

The Economic Importance of Food and Fiber

A Spotlight on Morgan County, Georgia

Prepared for:
Morgan County Cooperative Extension

Prepared by:



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Agriculture in Georgia

- Georgia's 2015 Farm Gate Value was \$13.8 billion. Adding the value of \$2.2 billion of landscape services increased the total agricultural production value to \$16.0 billion.
- Total food and fiber production and directly related businesses account for a \$74.9 billion *output impact* on Georgia's \$917.6 billion economy.



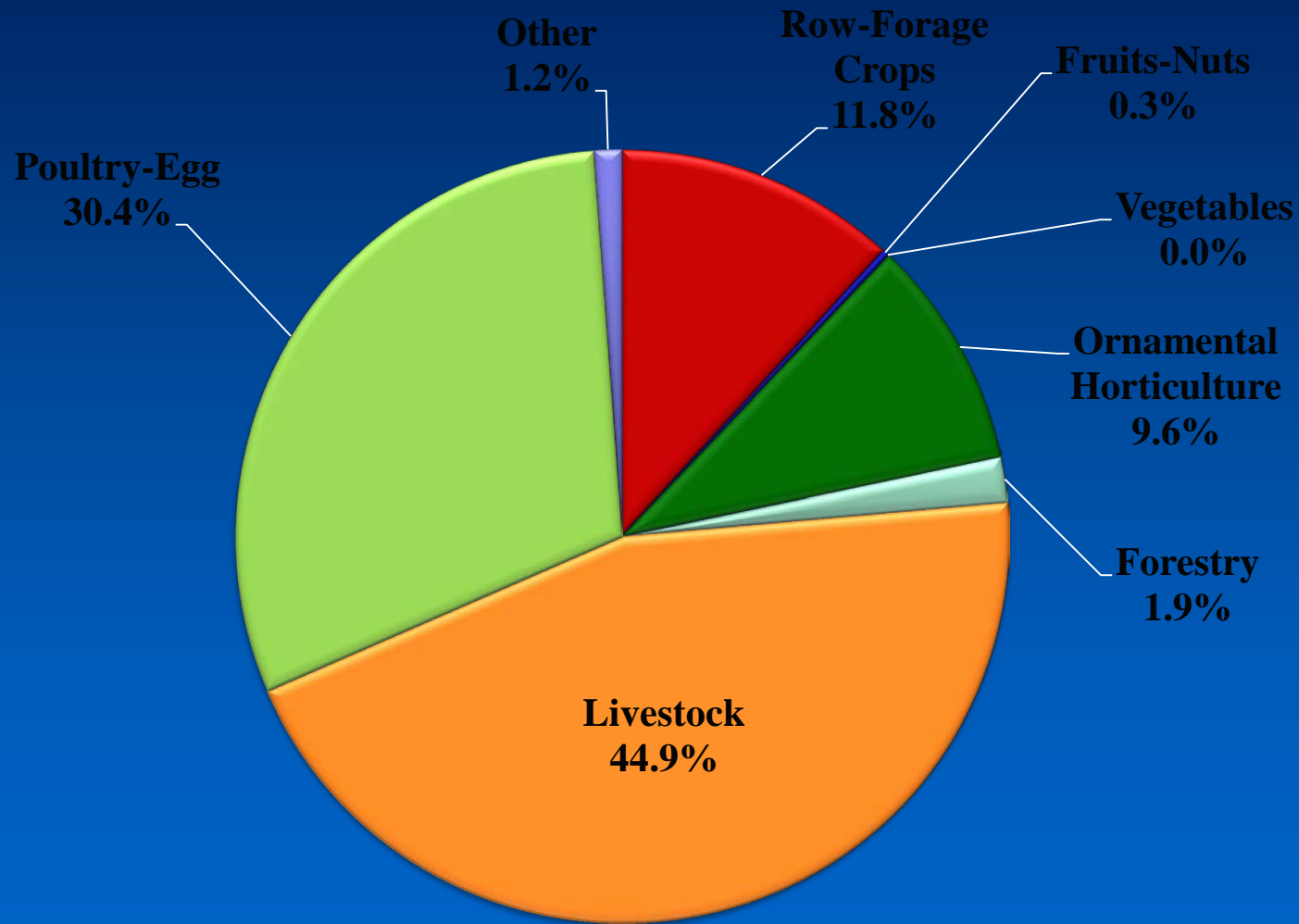
What We Know about Morgan County

- 2015 Farm Gate Value in Morgan Co. was \$150.6 million. Adding \$23.6 million of landscape services increased the total agricultural production value to \$174.2 million.
- The highest value commodity group was livestock, representing 44.9% of the total agricultural production value.



Morgan County

2015 Farm Gate Production Value



Examining the Contribution

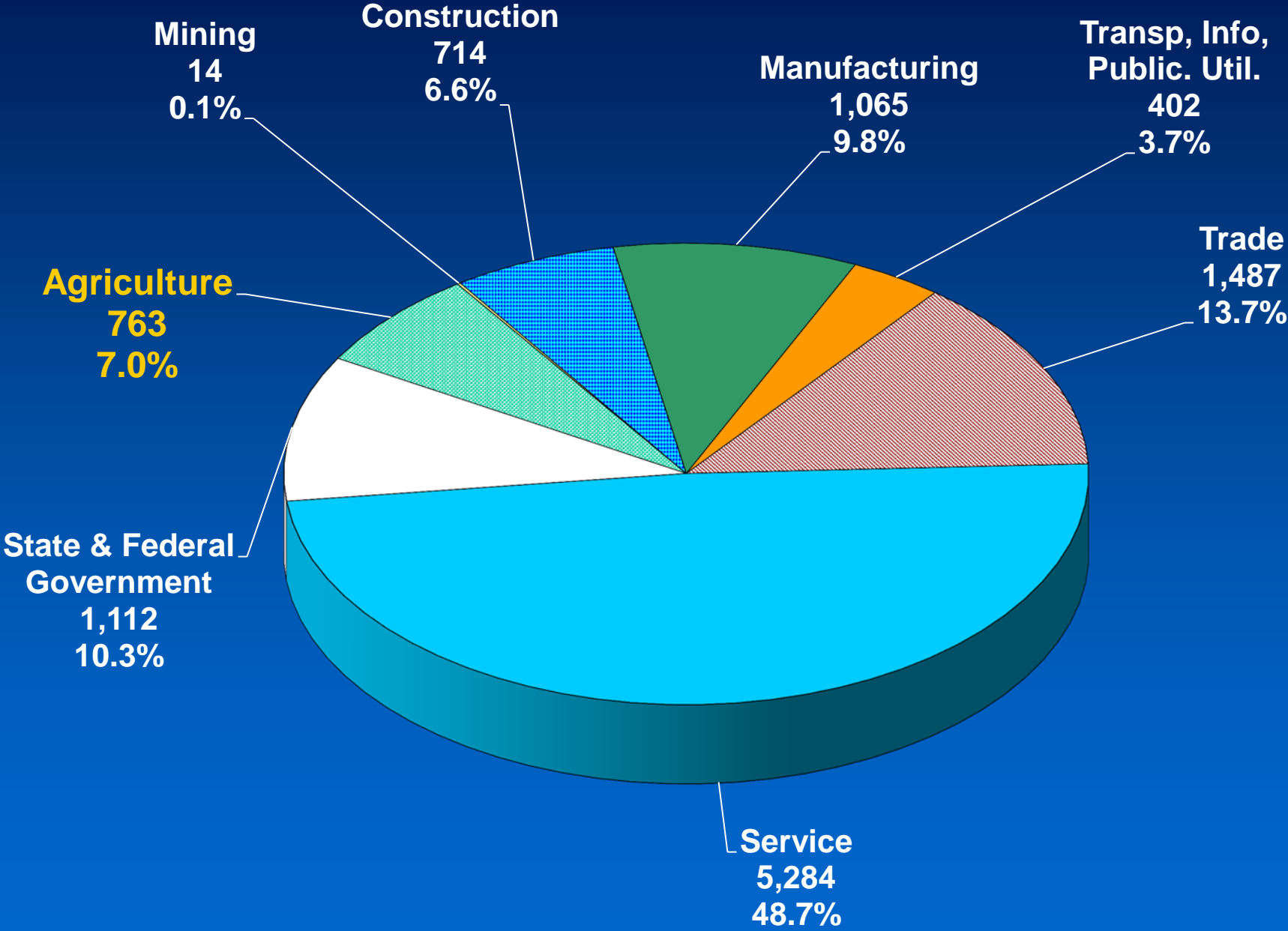
County Economy Modeled

- 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?



Morgan County Employment

Total Jobs = 10,840



Primary data source: Center for Agribusiness & Economic Development, UGA

An Economic Snapshot of Morgan County

- How much of Morgan County's total economic output comes from food and fiber production?
- AG value alone of \$174.2 million consisting of Farm Gate Value and landscape services comprises 13.1% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 13.5% of the county's economy.



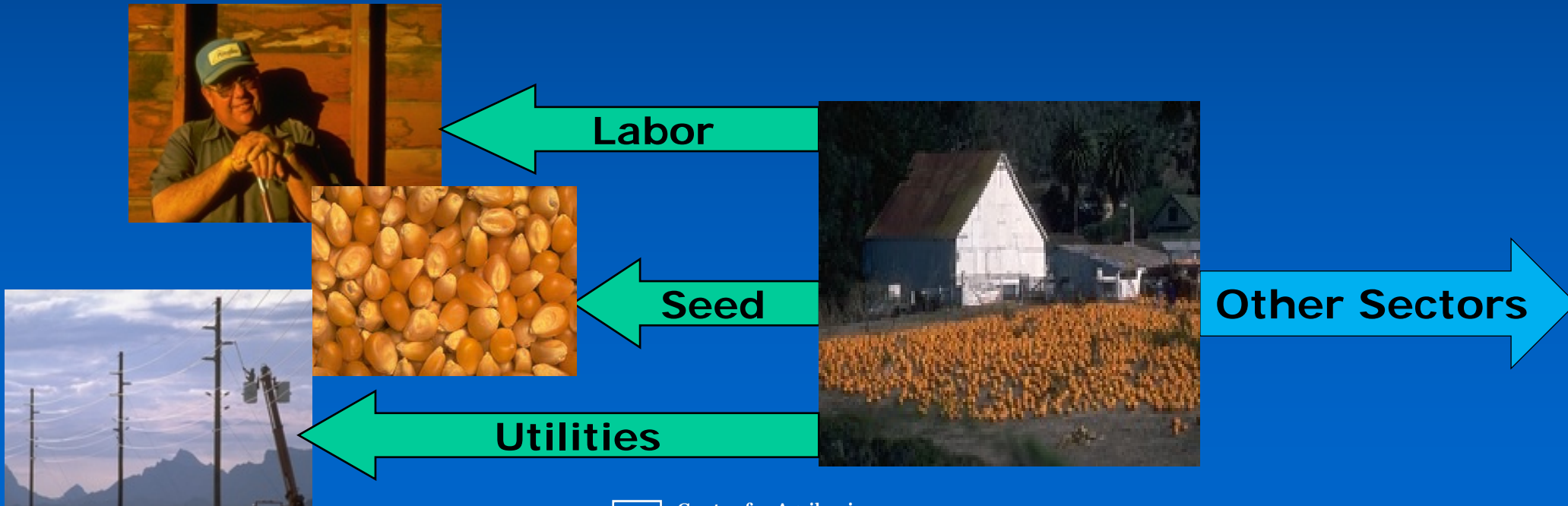
What is the Economic Contribution?

- 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.



Morgan County

Agriculture *Contribution*

Sector	Direct	Total
Ag + Landscape Services	\$174,187,216	\$174,187,216
Mining		15,732
Utilities		2,042,019
Construction		1,499,581
Manufacturing		62,073
Wholesale Trade		7,874,102
Retail trade		4,406,598
Transportation & Warehousing		2,969,152
Information		857,758
Finance & insurance		5,783,120
Real estate & rental		12,966,805
Professional- scientific & tech services		3,035,651
Management of companies		163,512
Administrative & waste services		1,468,126
Educational services		173,670
Health & social services		2,392,147
Arts-entertainment & recreation		694,306
Accommodation & food services		3,563,829
Other services		2,373,077
Government & non NAICS		211,061
TOTAL	\$174,187,216	\$226,739,534

**Total
Contribution
of Production
AG = \$226.7
million
17% of total
economy**

Morgan County

Production Agriculture + Directly Related Industries Contribution

Sector	Direct	Total
Ag + Related Industries	\$180,735,660	\$180,735,660
Mining		16,367
Utilities		2,132,517
Construction		1,549,727
Other Manufacturing		64,266
Wholesale Trade		8,364,975
Retail trade		4,538,033
Transportation & Warehousing		3,178,435
Information		890,524
Finance & insurance		5,975,725
Real estate & rental		13,363,148
Professional- scientific & tech services		3,198,142
Management of companies		179,770
Administrative & waste services		1,522,699
Educational svcs		178,562
Health & social services		2,462,480
Arts- entertainment & recreation		717,625
Accommodation & food services		3,679,609
Other services		2,485,721
Government & non NAICS		222,630
Total	\$180,735,660	\$235,456,615

**Total
Contribution
of AG +
Related =
\$235.5 million
17.6% of total
economy**

Morgan County

Production Agriculture + Directly Related Industries Employment *Contribution*

Sector	Direct	Total
Ag + Related Industries	1,993	1,993
Mining		0
Utilities		2
Construction		11
Manufacturing		0
Wholesale Trade		41
Retail trade		72
Transportation & Warehousing		25
Information		4
Finance & insurance		36
Real estate & rental		61
Professional- scientific & tech services		32
Management of companies		1
Administrative & waste services		34
Educational svcs		7
Health & social services		41
Arts- entertainment & recreation		10
Accommodation & food services		71
Other services		53
Government & non NAICS		3
Total	1,993	2,497

Total
Contribution
of AG + Related
Employment =
2,497

Accounts for
23% of
employment

What These Numbers Mean: A Brief Explanation

- *Direct contribution* is \$180.7 million. This includes food and fiber production, processing and directly related manufacturing.
- *Total contribution* includes related sectors and sums to \$235.5 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.



Morgan County Food and Fiber Summary/Conclusions

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is \$235.5 million.
- The total county *output* is \$1.3 billion.
- Thus, food and fiber (directly and indirectly) account for 17.6% 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“*

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