

# The Economic Importance of Food and Fiber

A Spotlight on Oglethorpe County, Georgia

Prepared by:



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April 2018

# Agriculture in Georgia

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- 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 Oglethorpe County

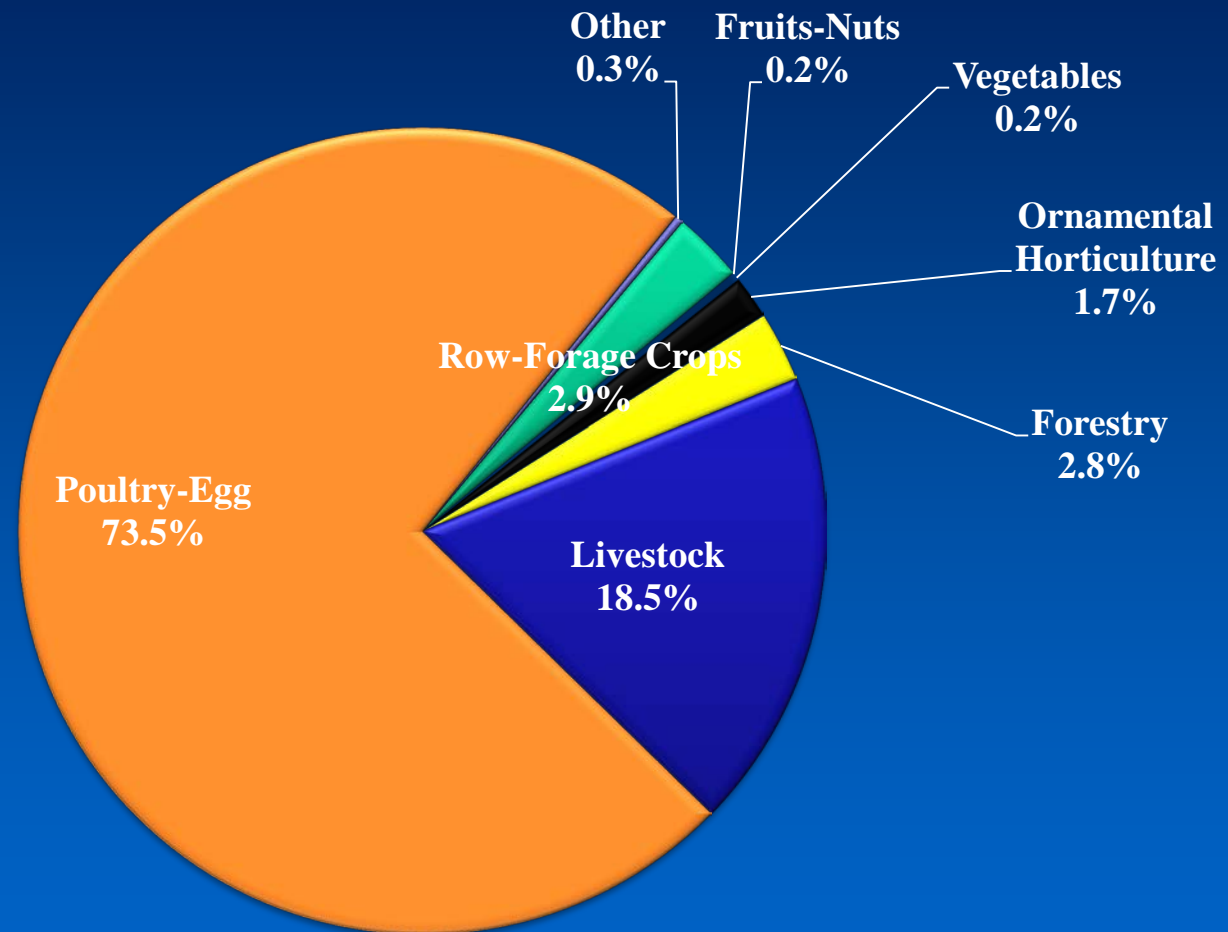
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- 2016 Farm Gate Value in Oglethorpe Co. was \$215.1 million. Adding \$6.4 million of landscape services increased the total agricultural production value to \$221.4 million.
- The highest value commodity group was poultry and eggs, representing 73.5% of the total Farm Gate production value.



# Oglethorpe County

## 2016 Farm Gate Production Value



# Examining the Economic Contribution County Economy Modeled

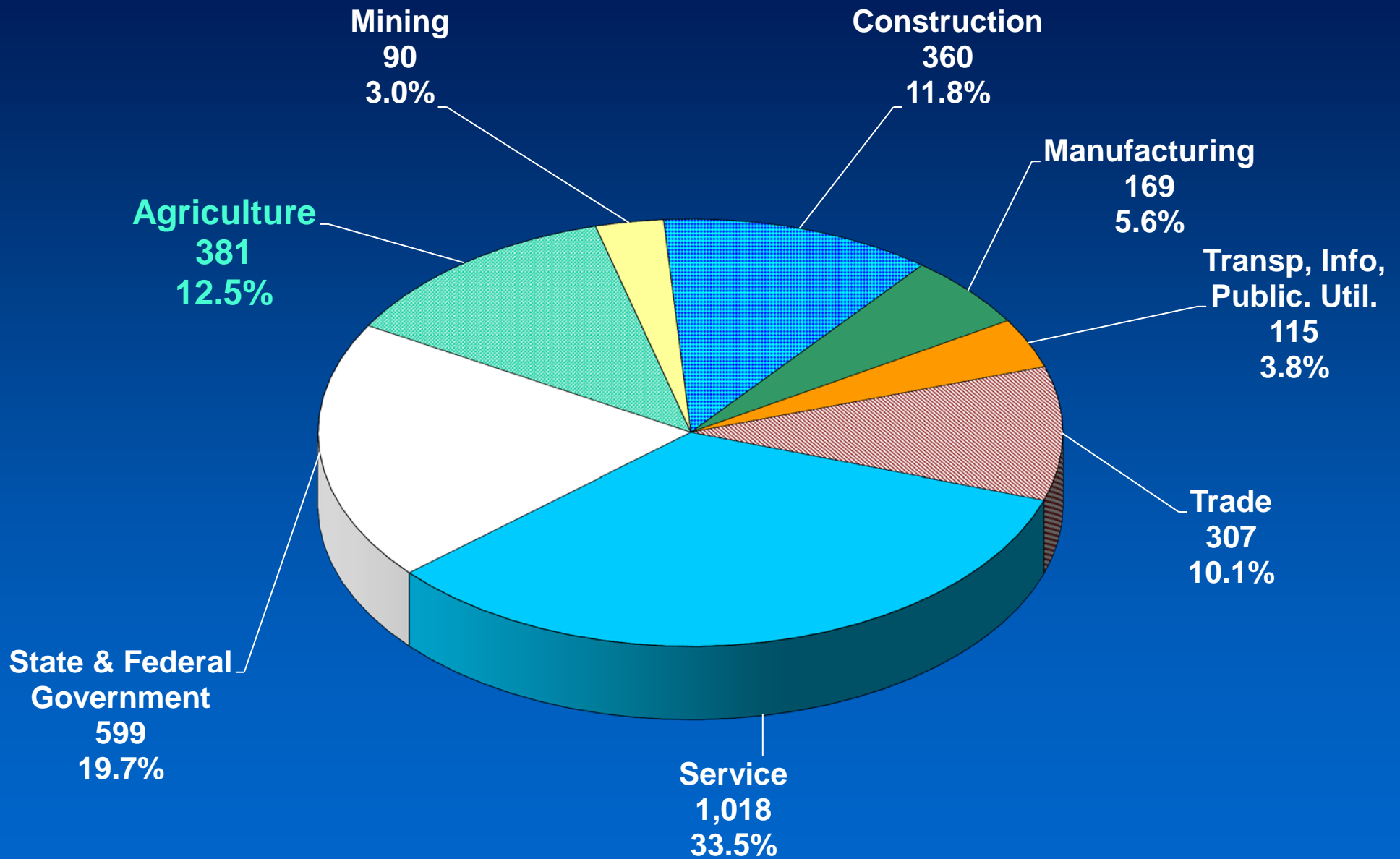
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- The Center for Agribusiness and Economic Development performed an analysis of the county's economy, focusing on the role of food and fiber.
- How much of the county's total current economic output comes from food and fiber production and directly 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?



# Oglethorpe County Employment

Total County Employment = 3,040



# An Economic Snapshot of Oglethorpe County

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- How much of Oglethorpe County's total economic output comes from food and fiber production and related industries?
- AG value alone of \$221.4 million-consisting of Farm Gate Value and landscape services comprises 40.9% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, food & fiber manufacturing, etc.) comprise 41.2% of the county's economy.



# What is the Economic Contribution?

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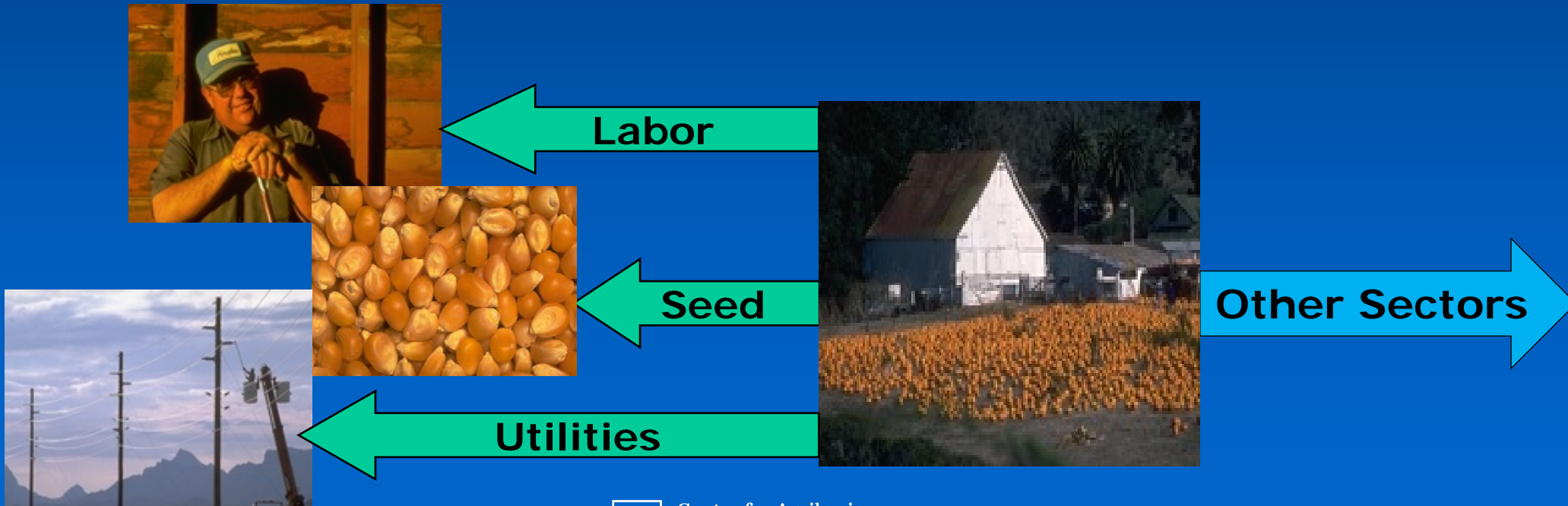
- What is the total (direct and indirect) *economic contribution* of food and fiber production and directly related industries?
- This scenario illustrates how other industries are affected by the presence of food and fiber in the county and quantifies their economic role.
- The indirect contribution 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.



# Oglethorpe County

## Agriculture *Economic Contribution*

Sector	Direct	Total
<b>Ag + Landscape Services</b>	221,440,833	221,440,833
Mining	0	98,376
Utilities	0	1,218,013
Construction	0	1,388,957
Manufacturing	0	473,563
Wholesale Trade	0	3,173,779
Retail trade	0	1,320,993
Transportation & Warehousing	0	1,497,073
Information	0	1,003,658
Finance & insurance	0	2,951,444
Real estate & rental	0	7,691,862
Professional- scientific & tech services	0	626,028
Management of companies	0	0
Administrative & waste services	0	251,475
Educational services	0	159,035
Health & social services	0	651,414
Arts-entertainment & recreation	0	83,745
Accommodation & food services	0	445,111
Other services	0	801,796
Government & non NAICS	0	293,380
<b>TOTAL</b>	221,440,833	245,570,534

**Total  
Contribution  
of Production  
AG = \$245.6  
million  
45.3% of total  
economy**

# Oglethorpe County

## Production Agriculture + Directly Related Industries Contribution

Sector	Direct	Total
<b>Ag + Related Industries</b>	223,230,661	223,230,661
Mining	0	98,632
Utilities	0	1,229,087
Construction	0	1,395,921
Other Manufacturing	0	486,142
Wholesale Trade	0	3,202,733
Retail trade	0	1,335,872
Transportation & Warehousing	0	1,511,632
Information	0	1,015,362
Finance & insurance	0	2,982,075
Real estate & rental	0	7,784,081
Professional- scientific & tech services	0	633,663
Management of companies	0	0
Administrative & waste services	0	254,511
Educational svcs	0	160,761
Health & social services	0	658,908
Arts- entertainment & recreation	0	84,827
Accommodation & food services	0	450,129
Other services	0	818,429
Government & non NAICS	0	295,925
<b>Total</b>	223,230,661	247,629,350

**Total  
Contribution  
of AG +  
Related =  
\$247.6 million  
45.7% of total  
economy**

# Oglethorpe County

## Production Agriculture + Directly Related Industries Employment *Contribution*

Sector	Direct	Total
<b>Ag + Related Industries</b>	729	729
Mining	0	0
Utilities	0	1
Construction	0	11
Manufacturing	0	1
Wholesale Trade	0	22
Retail trade	0	22
Transportation & Warehousing	0	13
Information	0	4
Finance & insurance	0	9
Real estate & rental	0	8
Professional- scientific & tech services	0	9
Management of companies	0	0
Administrative & waste services	0	8
Educational services	0	8
Health & social services	0	11
Arts- entertainment & recreation	0	3
Accommodation & food services	0	9
Other services	0	18
Government & non NAICS	0	2
<b>Total</b>	729	889

Total  
Contribution  
of AG + Related  
Employment =  
889  
  
Accounts for  
29.2% of  
employment

# What These Numbers Mean: A Brief Explanation

- *Direct contribution* is \$223.2 million. This includes food and fiber production, processing and directly related manufacturing.
- *Total contribution* includes related sectors and sums to \$247.6 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)

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- 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.



# Oglethorpe County Food and Fiber

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## Summary

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is \$247.6 million.
- The total county *output* is \$542 million.
- Thus, food and fiber industries (directly and indirectly) account for *45.7%* 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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