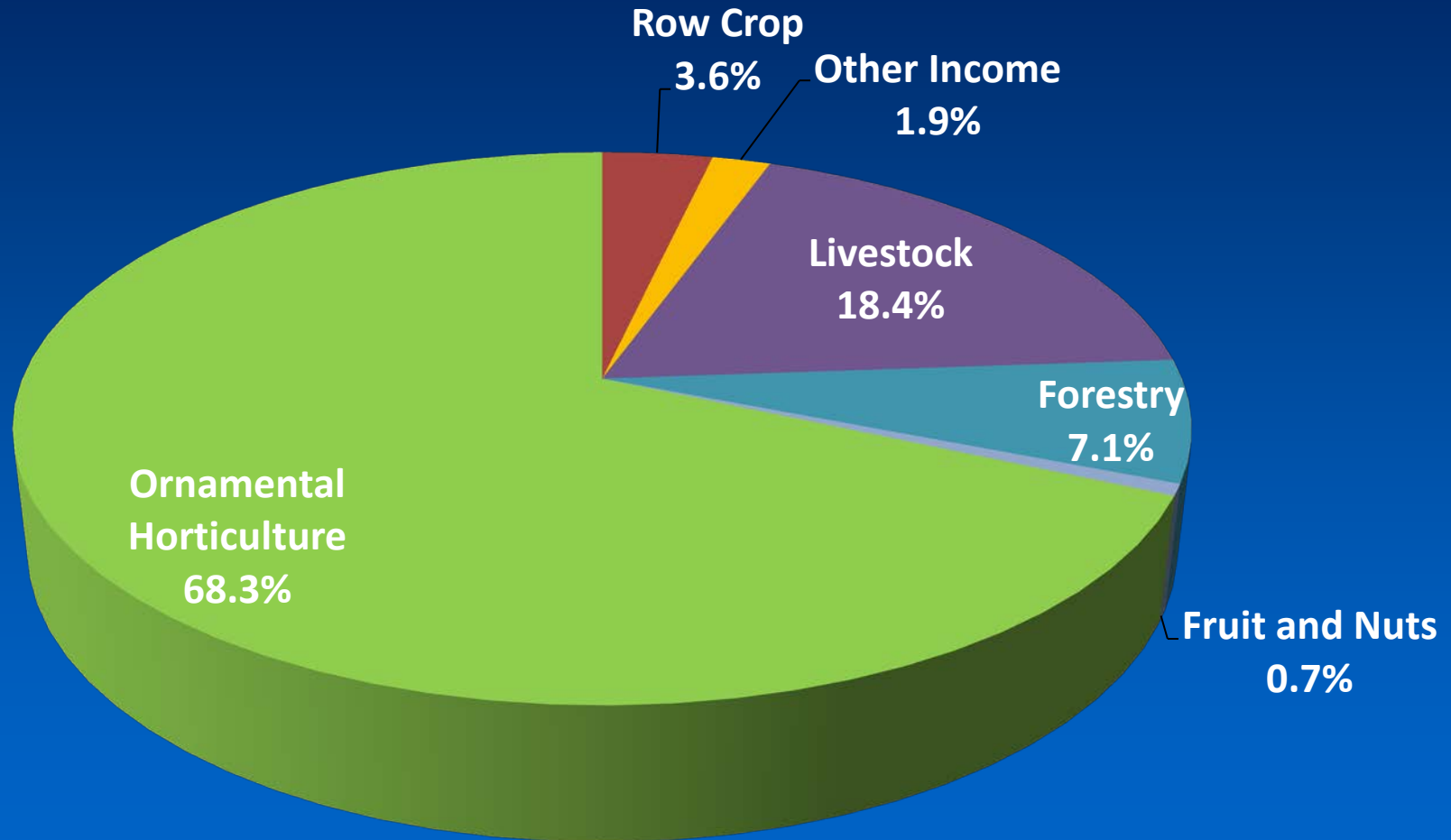
- Georgia's 2014 Farm Gate Value was \$13.99 billion. Adding the value of \$2.2 billion of landscape services increased the total agricultural production value to \$16.2 billion.
- Total food and fiber production and directly related businesses account for a \$74.3 billion *output impact* on Georgia's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

What We Know about McDuffie County

- 2014 Farm Gate Value in McDuffie Co. was \$50.8 million. Adding \$1.4 million of landscape services increased the total agricultural production value to \$52.2 million.
- The highest value commodity group was ornamental horticulture, representing 68% of the total agricultural production value.

McDuffie County

2014 Farm Gate Production Value



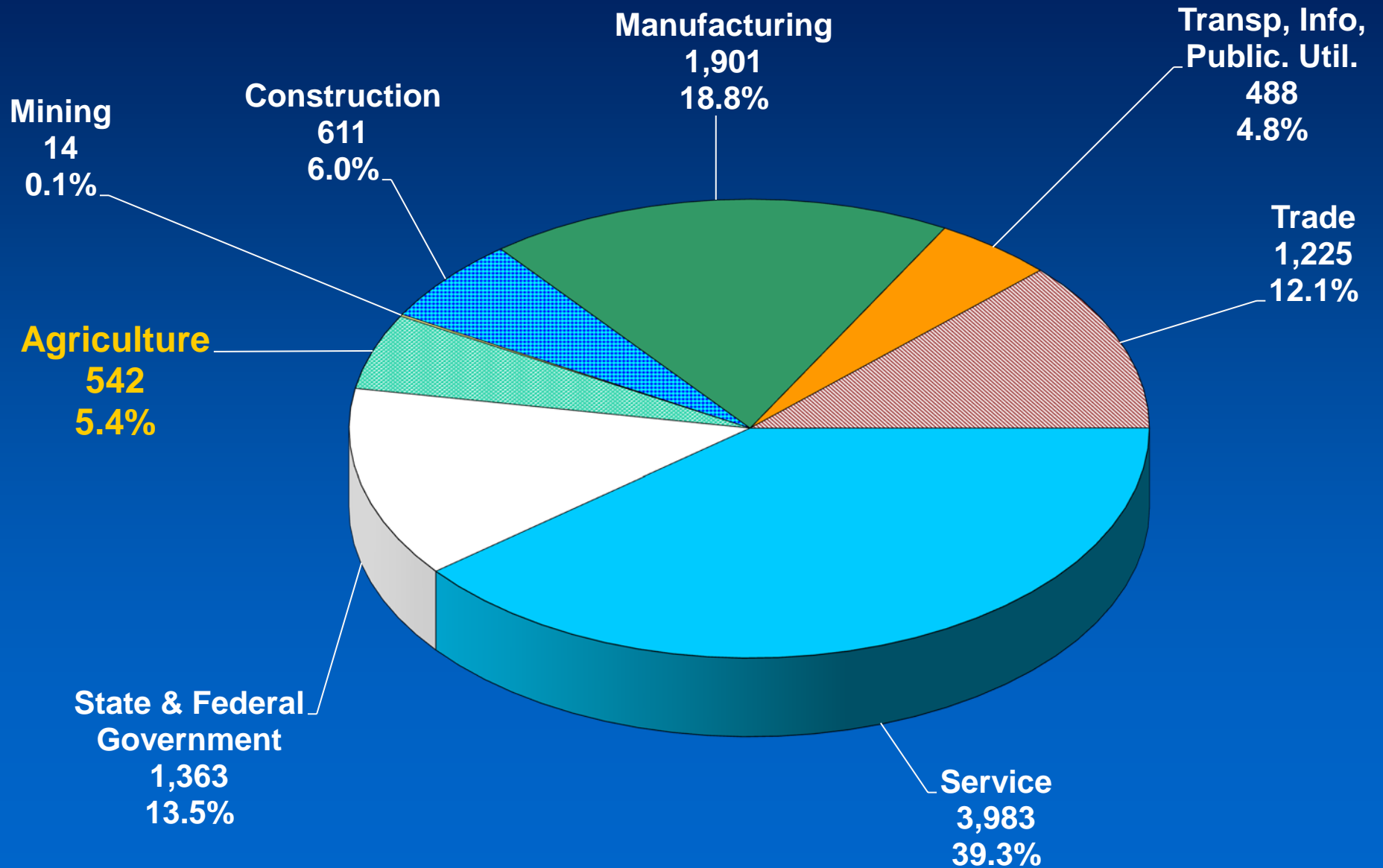
Examining the Contribution

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?

McDuffie County Employment

Total Jobs = 10,127



An Economic Snapshot of McDuffie County

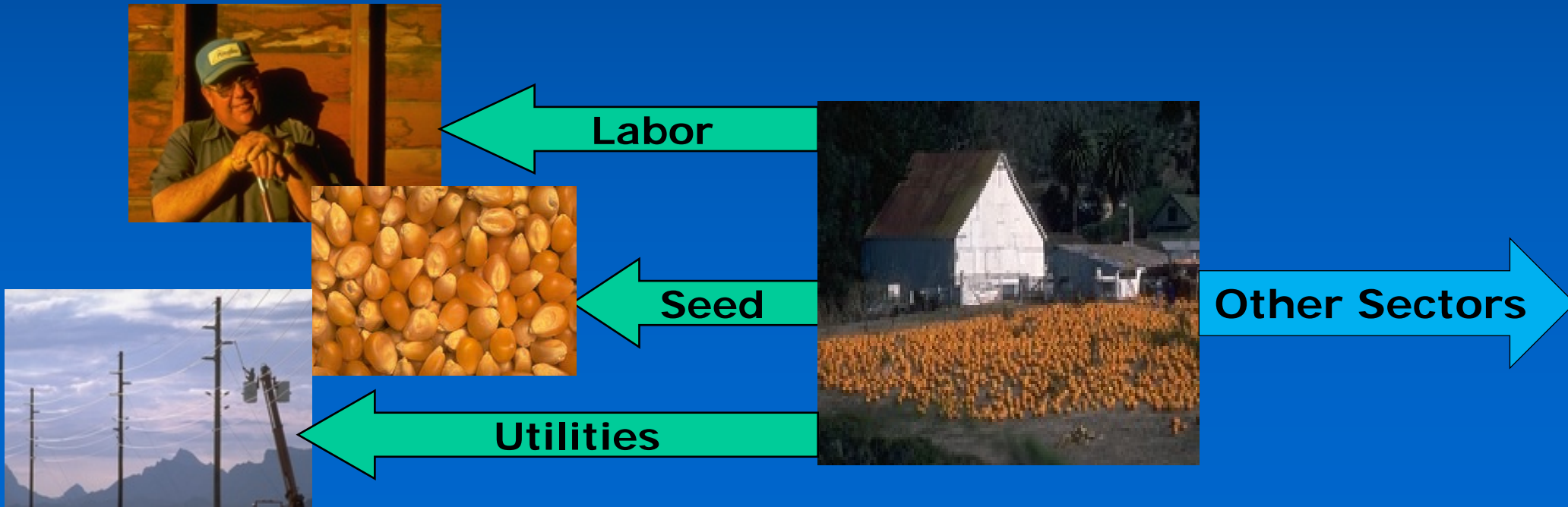
- How much of McDuffie County's total economic output comes from food and fiber production?
- AG value alone of \$52.2 million consisting of Farm Gate Value and landscape services comprises 3.6% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 6.8% 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.



McDuffie County

Agriculture *Contribution*

Sector	Direct	Total
Ag + Landscape Services	\$52,181,556	\$52,181,556
Mining		\$11,442
Utilities		\$424,779
Construction		\$352,384
Manufacturing		\$28,083
Wholesale Trade		\$407,140
Retail trade		\$2,158,757
Transportation & Warehousing		\$685,613
Information		\$456,987
Finance & insurance		\$3,031,260
Real estate & rental		\$4,203,998
Professional- scientific & tech services		\$415,019
Management of companies		\$0
Administrative & waste services		\$213,313
Educational svcs		\$57,542
Health & social services		\$2,895,994
Arts-entertainment & recreation		\$77,242
Accommodation & food services		\$1,263,996
Other services		\$781,257
Government & non NAICS		\$42,520
TOTAL	\$52,181,556	\$69,688,881

Total
Contribution
of Production
AG = \$69.7
million
4.8% of total
economy

McDuffie County

Production Agriculture + Directly Related Industries Contribution

Sector	Direct	Total
Ag + Related Industries	\$98,675,019	\$98,675,019
Mining		\$16,985
Utilities		\$639,749
Construction		\$578,961
Other Manufacturing		\$48,551
Wholesale Trade		\$1,225,200
Retail trade		\$2,835,993
Transportation & Warehousing		\$2,187,603
Information		\$762,395
Finance & insurance		\$4,154,337
Real estate & rental		\$5,473,814
Professional- scientific & tech services		\$712,853
Management of companies		\$0
Administrative & waste services		\$350,555
Educational svcs		\$73,922
Health & social services		\$3,728,019
Arts- entertainment & recreation		\$113,370
Accommodation & food services		\$1,742,062
Other services		\$1,039,172
Government & non NAICS		\$87,047
Total	\$98,675,019	\$124,445,607

**Total
Contribution
of AG +
Related =
\$124.4 million
8.6% of total
economy**

McDuffie County

Production Agriculture + Directly Related Industries Employment *Contribution*

Sector	Direct	Total
Ag + Related Industries	1,343	1,343
Mining		0
Utilities		1
Construction		4
Manufacturing		0
Wholesale Trade		7
Retail trade		41
Transportation & Warehousing		17
Information		3
Finance & insurance		21
Real estate & rental		11
Professional- scientific & tech services		9
Management of companies		0
Administrative & waste services		11
Educational svcs		4
Health & social services		53
Arts- entertainment & recreation		3
Accommodation & food services		34
Other services		14
Government & non NAICS		1
Total	1,343	1,578

Total
Contribution
of AG + Related
Employment =
1,578
Accounts for
15.6% of
employment

What These Numbers Mean: A Brief Explanation

- *Direct contribution* is \$98.7 million. This includes food and fiber production, processing and directly related manufacturing.
- *Total contribution* includes related sectors and sums to \$124.4 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.

McDuffie County Food and Fiber Conclusions

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is \$124.4 million.
- The total county *output* is \$1.4 billion.
- Thus, food and fiber (directly and indirectly) account for 8.6% 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”*

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

Ag Profile Report

