

The Economic Importance of Food and Fiber

A Spotlight on Gwinnett County, Georgia

Prepared by:



Center for Agribusiness
and Economic Development

College of Agricultural & Environmental Sciences

UNIVERSITY OF GEORGIA

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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 contribution* to Georgia's \$917.6 billion economy.



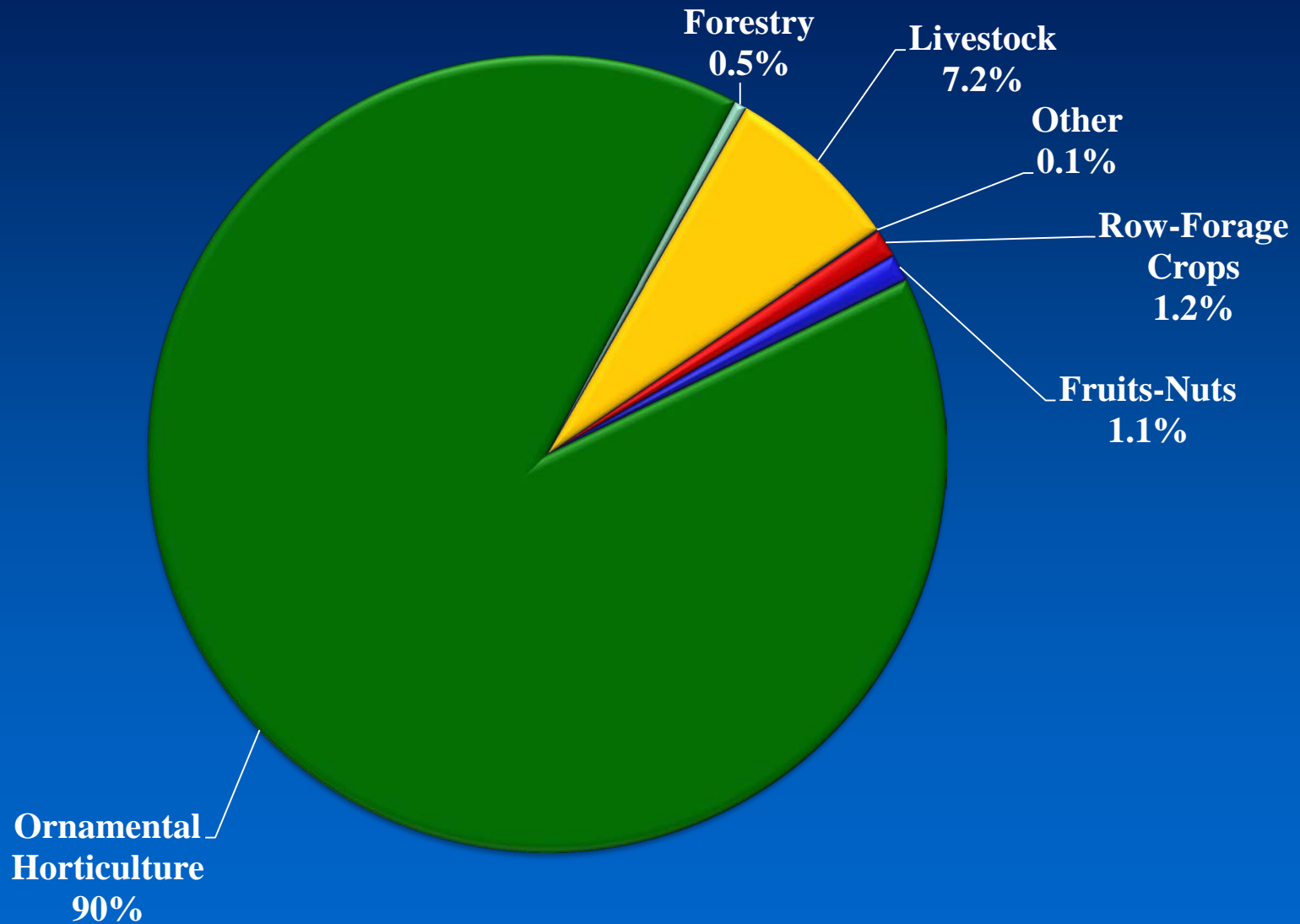
What We Know about Gwinnett County

- 2015 Farm Gate Value in Gwinnett Co. was \$31.2 million. Adding \$301.4 million of landscape services increased the total agricultural production value to \$332.6 million.
- The highest value commodity group was ornamental horticulture, representing 90% of the total Farm Gate production value.



Gwinnett County

2015 Farm Gate Production Value



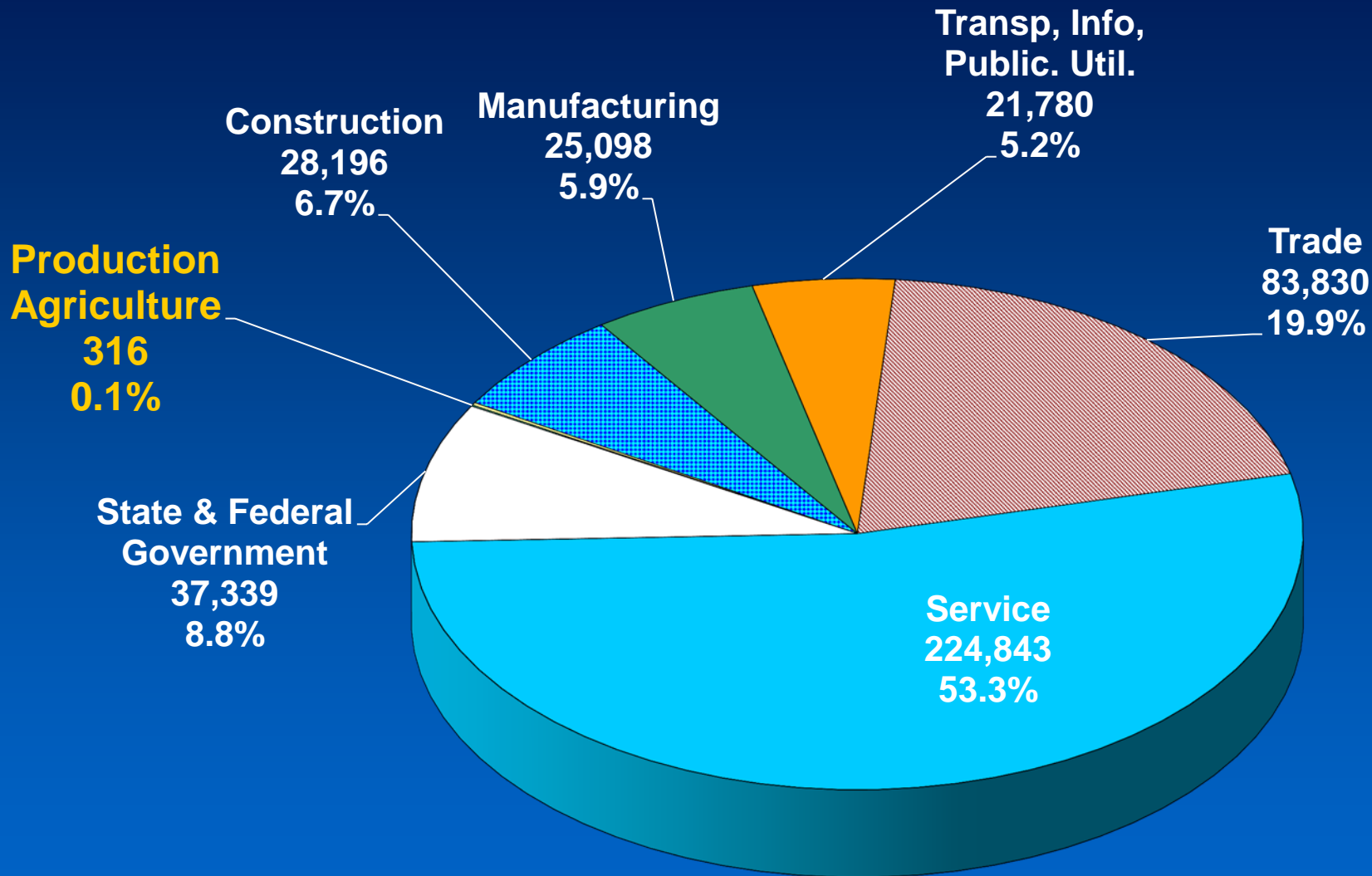
Examining the Economic Contribution County Economy Modeled

- 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?



Gwinnett County Employment

Total County Employment = 422,112



An Economic Snapshot of Gwinnett County

- How much of Gwinnett County's total economic output comes from food and fiber production and related industries?
- AG value alone of \$332.6 million-consisting of Farm Gate Value and landscape services comprises 0.5% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, food manufacturing, etc.) comprise 1.5% of the county's economy.



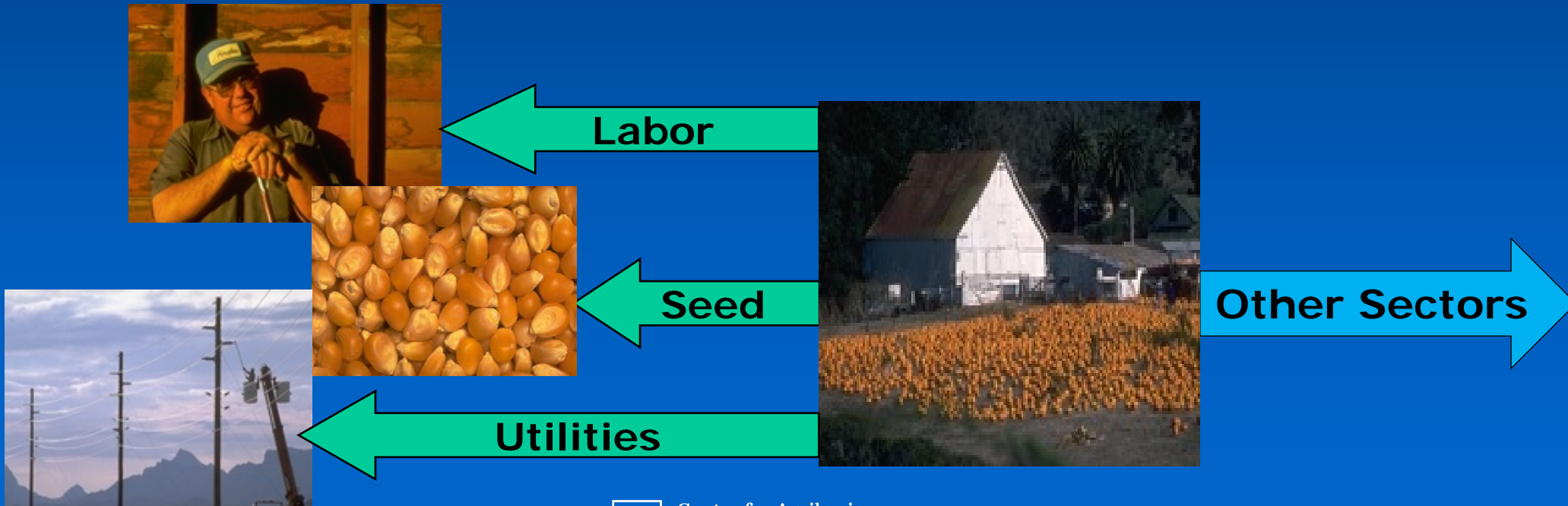
What is the Economic Contribution?

- What is the total (direct and indirect) *economic 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 and quantifies their economic role.
- The indirect contribution measures output created by food and fiber production, processing and spending by employees of those industries



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.



Gwinnett County

Agriculture *Economic Contribution*

Sector	Direct	Total
Ag + Landscape Services	332,632,639	332,632,639
Mining	0	58,983
Utilities	0	2,124,946
Construction	0	2,680,415
Manufacturing	0	1,866,286
Wholesale Trade	0	19,113,799
Retail trade	0	17,979,678
Transportation & Warehousing	0	4,976,985
Information	0	15,440,278
Finance & insurance	0	34,949,426
Real estate & rental	0	36,803,230
Professional- scientific & tech services	0	12,299,124
Management of companies	0	2,517,708
Administrative & waste services	0	8,754,817
Educational services	0	1,806,834
Health & social services	0	17,525,300
Arts-entertainment & recreation	0	1,238,661
Accommodation & food services	0	10,672,943
Other services	0	10,173,177
Government & non NAICS	0	591,598
TOTAL	332,632,639	534,206,828

**Total
Contribution
of Production
AG = \$534.2
million
0.8% of total
economy**

Gwinnett County

Production Agriculture + Directly Related Industries Contribution

Sector	Direct	Total
Ag + Related Industries	1,125,867,013	1,125,876,126
Mining	0	128,010
Utilities	0	6,568,648
Construction	0	7,199,616
Other Manufacturing	0	6,204,298
Wholesale Trade	0	72,495,126
Retail trade	0	36,504,687
Transportation & Warehousing	0	17,117,043
Information	0	31,275,654
Finance & insurance	0	58,079,966
Real estate & rental	0	69,485,187
Professional- scientific & tech services	0	27,146,944
Management of companies	0	16,317,061
Administrative & waste services	0	17,369,373
Educational svcs	0	3,363,573
Health & social services	0	32,927,215
Arts- entertainment & recreation	0	2,391,196
Accommodation & food services	0	20,358,028
Other services	0	18,510,410
Government & non NAICS	0	1,922,608
Total	1,125,867,013	1,571,240,769

**Total
Contribution
of AG +
Related =
\$1.6 billion
2.3% of total
economy**

Gwinnett County

Production Agriculture + Directly Related Industries Employment *Contribution*

Sector	Direct	Total
Ag + Related Industries	7,203	7,203
Mining	0	0
Utilities	0	7
Construction	0	43
Manufacturing	0	22
Wholesale Trade	0	294
Retail trade	0	422
Transportation & Warehousing	0	113
Information	0	60
Finance & insurance	0	235
Real estate & rental	0	127
Professional- scientific & tech services	0	243
Management of companies	0	66
Administrative & waste services	0	260
Educational svcs	0	59
Health & social services	0	334
Arts- entertainment & recreation	0	42
Accommodation & food services	0	371
Other services	0	269
Government & non NAICS	0	21
Total	7,203	10,190

Total
Contribution
of AG + Related
Employment =
10,190
Accounts for
2.4% of
employment

What These Numbers Mean: A Brief Explanation

- ***Direct contribution*** is \$1.1 billion. This includes food and fiber production, processing and directly related manufacturing.
- ***Total contribution*** includes related sectors and sums to \$1.6 billion. 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 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 food and fiber and related industries. They take home wages and buy groceries at local stores, which increases demand there.



Gwinnett County Food and Fiber Summary

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is \$1.6 billion.
- The total county *output* is \$68 billion.
- Thus, food and fiber industries (directly and indirectly) account for *2.3%* of the total county output, considering the multiplier effects from direct and related industries.



Contact Information

Prepared by

Sharon P. Kane, Sr. Public Service Associate, Economist

Center for Agribusiness & Economic Development

Dr. Kent Wolfe, Director

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

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