

The Economic Importance of Food and Fiber

A Spotlight on Wilkes County, Georgia

Prepared for:
Wilkes County Cooperative Extension

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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.



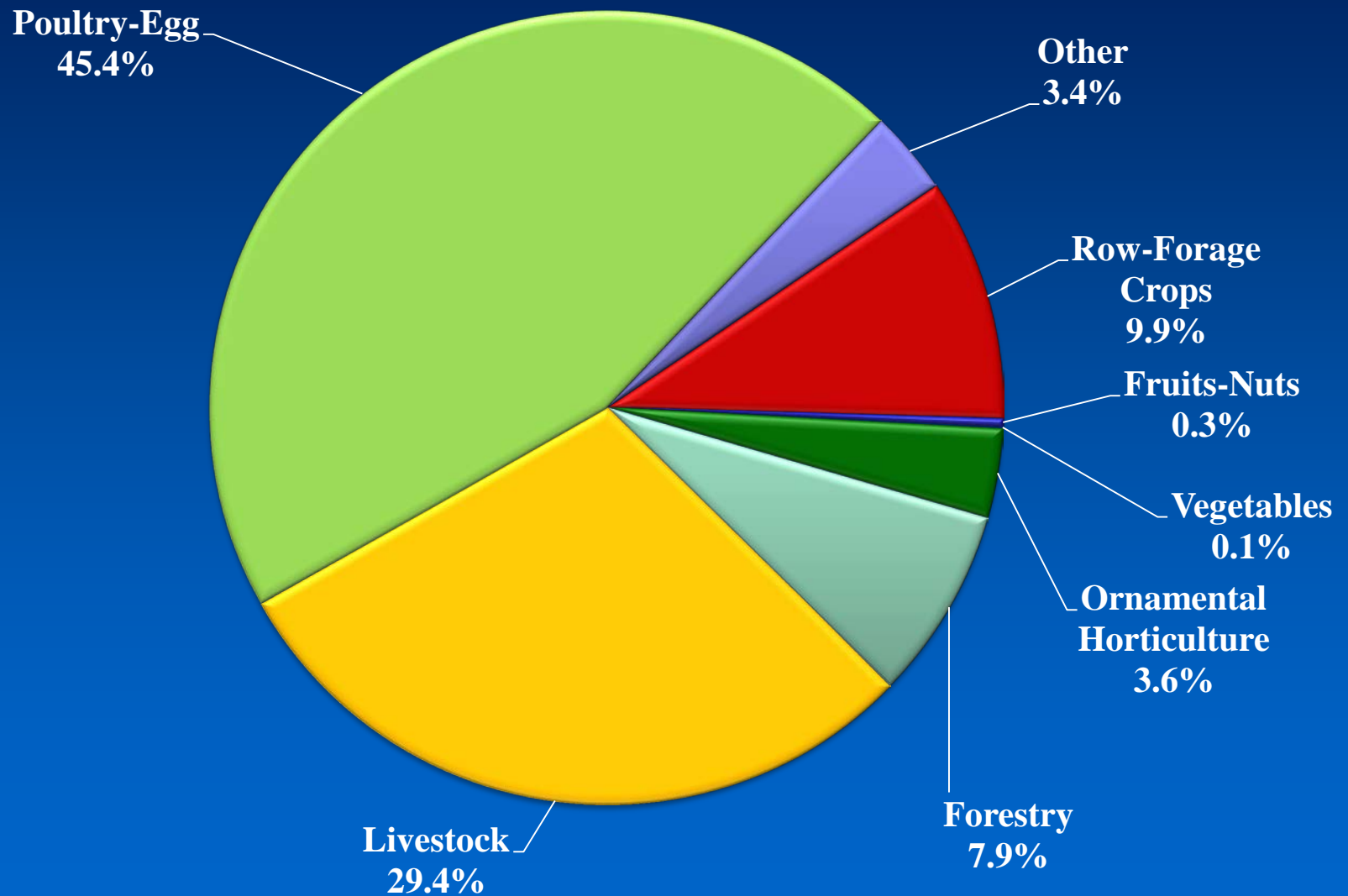
What We Know about Wilkes County

- 2015 Farm Gate Value in Wilkes Co. was \$109.5 million. Adding \$3.3 million of landscape services increased the total agricultural production value to \$112.8 million.
- The highest value commodity group was poultry and egg production, representing 45.4% of the total agricultural production value.



Wilkes County

2015 Farm Gate Production Value



Examining the Contribution

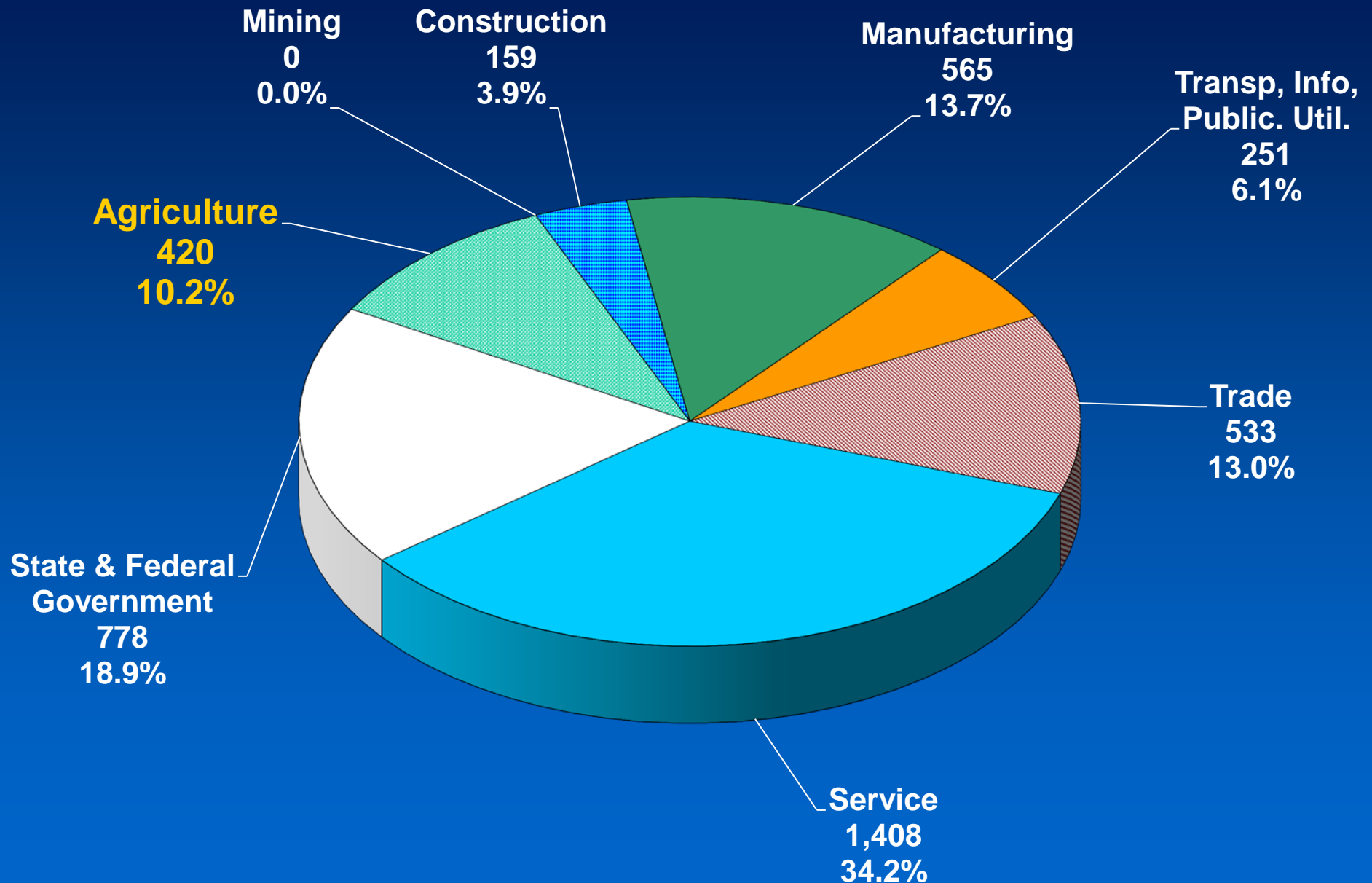
County Economy Modeled

- 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?



Wilkes County Employment

Total County Employment = 4,114



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

An Economic Snapshot of Wilkes County

- How much of Wilkes County's total economic output comes from food and fiber production?
- AG value alone of \$112.8 million-consisting of Farm Gate Value and landscape services comprises 16.2% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 20.7% of the county's economy.



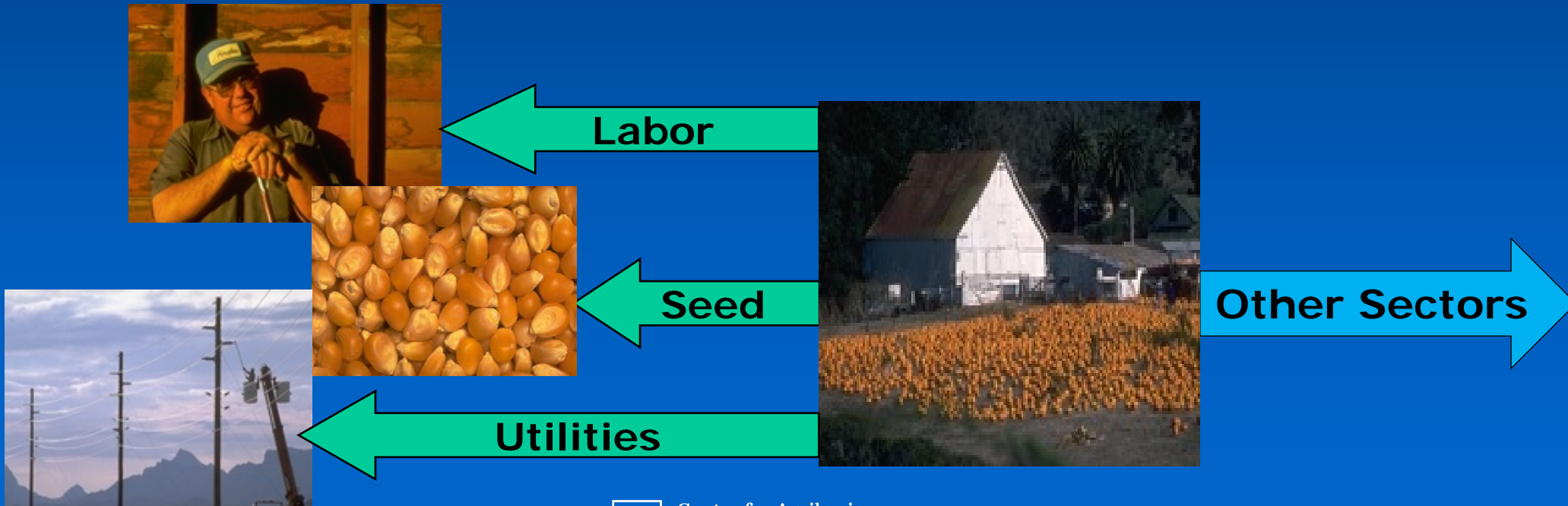
What is the Economic Contribution?

- 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.



Wilkes County

Agriculture *Economic Contribution*

Sector	Direct	Total
Ag + Landscape Services	\$112,809,491	\$112,809,491
Mining	\$0	-
Utilities	\$0	1,078,538
Construction	\$0	441,268
Manufacturing	\$0	9,856,337
Wholesale Trade	\$0	2,608,196
Retail trade	\$0	2,354,155
Transportation & Warehousing	\$0	1,872,031
Information	\$0	1,034,801
Finance & insurance	\$0	2,259,308
Real estate & rental	\$0	5,094,080
Professional- scientific & tech services	\$0	731,527
Management of companies	\$0	-
Administrative & waste services	\$0	220,407
Educational services	\$0	27,356
Health & social services	\$0	1,478,617
Arts-entertainment & recreation	\$0	90,445
Accommodation & food services	\$0	1,216,363
Other services	\$0	922,631
Government & non NAICS	\$0	202,465
TOTAL	\$112,809,491	\$144,298,016

**Total
Contribution
of Production
AG = \$144.3
million
20.7% of total
economy**

Wilkes County

Production Agriculture + Directly Related Industries Contribution

Sector	Direct	Total
Ag + Related Industries	\$240,904,757	\$240,904,757
Mining	\$0	-
Utilities	\$0	5,789,196
Construction	\$0	1,383,241
Other Manufacturing	\$0	10,062,154
Wholesale Trade	\$0	7,345,197
Retail trade	\$0	3,599,220
Transportation & Warehousing	\$0	5,950,488
Information	\$0	2,144,176
Finance & insurance	\$0	3,875,081
Real estate & rental	\$0	7,704,885
Professional- scientific & tech services	\$0	1,449,958
Management of companies	\$0	-
Administrative & waste services	\$0	944,957
Educational svcs	\$0	39,025
Health & social services	\$0	2,153,594
Arts- entertainment & recreation	\$0	205,489
Accommodation & food services	\$0	2,070,465
Other services	\$0	1,965,475
Government & non NAICS	\$0	462,390
Total	\$240,904,757	\$298,035,260

**Total
Contribution
of AG +
Related =
\$298 million
42.9% of total
economy**

Wilkes County

Production Agriculture + Directly Related Industries Employment *Contribution*

Sector	Direct	Total
Ag + Related Industries	914	914
Mining	0	0
Utilities	0	5
Construction	0	10
Manufacturing	0	9
Wholesale Trade	0	42
Retail trade	0	52
Transportation & Warehousing	0	39
Information	0	9
Finance & insurance	0	17
Real estate & rental	0	17
Professional- scientific & tech services	0	18
Management of companies	0	0
Administrative & waste services	0	20
Educational svcs	0	2
Health & social services	0	41
Arts- entertainment & recreation	0	6
Accommodation & food services	0	37
Other services	0	36
Government & non NAICS	0	7
Total	914	1,279

Total
Contribution
of AG + Related
Employment =
1,279
Accounts for
31.1% of
employment

Wilkes County

Production Agriculture + Directly Related Industries Top Ten Industries Affected

Description	Employment	Value Added	Output
Poultry and egg production	83	\$21,911,209	\$49,659,139
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	116	\$8,936,260	\$17,872,644
Dairy cattle and milk production	26	\$6,652,317	\$11,856,000
All other crop farming	239	\$7,612,764	\$10,732,322
Other animal food manufacturing	7	\$665,235	\$9,814,570
Forestry, forest products, and timber tract production	32	\$6,958,083	\$8,599,928
Owner-occupied dwellings	0.0	\$2,790,736	\$4,248,132
Greenhouse, nursery, and floriculture production	19	\$3,125,479	\$3,968,750
Landscape and horticultural services	60	\$2,231,293	\$3,340,445
Commercial hunting and trapping	15	\$2,826,177	\$3,150,000

What These Numbers Mean: A Brief Explanation

- *Direct contribution* is \$240.9 million. This includes food and fiber production, processing and directly related manufacturing.
- *Total contribution* includes related sectors and sums to \$298 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.



Wilkes County Food and Fiber Summary

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is \$298 million.
- The total county *output* is \$695.5 million.
- Thus, food and fiber (directly and indirectly) account for 31.1% of the total county output, considering the multiplier effects from direct and related industries.



Contact Information

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

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