

The Economic Importance of Food and Fiber

A Spotlight on Pickens County, Georgia

Prepared for:
Pickens County Cooperative Extension Service
November, 2005

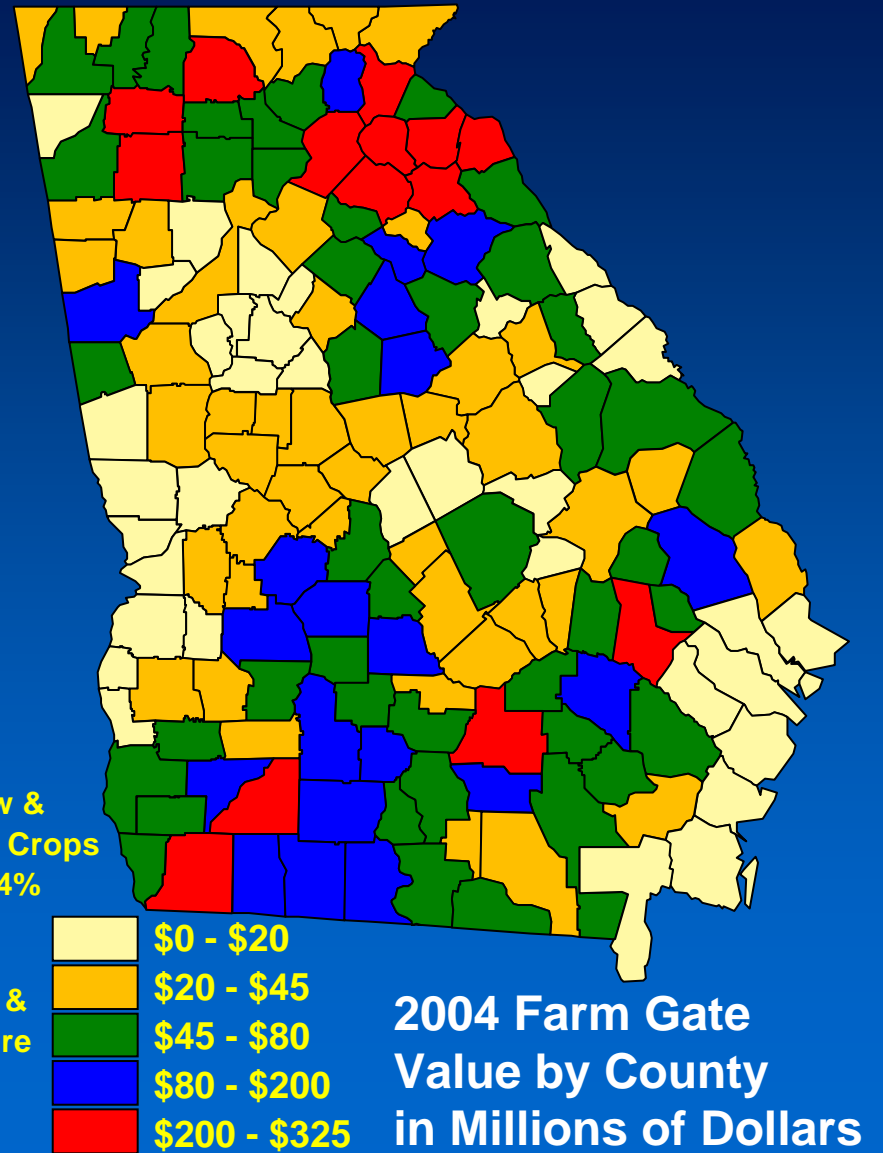
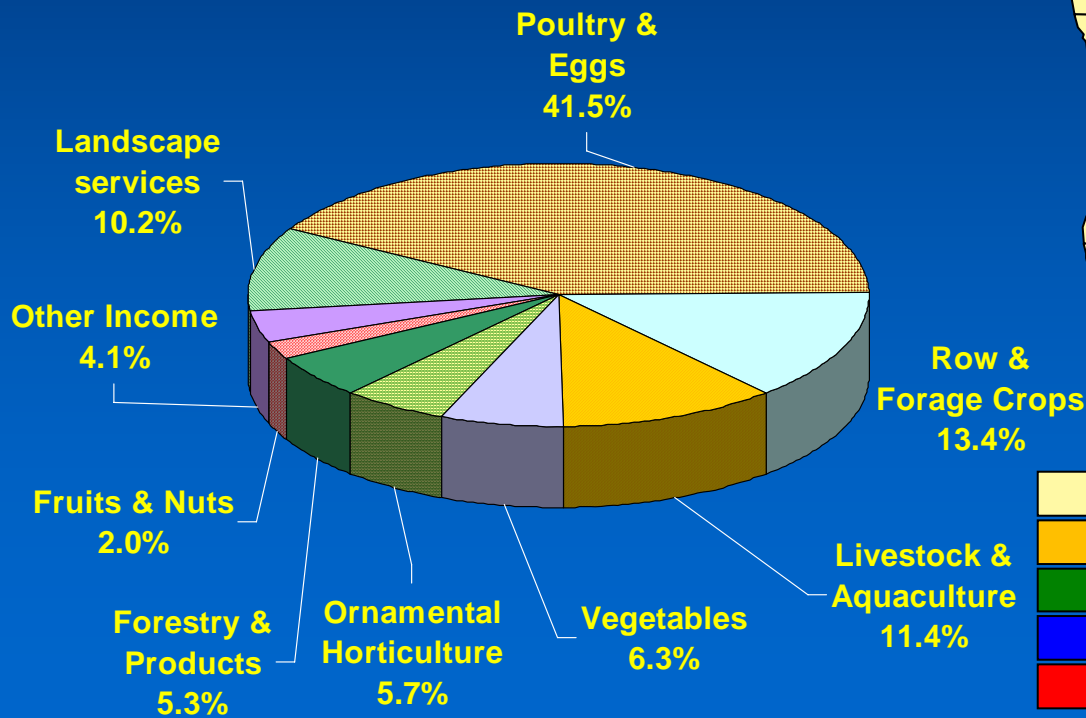
by:
The Center for Agribusiness and
Economic Development
College of Agricultural and Environmental Sciences
The University of Georgia

Agriculture in Georgia

- Georgia's 2004 Farm Gate Value was \$10.3 billion. Adding the value of landscape services increased the total agricultural production value to \$11.2 billion.
- Total food and fiber production and directly related businesses account for a \$49.3 billion *impact* on Georgia's \$557 billion economy.

Production Agriculture: 2004

Georgia Total
Agricultural
Production Value
\$11.2 billion



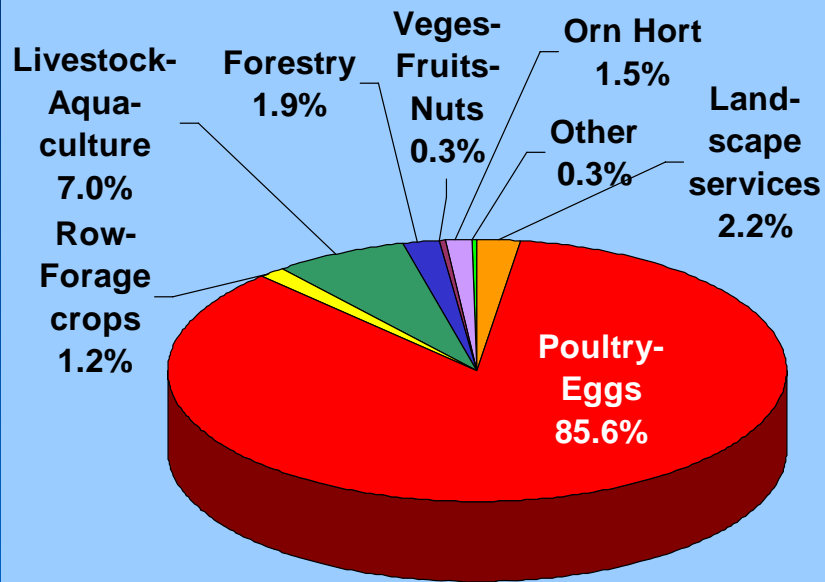
What We Know about Pickens County

- 2004 Farm Gate Value in Pickens Co. was \$63.6 million. Adding \$1.5 million of landscape services increased the total agricultural production value to \$65.1 million.
- The highest value commodity group was poultry & eggs, representing 85.6% of the total agricultural production value.

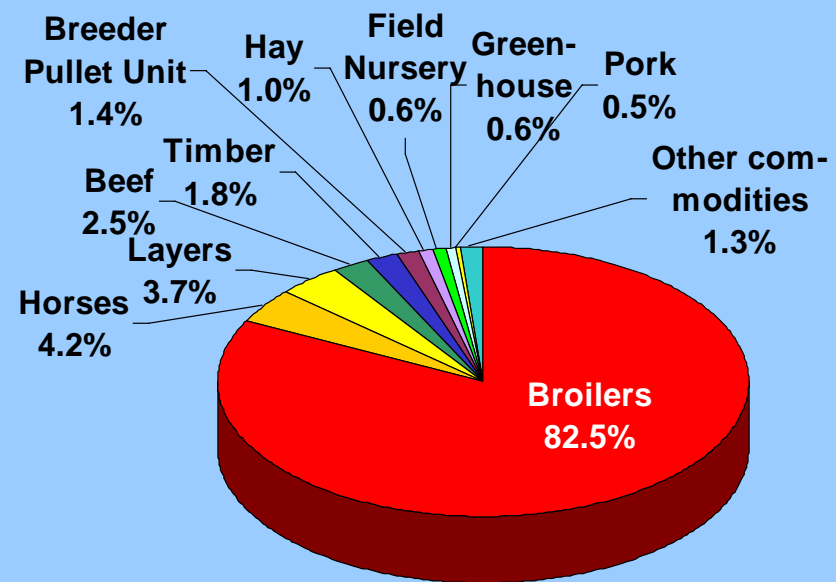
Pickens County

2004 Agricultural Production Value

2004 Agricultural Production



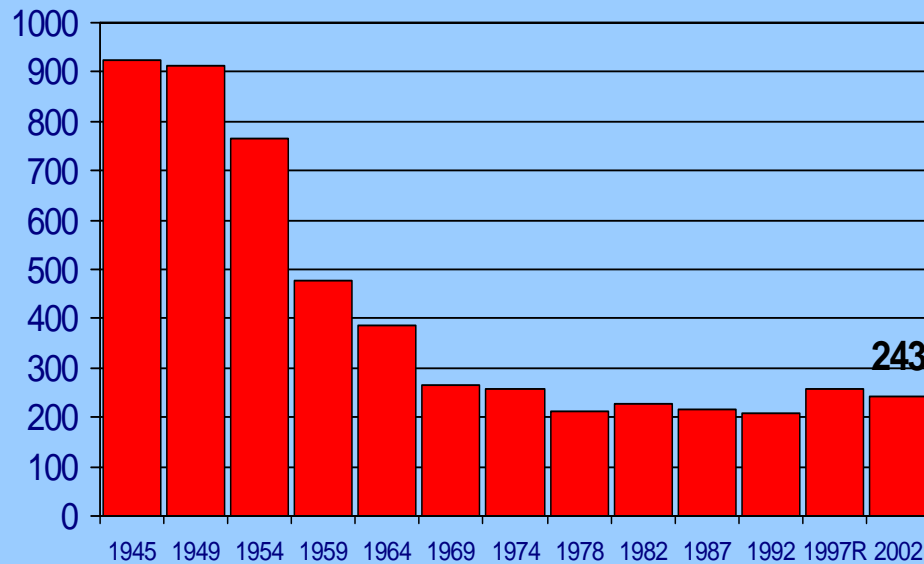
2004 Top Farm Gate Commodities



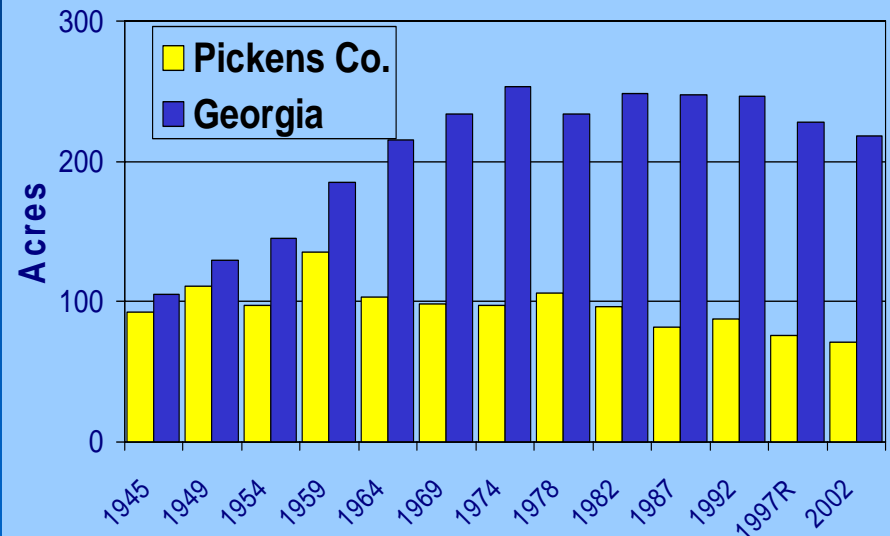
Total AG Value = \$65.1 million

Trends in Pickens County: Number of Farms & Average Farm Size

Number of Farms, Pickens County



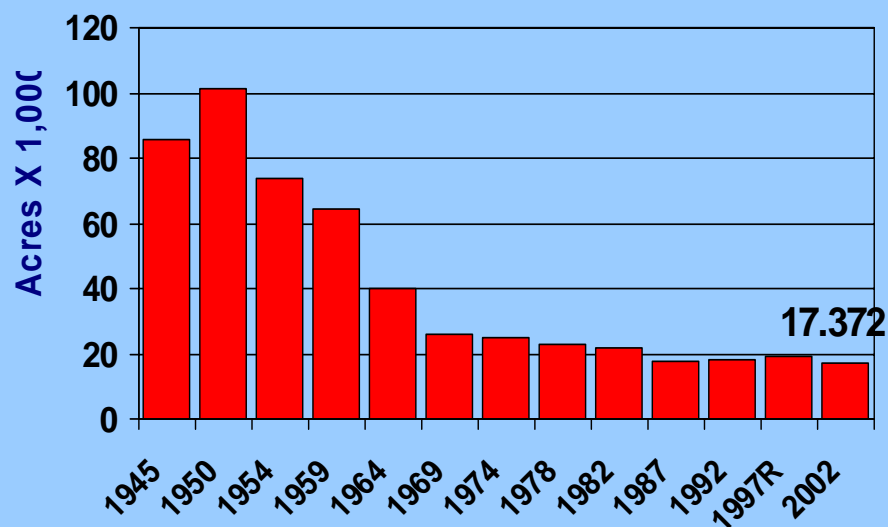
Average Farm Size



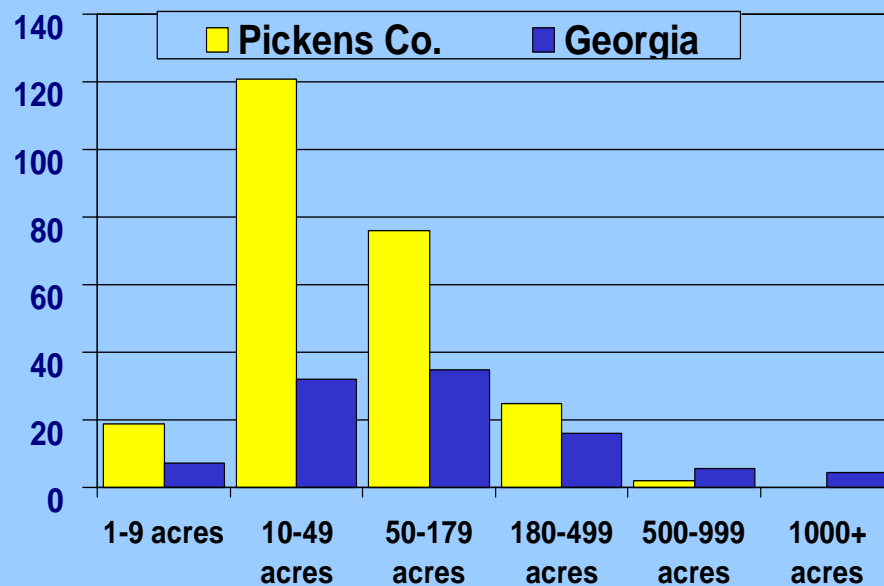
Source: 1945-2002 (quinquennial) Censuses of Agriculture

Trends in Pickens County: Land in Farms & Farms by Size

Land in Farms
Pickens County



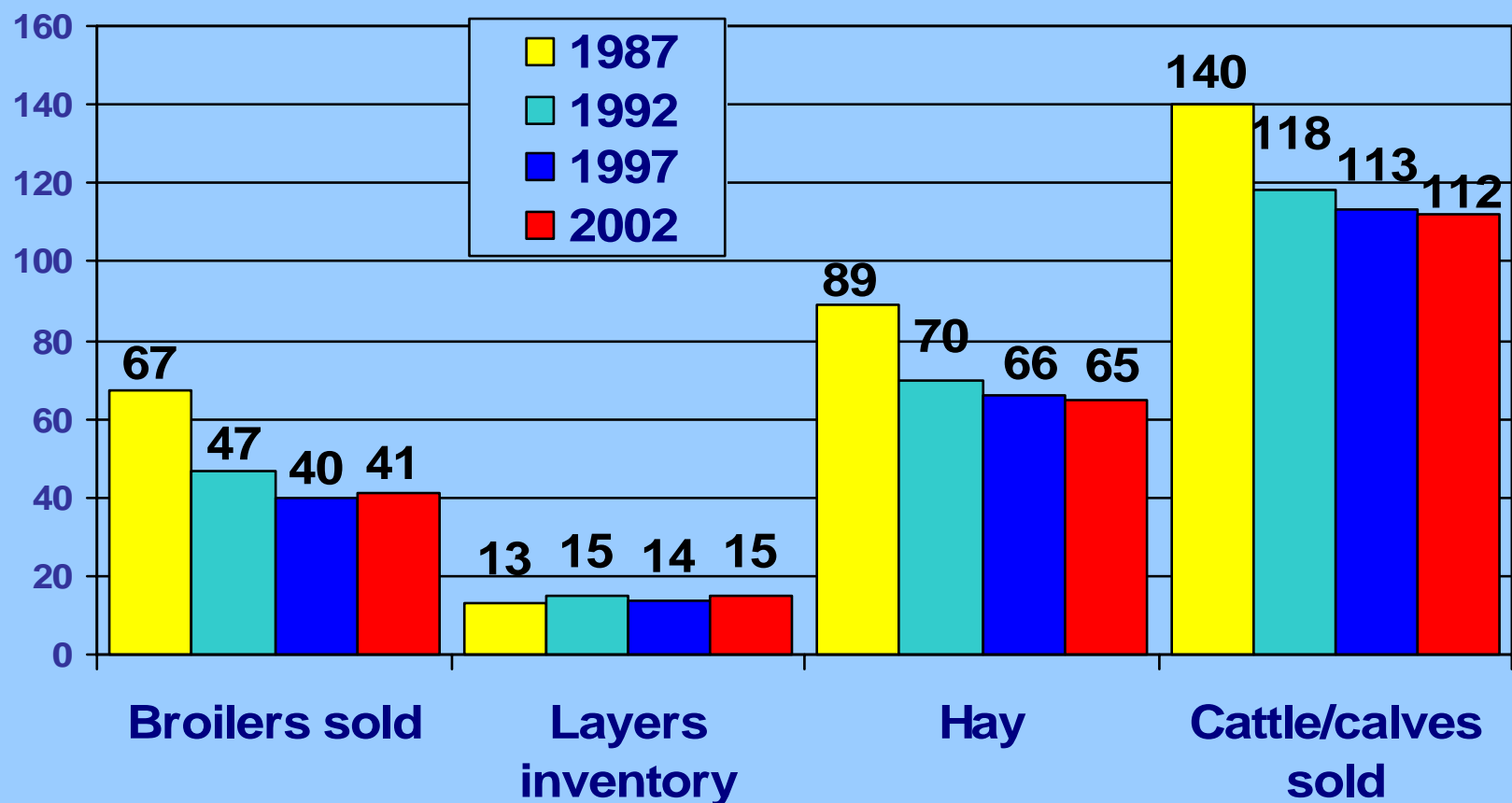
Percent of Farms by Size, 2002



Source: 1945-2002 (quinquennial) Censuses of Agriculture

Trends in Pickens County

Number of Farms by Commodity

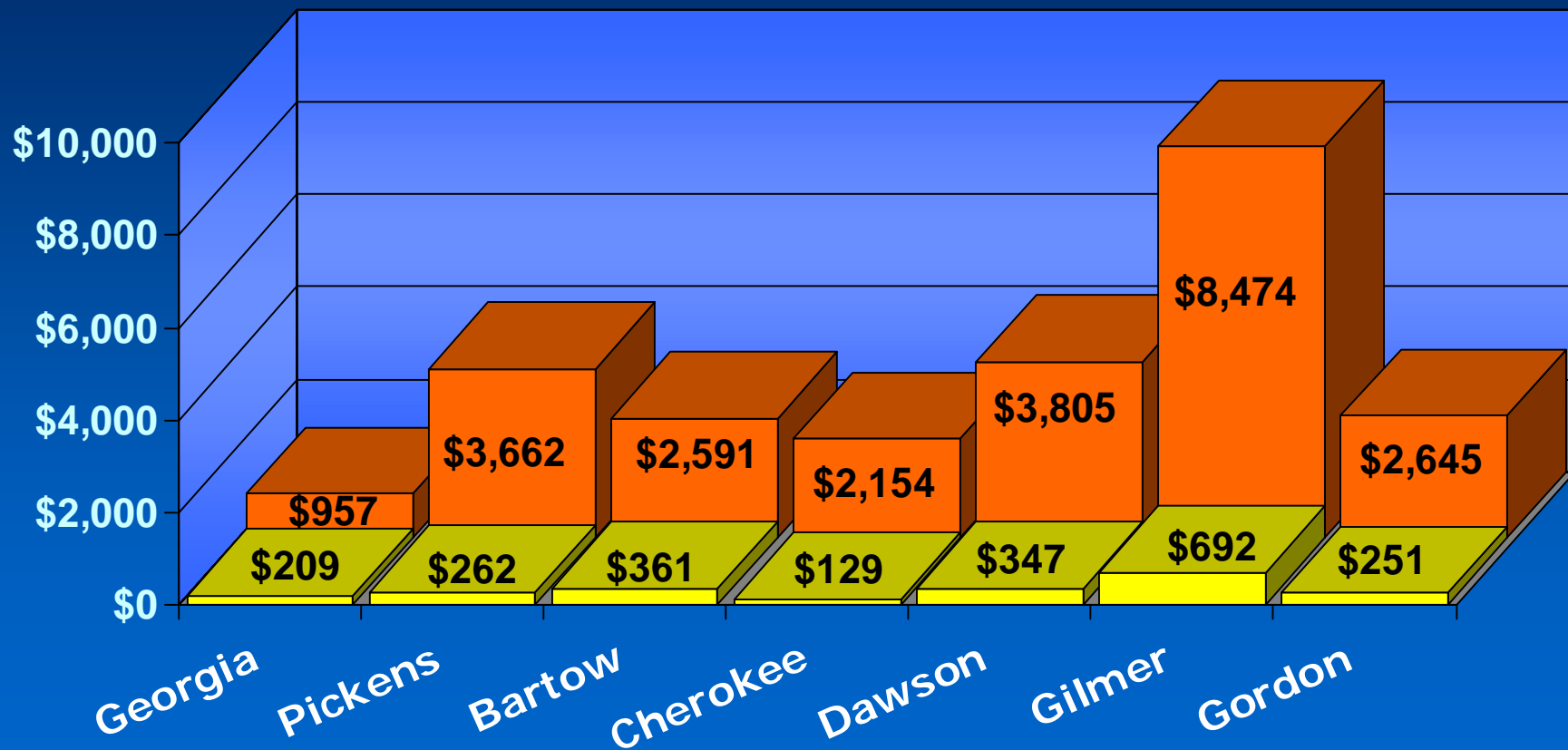


Source: 1987-2002 (quinquennial) Censuses of Agriculture

How Do We Compare ?

Georgia, Pickens and Surrounding Counties Farm Gate Value

■ \$ Per Farm (thousands) ■ \$ Per Acre



Sources: [2002 Census of Agriculture](#) and [2004 Farm Gate Value Report](#)

What We Did

- The Center for Agribusiness and Economic Development performed an analysis of the county's economy, focusing on the role of food and fiber.



What We Asked

County Economy Modeled

- 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) *Impact* of food and fiber production and directly related industries?

Pickens County Economy

Agriculture - OUTPUT

	Output in \$ Millions	Percent
Agriculture	70.011	9.0
Mining	38.824	5.0
Construction	93.553	12.0
Manufacturing	113.567	14.6
Trans-Utilities-Info	48.726	6.3
Trade	77.430	10.0
Finance-Ins-RE	107.816	13.9
Services	124.698	16.0
Government	102.645	13.2

Total County Economic Output = \$777.3 million

Pickens County Economy

Agriculture + Directly Related Businesses

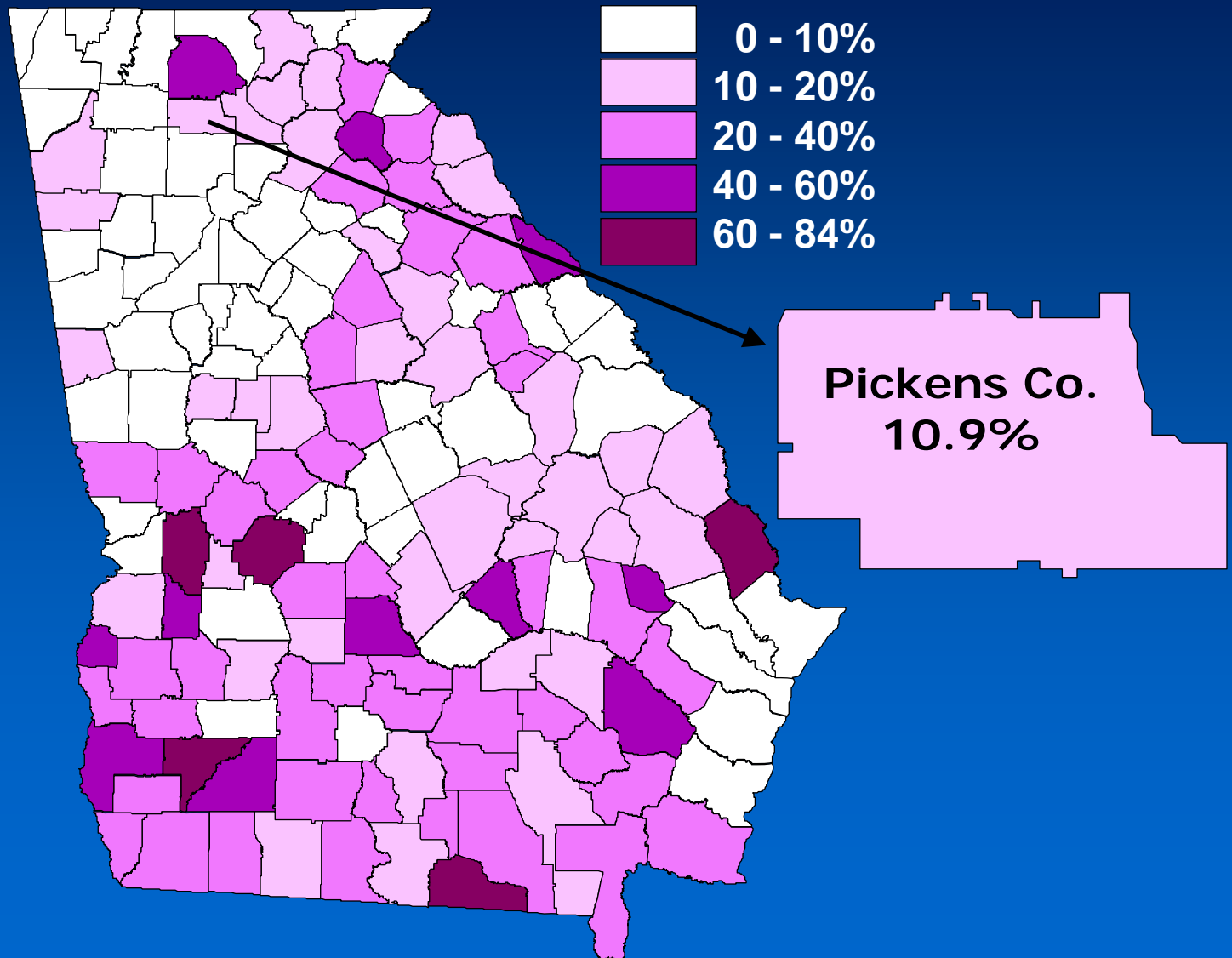
	Output in \$ Millions	Percent
<i>Agriculture + Direct</i>	84.751	10.9
Mining	38.824	5.0
Construction	93.553	12.0
Manufacturing	98.828	12.7
Trans-Utilities-Info	48.726	6.3
Trade	77.430	10.0
Finance-Ins-RE	107.816	13.9
Services	124.698	16.0
Government	102.645	13.2

Total County Economic Output = \$777.3 million

An Economic Snapshot of Pickens County

- How much of Pickens County's total economic output comes from food and fiber production?
- AG value alone of \$70 million comprises 9% of the county's economy.
- AG plus directly related businesses (ex. ag services, logging, etc.) comprise 10.9% of the county's economy.

Food and Fiber Production, Processing and Direct Manufacturing as % of Total Output

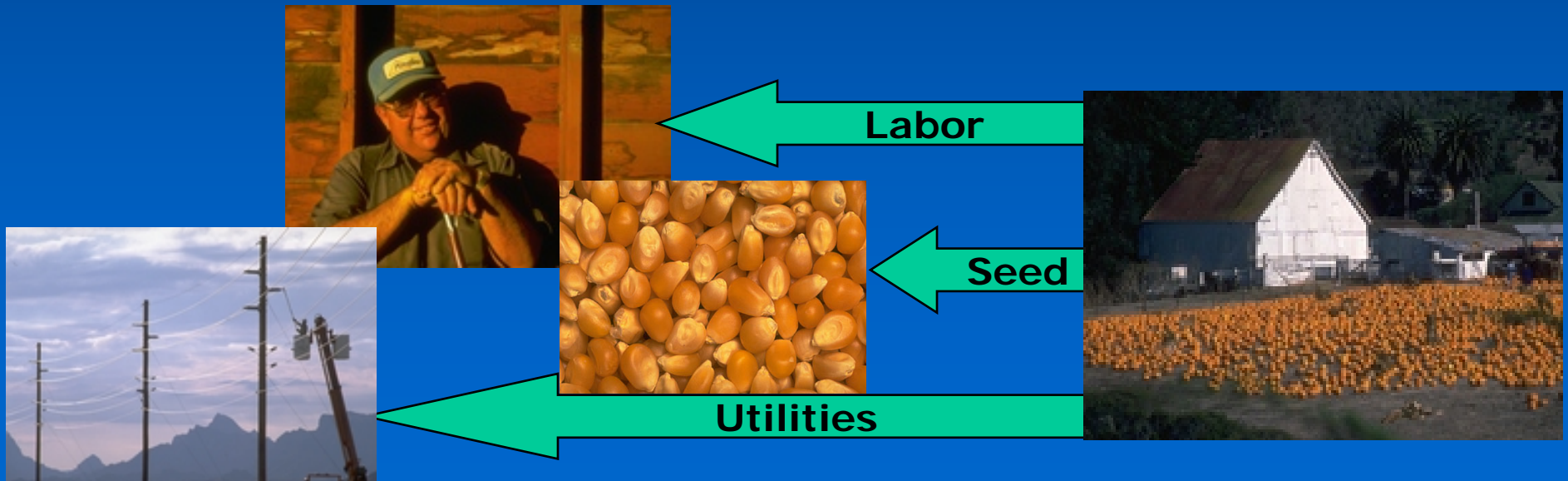


What is the Impact?

- What is the total (direct and indirect) *impact* 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 impacts measure output created due to food and fiber production and processing in the county.

What Impact Means: A Brief Explanation

- The *impact* 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.



Pickens County

Production Agriculture *IMPACT*

	Direct \$ Millions	Indirect \$ Millions
Agriculture	65.072	3.683
Mining	0	0.003
Construction	0	0.260
Manufacturing	0	0.352
Trans-Utilities-Info	0	2.656
Trade	0	2.910
Finance-Ins-RE	0	2.666
Services	0	3.291
Government	0	1.629

Total Impact of Production AG = \$82.5 million--10.6% of total economy

Pickens County

Agriculture + Directly Related Businesses *IMPACT*

	Direct \$ Millions	Indirect \$ Millions
Agriculture + Direct	70.011	4.794
Mining	0	0.004
Construction	0	0.349
Manufacturing	14.739	0.724
Trans-Utilities-Info	0	3.412
Trade	0	3.964
Finance-Ins-RE	0	3.458
Services	0	4.545
Government	0	2.328
Total	84.751	23.579

Total Impact of AG + Directly Related = \$108.3 million--13.9% of total economy

Pickens County

Production Agriculture + Directly Related Industries Employment *IMPACT*

	Direct	Indirect
Agriculture + Direct	497	31
Mining	0	0
Construction	0	4
Manufacturing	0	5
Trans-Utilities-Info	0	14
Trade	0	53
Finance-Ins-RE	0	15
Services	0	80
Government	0	2

Total Impact of AG + Directly Related Employment = 702 jobs

What These Numbers Mean: A Brief Explanation

- *Direct* impact is \$84.8 million. This includes food and fiber production, processing and directly related manufacturing.
- *Indirect* impact from the Trade sector is \$4 million. This captures the 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:

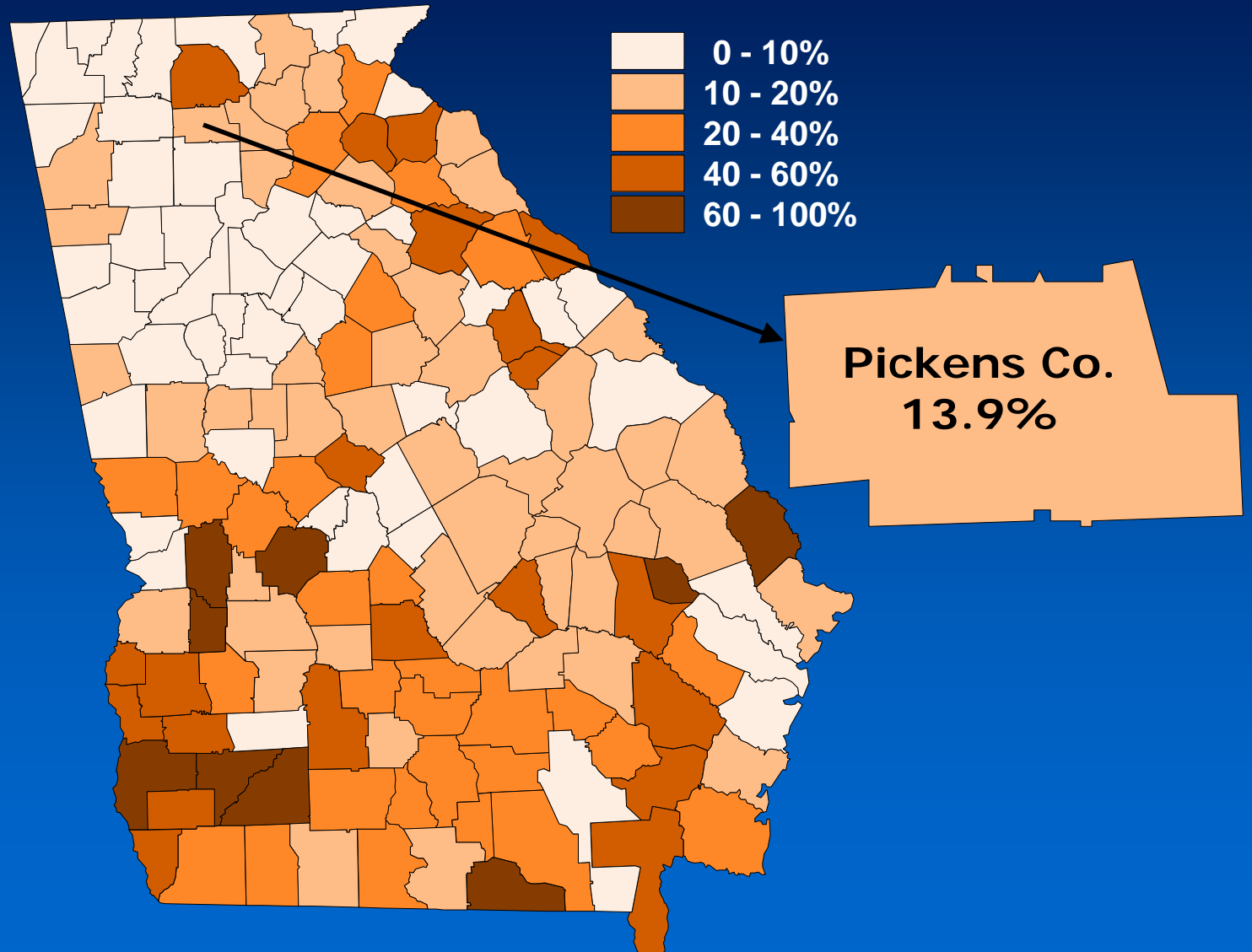
A Brief Explanation (continued)

- 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.

Pickens County Food and Fiber Impact Conclusions

- The total *impact* of food and fiber production, processing and direct manufacturing is \$108.3 million.
- The total *output* is \$777.3 million.
- Thus, food and fiber (directly and indirectly) account for 13.9% of the total output.

Food and Fiber Production, Processing and Direct Manufacturing Impact as % of Total Output



Contact Information

Prepared by:
Archie Flanders and Sue Boatright
Center for Agribusiness & Economic Development

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

*To learn more about your county, go to:
<http://www.caed.uga.edu/>
...click on “Georgia Statistics System“*

**Special County Area Report
#05 - 22A
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