

The Economic Importance of Food and Fiber

A Spotlight on Tift County, Georgia

Prepared for
Tift County Cooperative Extension

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The Center for Agribusiness
and Economic Development

College of Agricultural
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Agriculture in Georgia

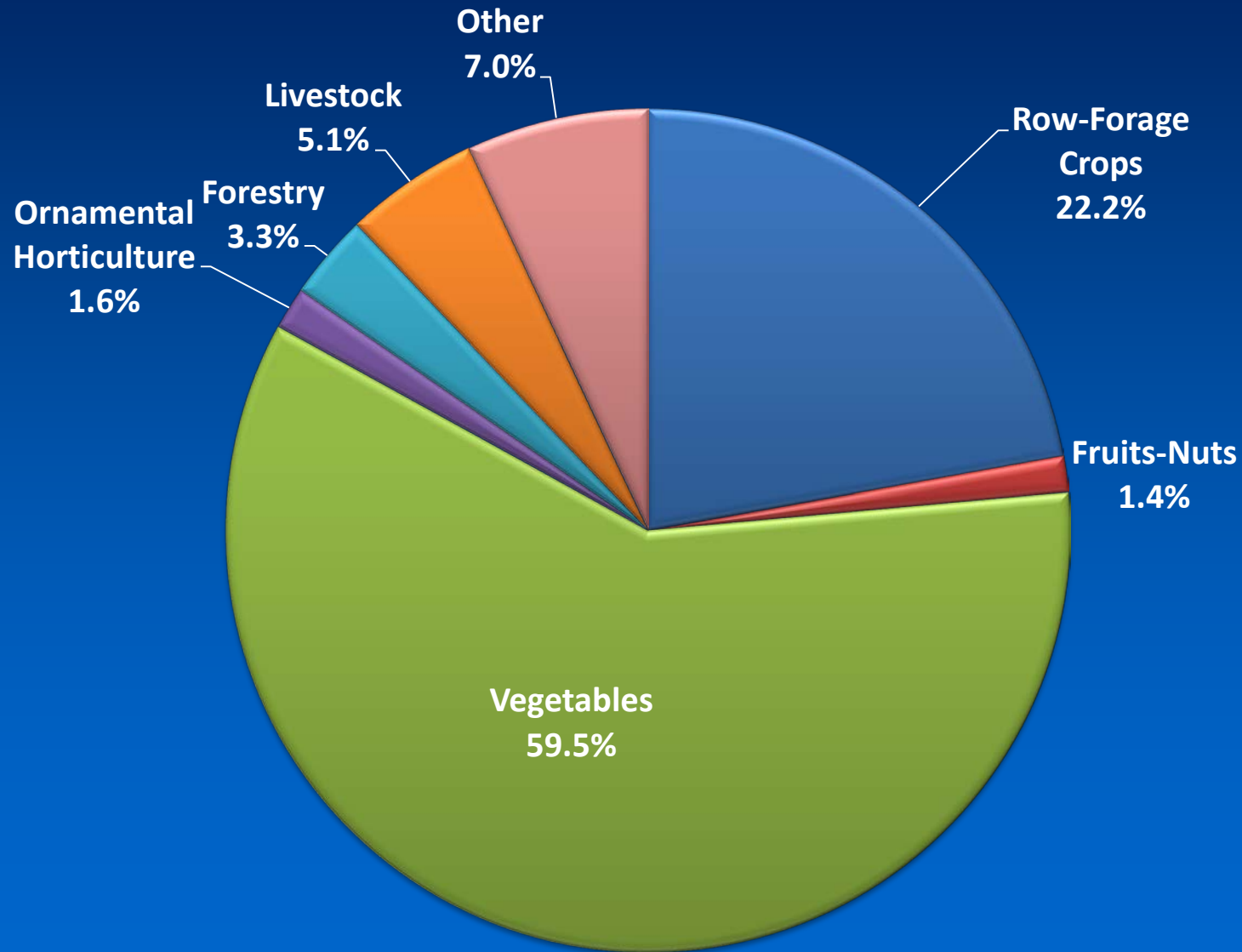
- Georgia's 2014 Farm Gate Value was \$13.99 billion. Adding the value of \$2.2 billion of landscape services increased the total agricultural production value to \$16.2 billion.
- Total food and fiber production and directly related businesses account for a \$74.3 billion *output impact* on Georgia's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

What We Know about Tift County

- 2014 Farm Gate Value in Tift Co. was \$173.4 million. Adding \$3.1 million of landscape services increased the total agricultural production value to \$176.5 million.
- The highest value commodity group was vegetables, representing 59.5% of the total agricultural production value.

Tift County

2014 Farm Gate Production Value



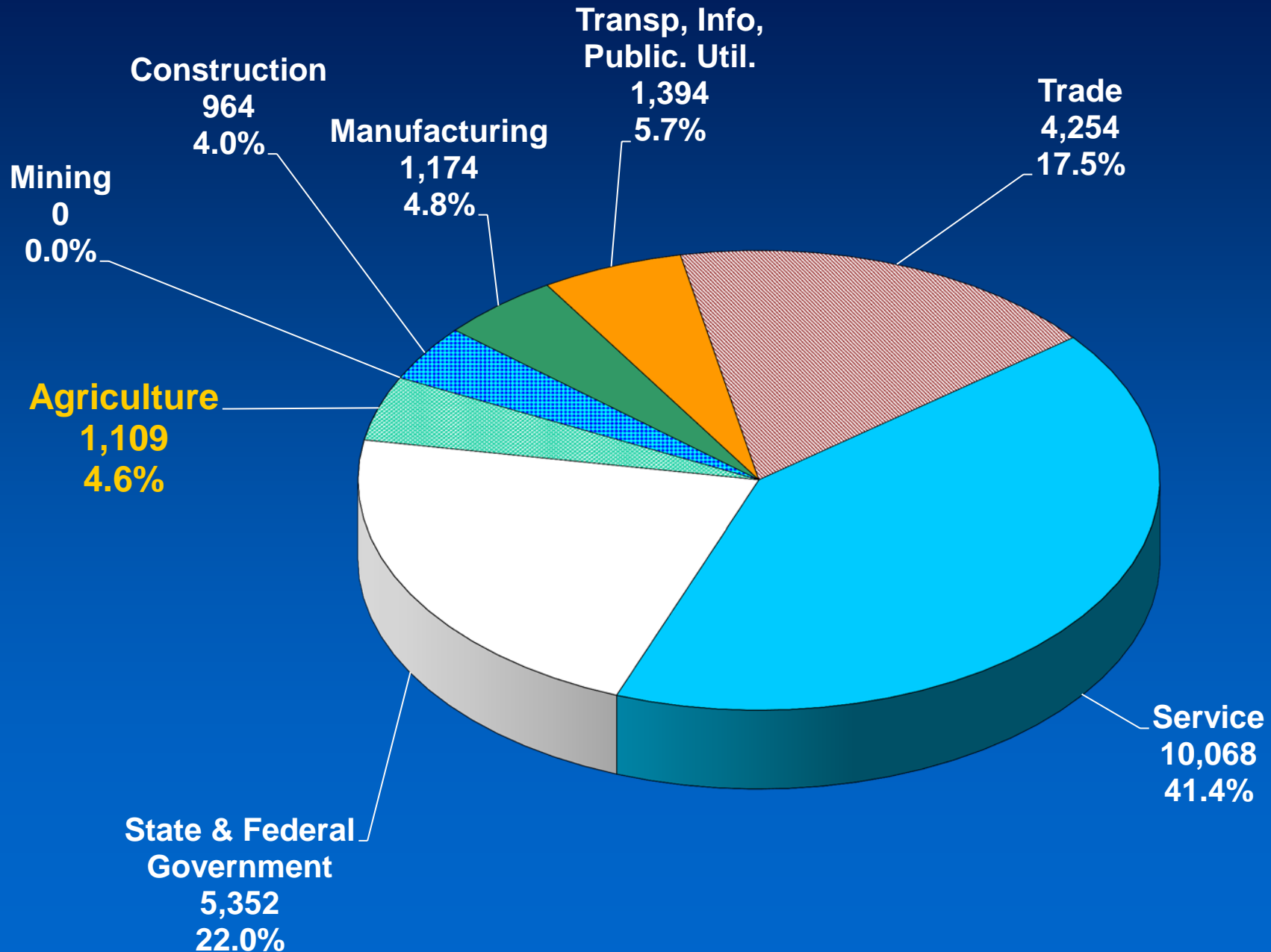
Examining the Contribution

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?

Tift County Employment

Total Jobs = 24,314



An Economic Snapshot of Tift County

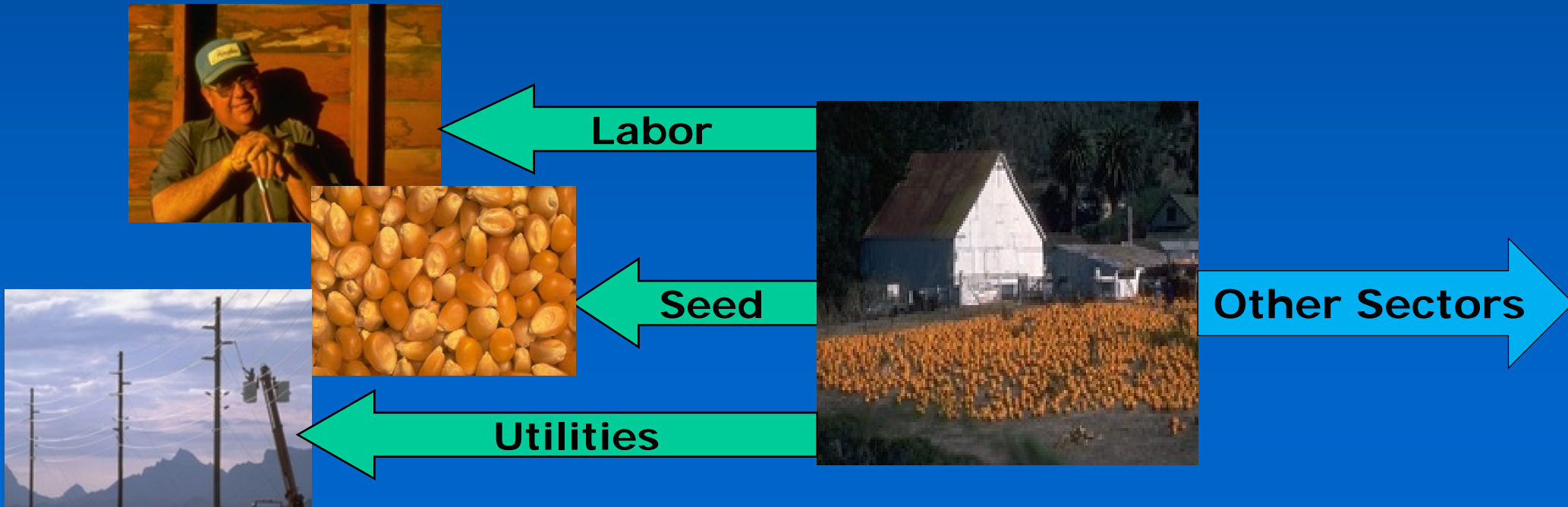
- How much of Tift County's total economic output comes from food and fiber production?
- AG value alone of \$176.5 million consisting of Farm Gate Value and landscape services comprises 5.8% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 11.1% 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.



Tift County

Agriculture *Contribution*

Sector	Direct	Total
Ag + Landscape Services	\$176,464,969	\$176,464,969
Mining		\$0
Utilities		\$3,632,362
Construction		\$1,893,386
Manufacturing		\$369,106
Wholesale Trade		\$7,680,385
Retail trade		\$9,334,967
Transportation & Warehousing		\$2,894,820
Information		\$4,962,561
Finance & insurance		\$7,970,523
Real estate & rental		\$17,052,790
Professional- scientific & tech services		\$2,482,163
Management of companies		\$182,525
Administrative & waste services		\$1,872,234
Educational services		\$656,139
Health & social services		\$9,467,834
Arts-entertainment & recreation		\$646,664
Accommodation & food services		\$6,089,219
Other services		\$3,447,358
Government & non NAICS		\$151,264
TOTAL	\$176,464,969	\$257,251,269

Total
Contribution
of Production
AG = \$257.3
million
8.4% of total
economy

Tift County

Production Agriculture + Directly Related Industries Contribution

Sector	Direct	Total
Ag + Related Industries	\$340,990,378	\$340,990,378
Mining		\$0
Utilities		\$5,918,956
Construction		\$3,036,926
Other Manufacturing		\$551,784
Wholesale Trade		\$18,218,747
Retail trade		\$12,915,393
Transportation & Warehousing		\$6,712,113
Information		\$6,815,981
Finance & insurance		\$11,633,029
Real estate & rental		\$21,102,392
Professional- scientific & tech services		\$3,983,595
Management of companies		\$1,827,112
Administrative & waste services		\$3,321,804
Educational services		\$778,639
Health & social services		\$11,338,165
Arts- entertainment & recreation		\$803,193
Accommodation & food services		\$7,610,695
Other services		\$4,865,051
Government & non NAICS		\$308,381
Total	\$340,990,378	\$462,732,334

**Total
Contribution
of AG +
Related =
\$462.7 million
15.1% of total
economy**

Tift County

Production Agriculture + Directly Related Industries Employment *Contribution*

Sector	Direct	Total
Ag + Related Industries	2,949	2,949
Mining		0
Utilities		10
Construction		21
Manufacturing		1
Wholesale Trade		95
Retail trade		171
Transportation & Warehousing		46
Information		13
Finance & insurance		69
Real estate & rental		58
Professional- scientific & tech services		46
Management of companies		12
Administrative & waste services		59
Educational services		19
Health & social services		142
Arts- entertainment & recreation		12
Accommodation & food services		151
Other services		98
Government & non NAICS		4
Total	2,949	3,978

Total
Contribution
of AG + Related
Employment =
2,959

Accounts for
12.2% of
employment

What These Numbers Mean: A Brief Explanation

- *Direct contribution* is \$341 million. This includes food and fiber production, processing and directly related manufacturing.
- *Total contribution* includes related sectors and sums to \$462.7 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.

Tift County Food and Fiber Conclusions

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is \$462.7 million.
- The total county *output* is \$3.1 billion.
- Thus, food and fiber (directly and indirectly) account for 15.1% of the total county output, considering the multiplier effects.

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*“Adding Value to Georgia's Agricultural Economy
Through Research and Extension”*

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Ag Profile Report

