

The Economic Importance of Food and Fiber

A Spotlight on McIntosh County, Georgia

Prepared by:



Center for Agribusiness
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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.



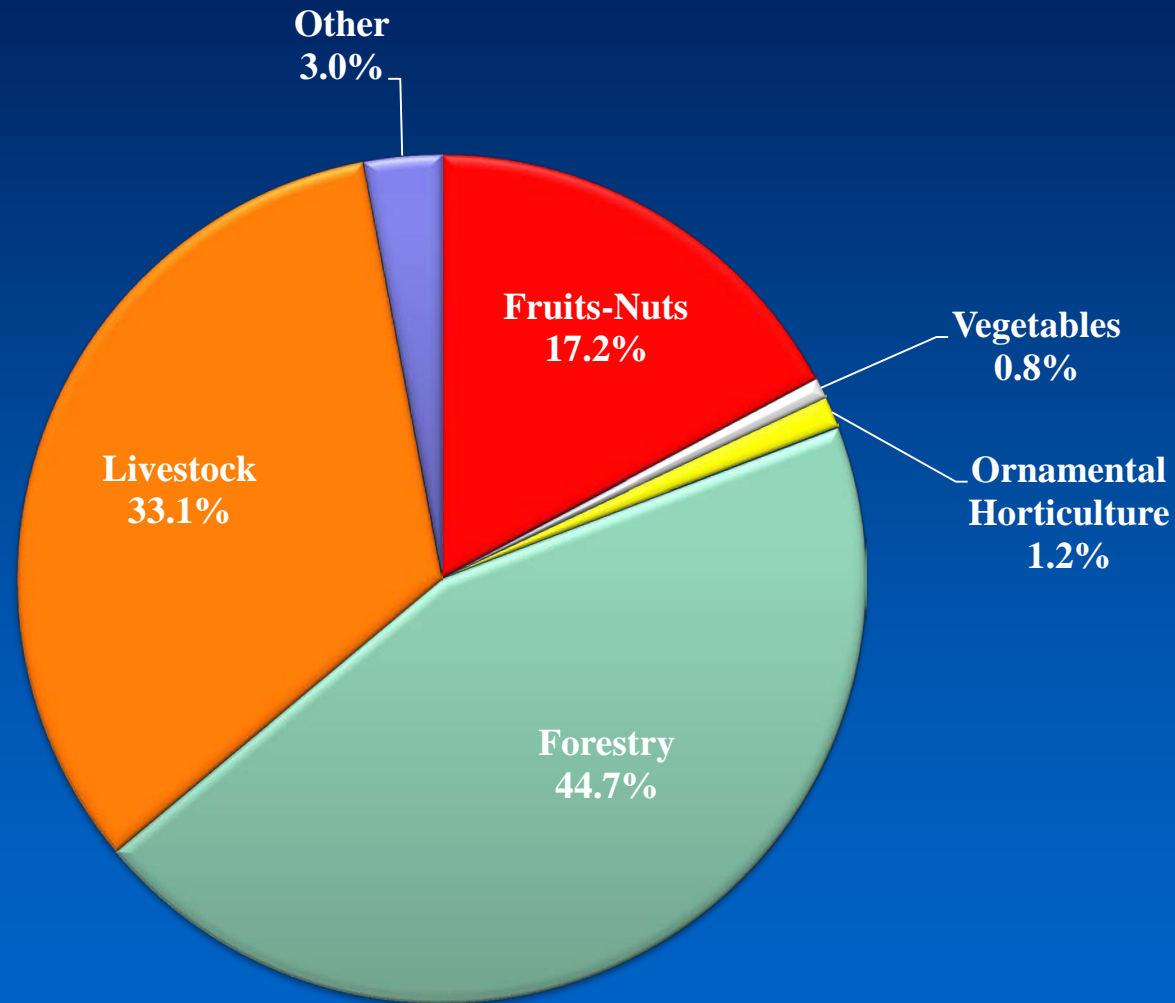
What We Know about McIntosh County

- 2016 Farm Gate Value in McIntosh Co. was \$25.7 million. Adding \$1.4 million of landscape services increased the total agricultural production value to \$27.2 million.
- The highest value commodity group was forestry, representing 44.7% of the total Farm Gate production value.



McIntosh County

2016 Farm Gate Production Value



Examining the Economic Contribution

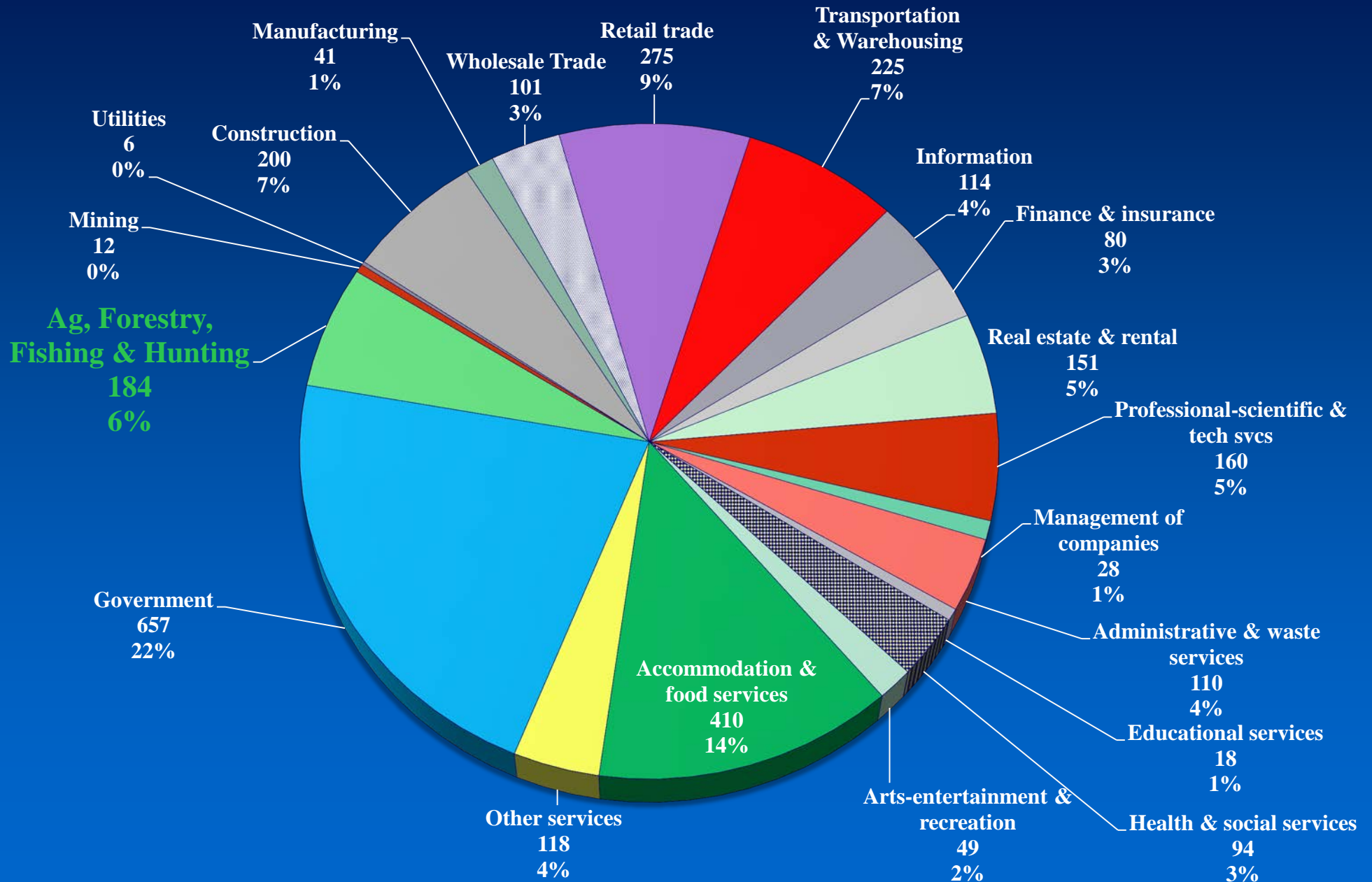
County Economy Modeled

- 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?



McIntosh County Employment

Total County Employment = 3,032



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

An Economic Snapshot of McIntosh County

- How much of McIntosh County's total economic output comes from food and fiber production and related industries?
- AG value alone of \$25.7 million-consisting of Farm Gate Value and landscape services comprises 8.5% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, food & fiber manufacturing, etc.) comprise 9.5% of the county's economy.



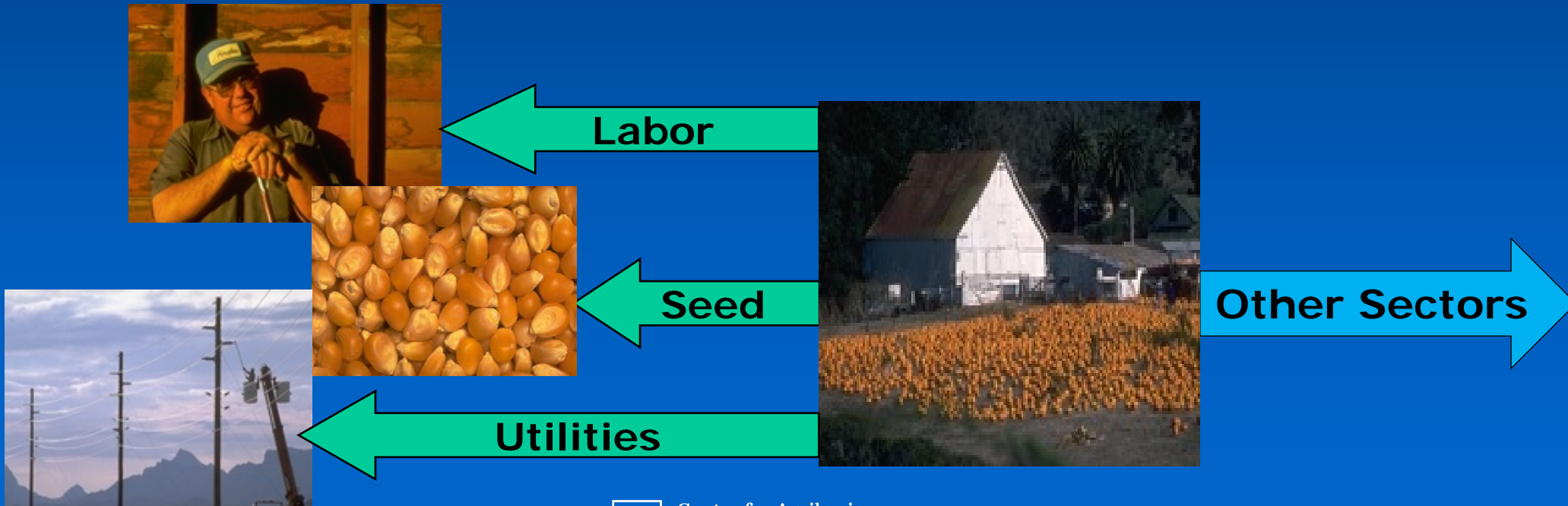
What is the Economic Contribution?

- 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.



McIntosh County

Agriculture *Economic Contribution*

Sector	Direct	Total
Ag + Landscape Services	27,180,204	27,180,204
Mining	0	9,874
Utilities	0	82,868
Construction	0	219,731
Manufacturing	0	12,480
Wholesale Trade	0	614,927
Retail trade	0	427,488
Transportation & Warehousing	0	500,990
Information	0	423,623
Finance & insurance	0	453,573
Real estate & rental	0	1,842,642
Professional- scientific & tech services	0	183,216
Management of companies	0	47,200
Administrative & waste services	0	78,161
Educational services	0	8,429
Health & social services	0	120,108
Arts-entertainment & recreation	0	50,160
Accommodation & food services	0	524,954
Other services	0	256,237
Government & non NAICS	0	44,242
TOTAL	27,180,204	33,081,107

**Total
Contribution
of Production
AG = \$33.1
million
10.3% of total
economy**

McIntosh County

Production Agriculture + Directly Related Industries Contribution

Sector	Direct	Total
Ag + Related Industries	30,477,707	30,477,707
Mining	0	10,335
Utilities	0	92,068
Construction	0	236,569
Other Manufacturing	0	14,389
Wholesale Trade	0	719,202
Retail trade	0	466,670
Transportation & Warehousing	0	638,071
Information	0	483,219
Finance & insurance	0	499,845
Real estate & rental	0	2,019,602
Professional- scientific & tech services	0	214,541
Management of companies	0	84,823
Administrative & waste services	0	89,992
Educational svcs	0	9,185
Health & social services	0	130,982
Arts- entertainment & recreation	0	55,481
Accommodation & food services	0	578,345
Other services	0	282,062
Government & non NAICS	0	51,862
Total	30,477,707	37,154,952

**Total
Contribution
of AG +
Related =
\$37.2 million
11.6% of total
economy**

McIntosh County

Production Agriculture + Directly Related Industries Employment *Contribution*

Sector	Direct	Total
Ag + Related Industries	345	345
Mining	0	0
Utilities	0	0
Construction	0	2
Manufacturing	0	0
Wholesale Trade	0	5
Retail trade	0	7
Transportation & Warehousing	0	7
Information	0	2
Finance & insurance	0	3
Real estate & rental	0	4
Professional- scientific & tech services	0	4
Management of companies	0	1
Administrative & waste services	0	2
Educational services	0	1
Health & social services	0	2
Arts- entertainment & recreation	0	1
Accommodation & food services	0	10
Other services	0	4
Government & non NAICS	0	1
Total	345	399

Total
Contribution
of AG + Related
Employment =
399

Accounts for
13.2% of
employment

What These Numbers Mean: A Brief Explanation

- *Direct contribution* is \$30.5 million. This includes food and fiber production, processing and directly related manufacturing.
- *Total contribution* includes related sectors and sums to \$37.2 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.



McIntosh County Food and Fiber

Summary

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is \$37.2 million.
- The total county *output* is \$320.2 million.
- Thus, food and fiber industries (directly and indirectly) account for *11.6%* 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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