

The Economic Importance of Food and Fiber

A Spotlight on Washington County, Georgia

Prepared by:



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May 2018

Agriculture in Georgia

- Georgia's 2016 Farm Gate Value was over \$13.75 billion. Adding the value of \$2.5 billion of landscape services increased the total agricultural production value to \$16.25 billion.
- Total food and fiber production and directly related businesses account for a \$73.3 billion *output contribution* to Georgia's \$972 billion economy.



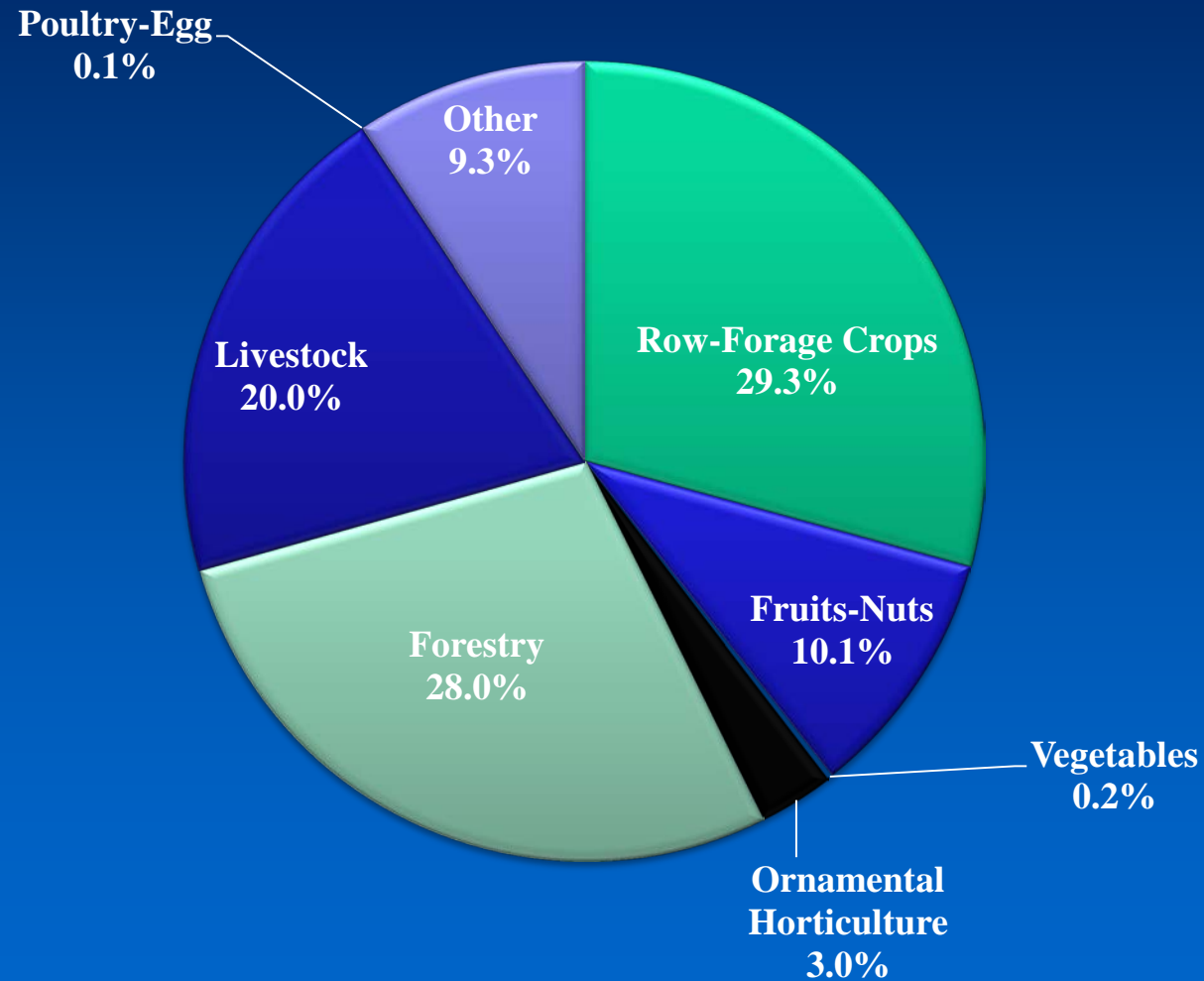
What We Know about Washington County

- 2016 Farm Gate Value in Washington Co. was \$52.8 million. Adding \$843.7 thousand of landscape services increased the total agricultural production value to \$53.7 million.
- The highest value commodity group was row and forage crops, representing 29.3% of the total Farm Gate production value.



Washington County

2016 Farm Gate Production Value



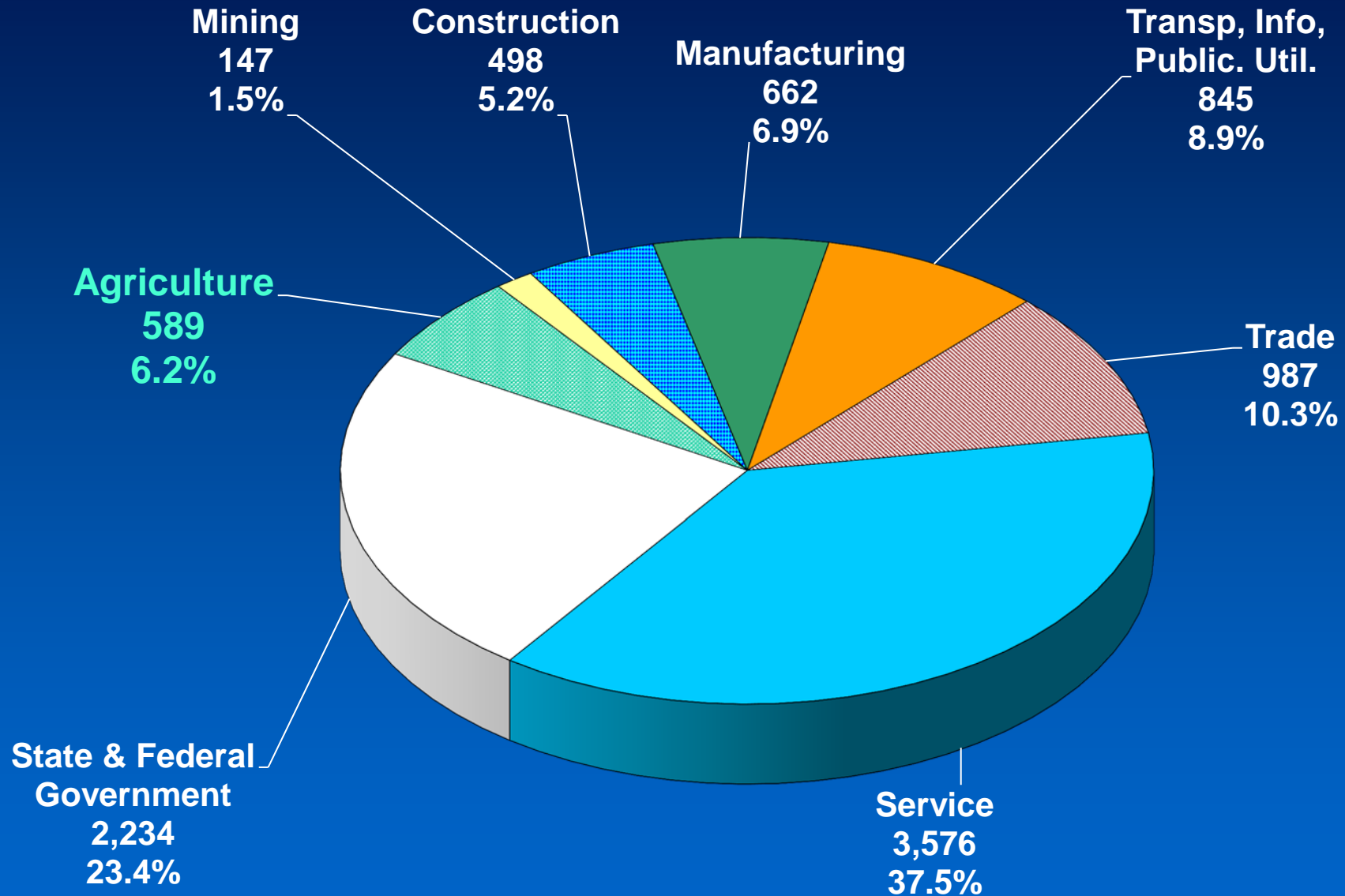
Examining the Economic Contribution County Economy Modeled

- 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?



Washington County Employment

Total County Employment = 9,539



An Economic Snapshot of Washington County

- How much of Washington County's total economic output comes from food and fiber production and related industries?
- AG value alone of \$53.7 million-consisting of Farm Gate Value and landscape services comprises 4.2% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, food & fiber manufacturing, etc.) comprise 5.9% 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.



Washington County

Agriculture *Economic Contribution*

Sector	Direct	Total
Ag + Landscape Services	53,691,556	53,691,556
Mining	0	19,754
Utilities	0	589,756
Construction	0	421,052
Manufacturing	0	131,565
Wholesale Trade	0	1,317,991
Retail trade	0	909,776
Transportation & Warehousing	0	1,124,308
Information	0	77,137
Finance & insurance	0	1,798,621
Real estate & rental	0	2,276,675
Professional- scientific & tech services	0	389,968
Management of companies	0	98,371
Administrative & waste services	0	225,431
Educational services	0	72,510
Health & social services	0	859,977
Arts-entertainment & recreation	0	34,457
Accommodation & food services	0	589,807
Other services	0	432,762
Government & non NAICS	0	599,694
TOTAL	53,691,556	65,661,167

**Total
Contribution
of Production
AG = \$65.7
million
5.1% of total
economy**

Washington County

Production Agriculture + Directly Related Industries Contribution

Sector	Direct	Total
Ag + Related Industries	75,874,340	75,874,340
Mining	0	21,400
Utilities	0	1,055,701
Construction	0	556,353
Other Manufacturing	0	145,736
Wholesale Trade	0	2,449,275
Retail trade	0	1,434,226
Transportation & Warehousing	0	2,160,737
Information	0	142,180
Finance & insurance	0	2,556,151
Real estate & rental	0	3,447,818
Professional- scientific & tech services	0	696,048
Management of companies	0	415,819
Administrative & waste services	0	367,118
Educational svcs	0	114,970
Health & social services	0	1,366,390
Arts- entertainment & recreation	0	71,172
Accommodation & food services	0	1,007,444
Other services	0	726,705
Government & non NAICS	0	741,222
Total	75,874,340	95,350,805

**Total
Contribution
of AG +
Related =
\$95.4 million
7.4% of total
economy**

Washington County

Production Agriculture + Directly Related Industries Employment *Contribution*

Sector	Direct	Total
Ag + Related Industries	731	731
Mining	0	0
Utilities	0	1
Construction	0	4
Manufacturing	0	0
Wholesale Trade	0	14
Retail trade	0	20
Transportation & Warehousing	0	14
Information	0	1
Finance & insurance	0	10
Real estate & rental	0	8
Professional- scientific & tech services	0	7
Management of companies	0	2
Administrative & waste services	0	6
Educational services	0	3
Health & social services	0	21
Arts- entertainment & recreation	0	3
Accommodation & food services	0	19
Other services	0	17
Government & non NAICS	0	4
Total	731	886

Total
Contribution
of AG + Related
Employment =
886

Accounts for
9.3% of
employment

What These Numbers Mean: A Brief Explanation

- *Direct contribution* is \$75.9 million. This includes food and fiber production, processing and directly related manufacturing.
- *Total contribution* includes related sectors and sums to \$95.4 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 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.



Washington County Food and Fiber

Summary

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is \$95.4 million.
- The total county *output* is \$1.3 billion.
- Thus, food and fiber industries (directly and indirectly) account for *7.4%* of the total county output, considering the multiplier effects from direct and related industries.



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

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