

# The Economic Importance of Food and Fiber

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## A Spotlight on Morgan County, Georgia

Prepared for:  
Morgan County Cooperative Extension Service  
September, 2005

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

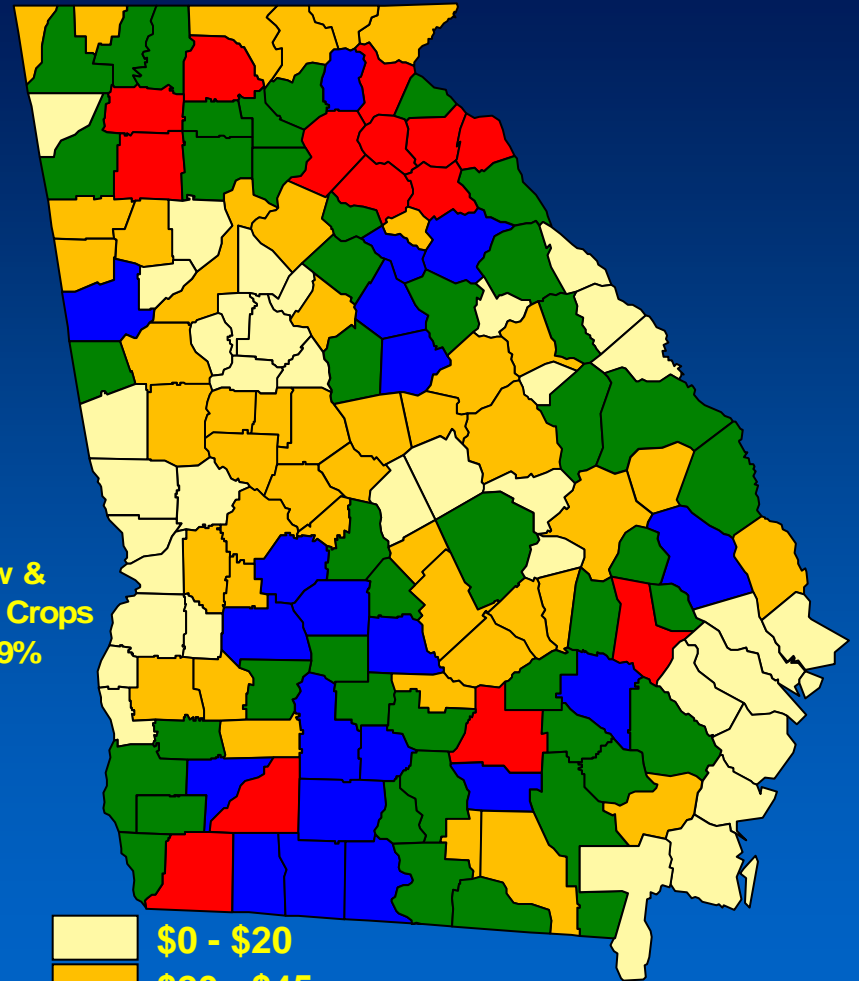
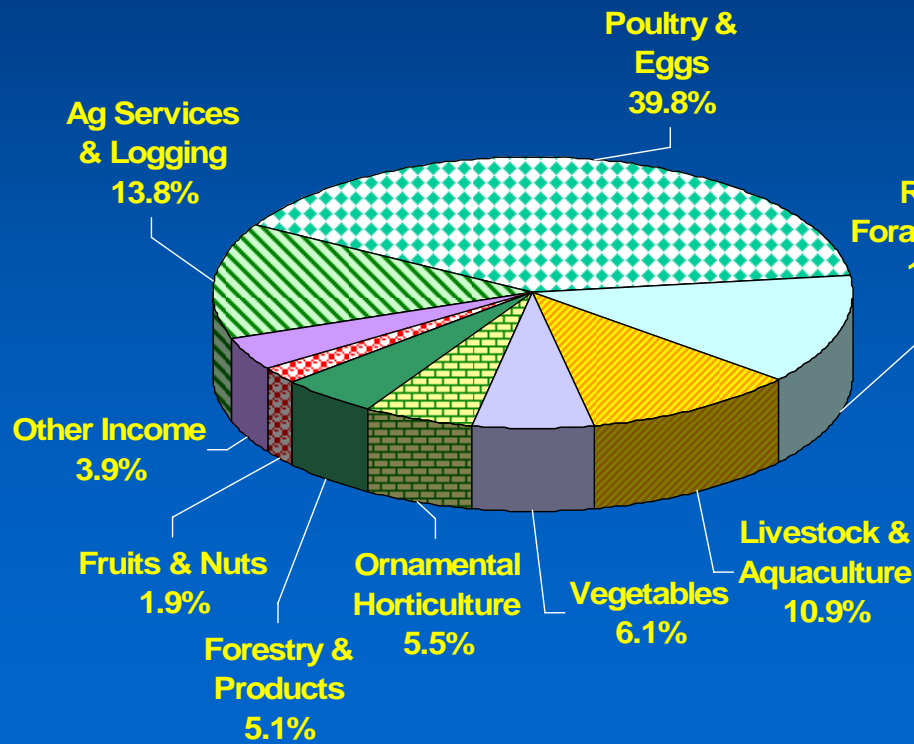
# Agriculture in Georgia

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- Georgia's 2004 Farm Gate Value was \$10.3 billion. Adding \$3.2 billion of ag services and logging raises the total value of agricultural production in Georgia to \$13.5 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  
\$13.5 Billion



2004 Farm Gate  
Value by County  
in Millions of Dollars

# What We Know about Morgan County

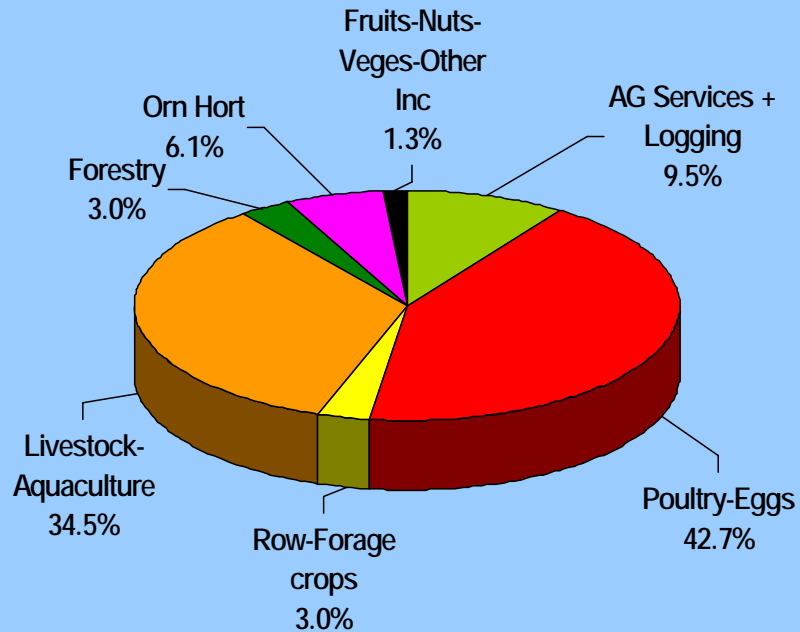
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- 2004 Farm Gate Value in Morgan Co. was \$125.5 million. Adding Ag services and logging raises the total production agriculture value to \$137.8 million.
- The highest value commodity group was poultry & eggs, representing 42.7% of the total agricultural production value.

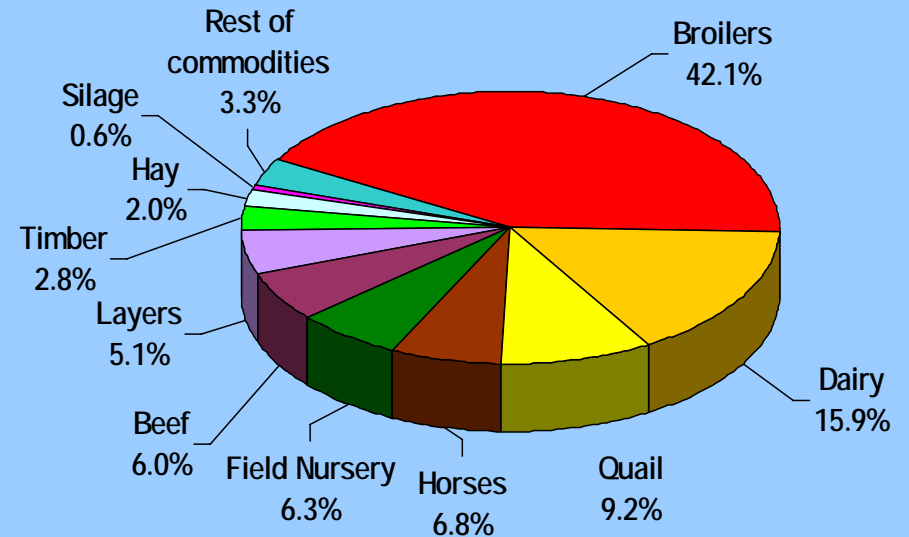
# Morgan County

## 2004 Agricultural Production Value

### 2004 Agricultural Production



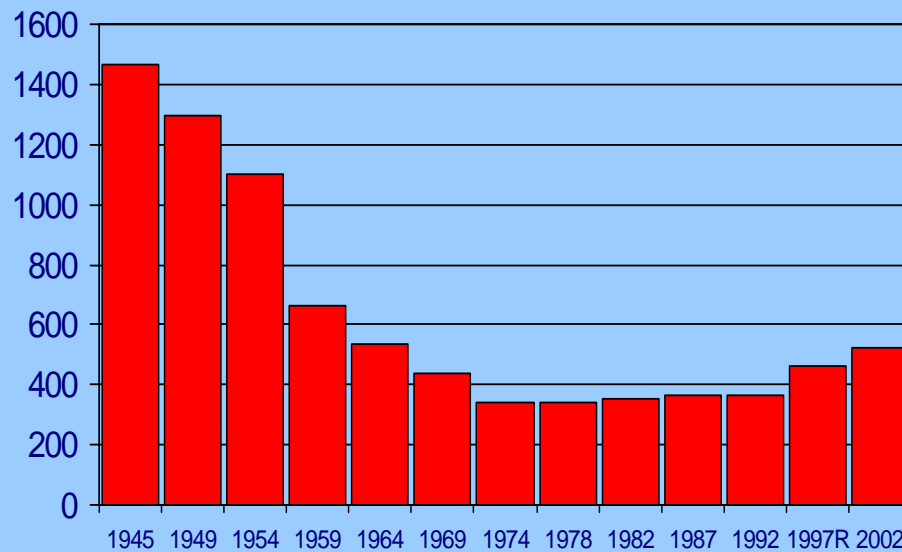
### 2004 Top Farm Gate Commodities % of Total Value



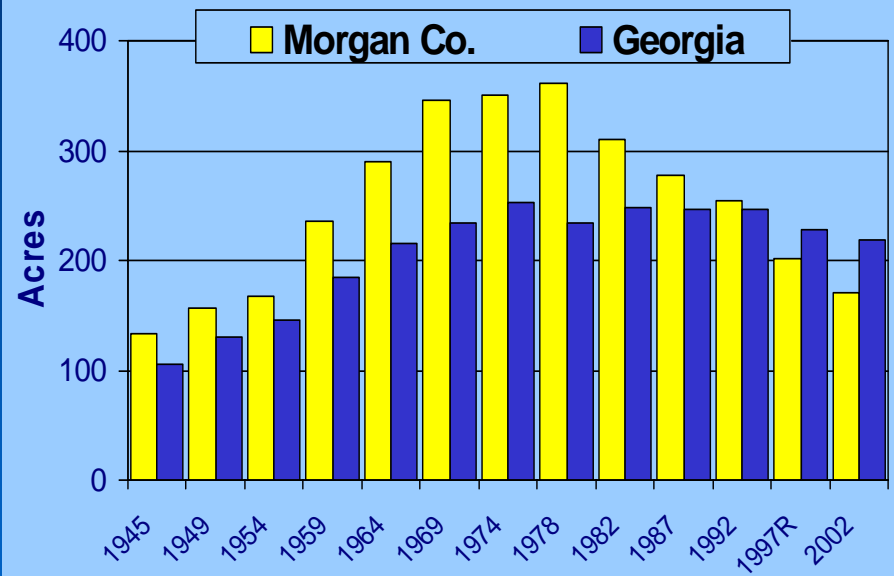
**Total AG Value = \$137.8 million**

# Trends in Morgan County: Number of Farms & Average Farm Size

### Number of Farms, Morgan County



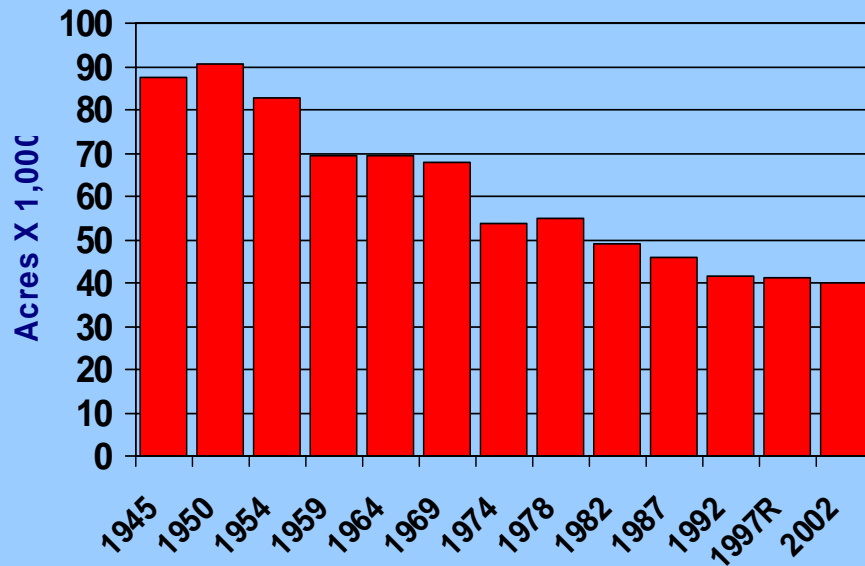
### Average Farm Size



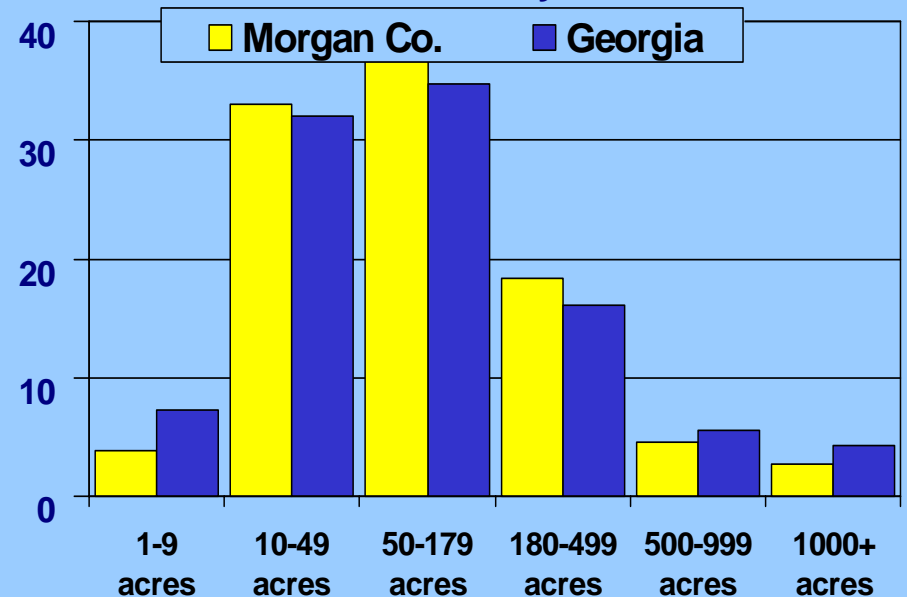
Source: 1945-2002 (quinquennial) Censuses of Agriculture

# Trends in Morgan County: Land in Farms & Farms by Size

Morgan Co. Land in Farms



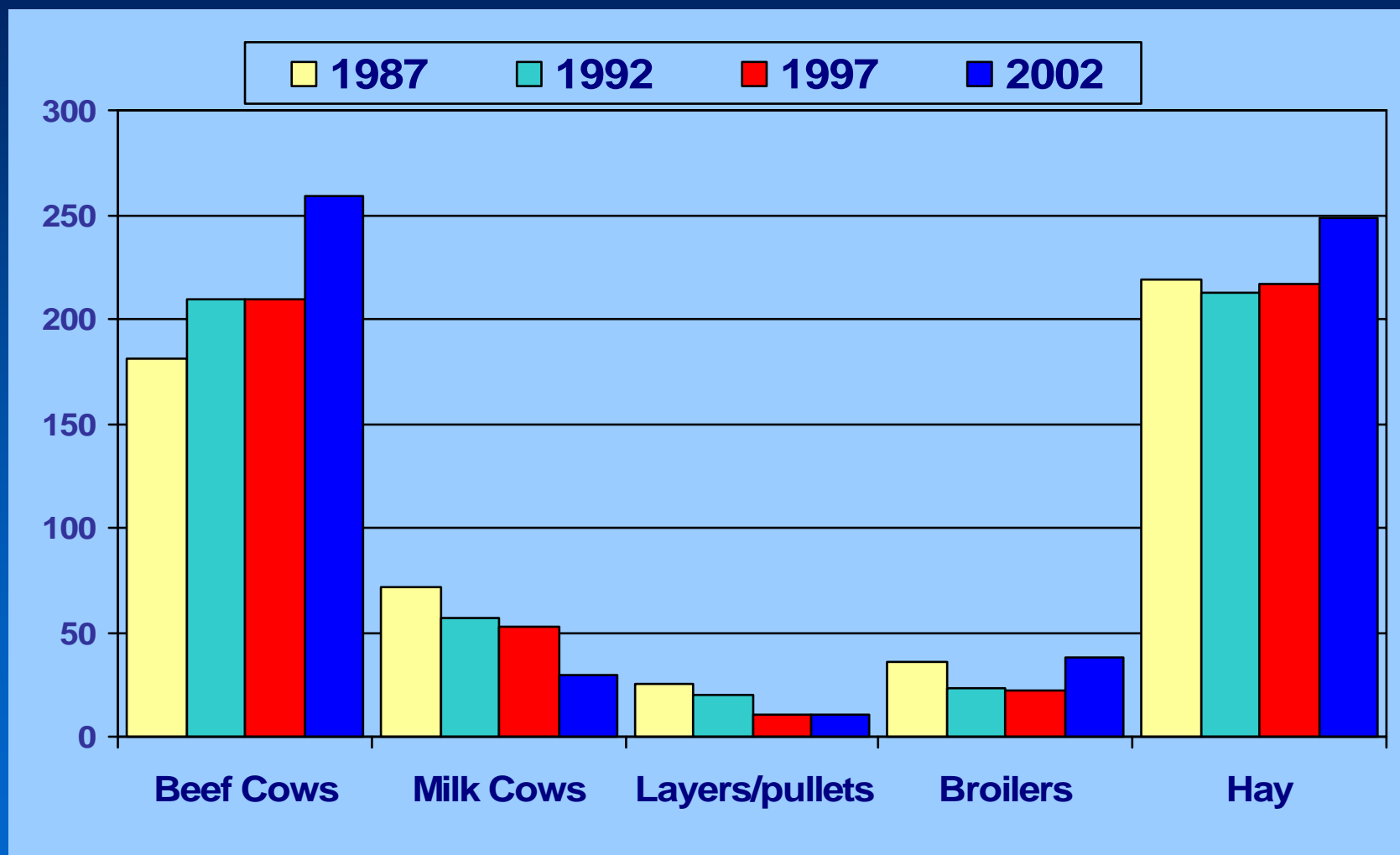
Percent of Farms by Size, 2002



Source: 1945-2002 (quinquennial) Censuses of Agriculture

# Trends in Morgan County

## Number of Farms by Commodity



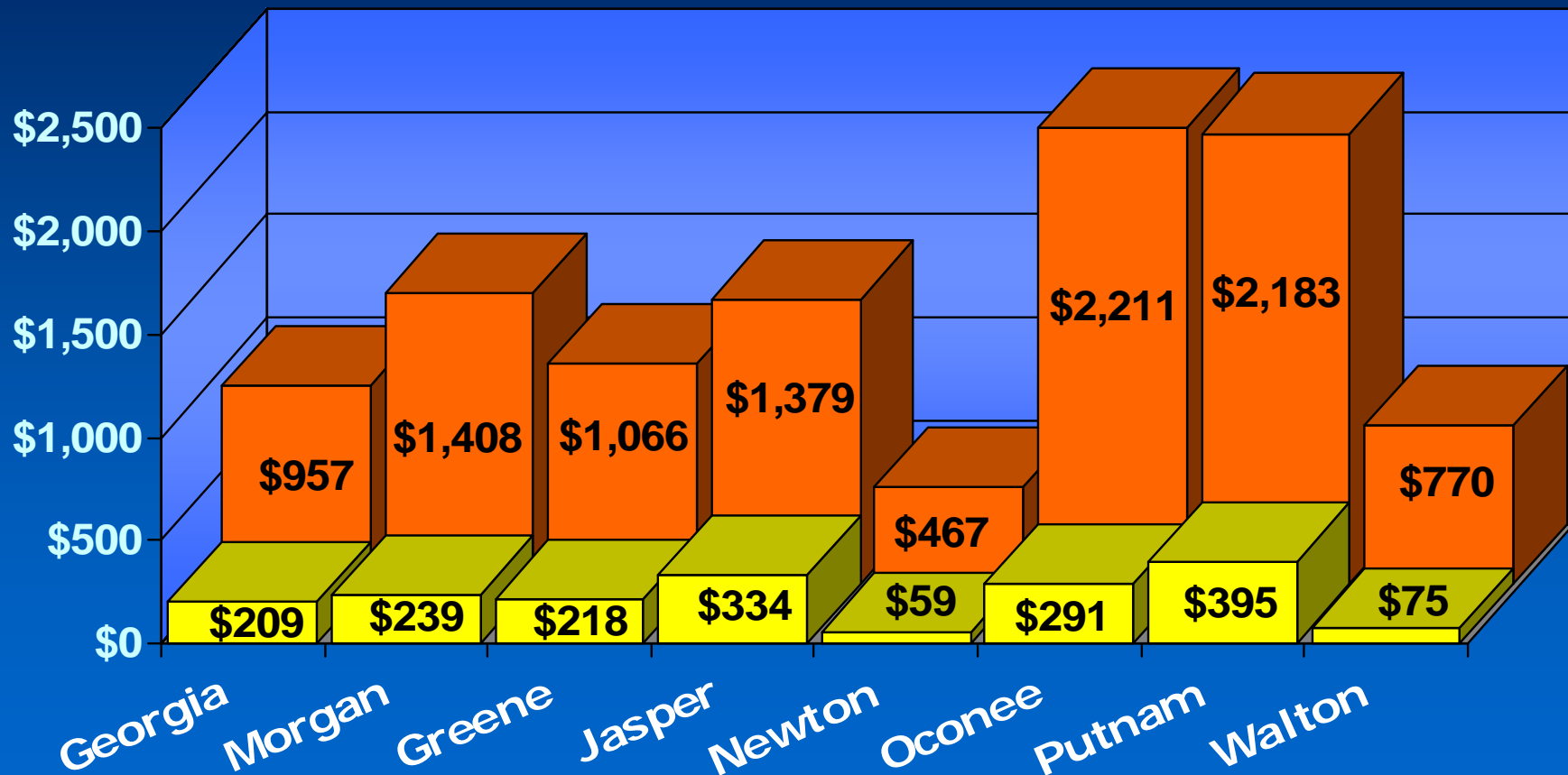
Source: 1987-2002 (quinquennial) Censuses of Agriculture



# How Do We Compare ?

## Georgia, Morgan 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

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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.



# What We Asked

## County Economy Modeled

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- 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?

# Morgan County Economy

## Production Agriculture

	Output in \$ Millions	Percent
<i>Agriculture</i>	<b>137.838</b>	<b>17.5</b>
Construction	<b>42.047</b>	<b>5.4</b>
Manufacturing	<b>261.471</b>	<b>33.3</b>
Trans-Utilities-Info	<b>18.172</b>	<b>2.3</b>
Trade	<b>83.109</b>	<b>10.6</b>
Finance-Ins-RE	<b>43.432</b>	<b>5.5</b>
Services	<b>118.014</b>	<b>15.0</b>
Government	<b>81.793</b>	<b>10.4</b>

Total County Economic Output = \$785.9 Million

# Morgan County Economy

## Production Agriculture + Directly Related Businesses

	Output in \$ Millions	Percent
<i>Agriculture + Direct</i>	<b>159.214</b>	<b>20.3</b>
Construction	<b>42.047</b>	<b>5.4</b>
Manufacturing	<b>240.095</b>	<b>30.6</b>
Trans-Utilities-Info	<b>18.172</b>	<b>2.3</b>
Trade	<b>83.109</b>	<b>10.6</b>
Finance-Ins-RE	<b>43.432</b>	<b>5.5</b>
Services	<b>118.014</b>	<b>15.0</b>
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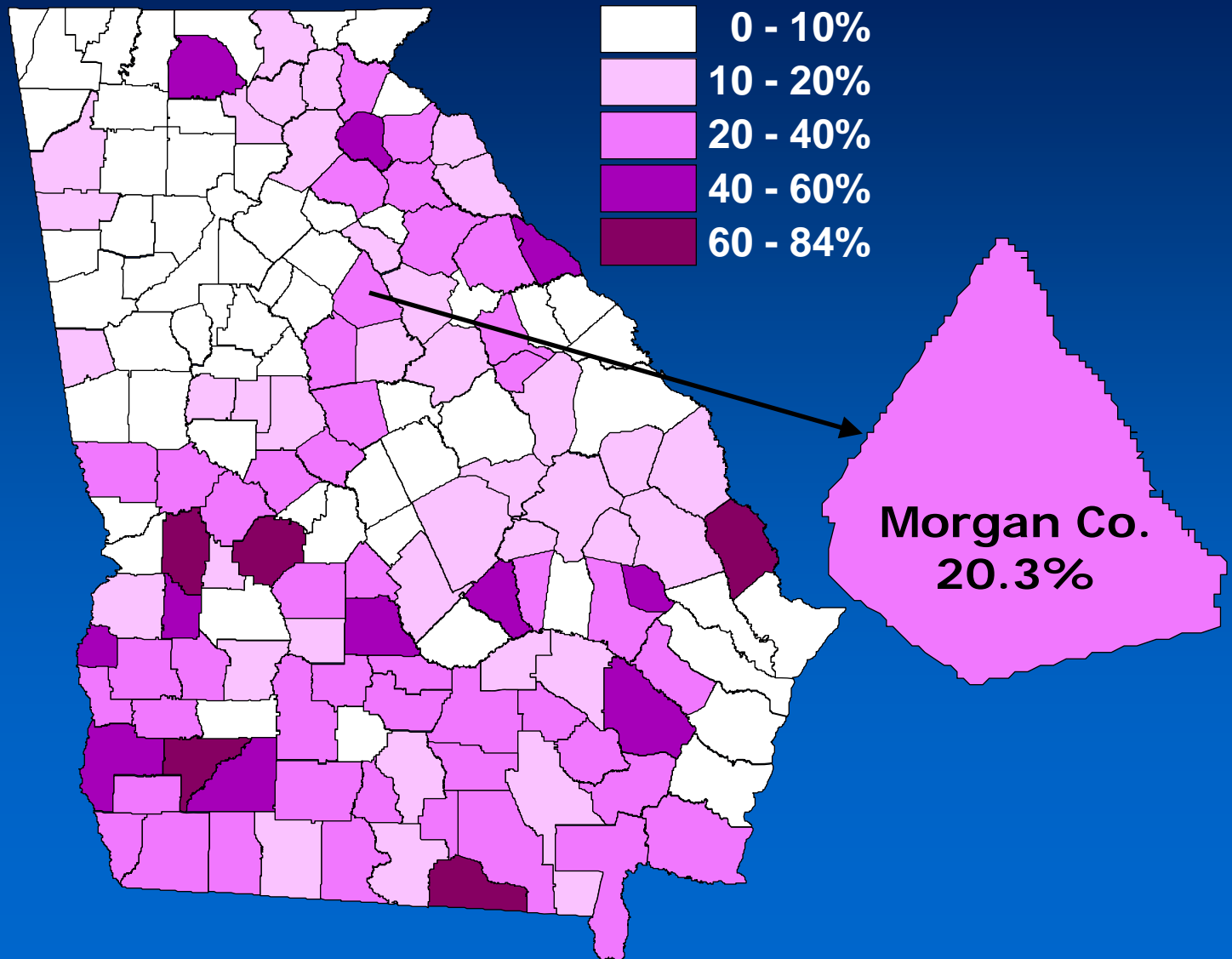
Total County Economic Output = \$785.9 Million

# An Economic Snapshot of Morgan County

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- How much of Morgan County's total economic output comes from food and fiber production?
- AG production value alone of \$137.8 million consisting of Farm Gate Value, AG services, and logging comprises 17.5% of the county's economy.
- AG plus directly related businesses (ex. sawmills, manufacturing pesticides and animal food, etc.) comprise 20.3% of the county's economy.

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



# What is the Impact?

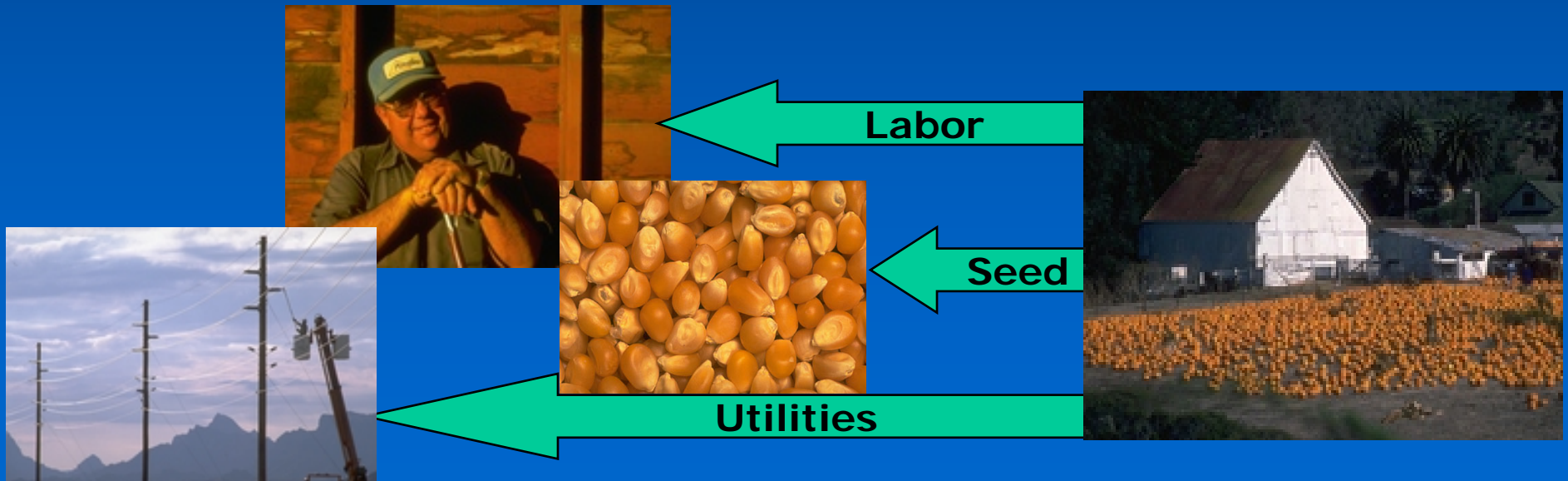
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- What is the total (direct and indirect) *impact* of food and fiber production and directly related industries?
- This scenario illustrates how other industries are affected by the presence of food and fiber in the county. The indirect impacts measure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



# Morgan County

## Production Agriculture *IMPACT*

	Direct \$ Millions	Indirect \$ Millions
<i>Agriculture</i>	137.838	20.094
Construction	0	.628
Manufacturing	0	1.250
Trans-Utilities-Info	0	2.801
Trade	0	9.726
Finance-Ins-RE	0	6.198
Services	0	7.252
Government	0	4.777

Total Impact of Production AG = \$190.6 Million – 24.3% of Total Economy

# Morgan County

## Agriculture and Directly Related Businesses *IMPACT*

	Direct \$ Millions	Indirect \$ Millions
<i>Agriculture + Direct</i>	137.838	20.095
Construction	0	.695
Manufacturing	21.375	1.501
Trans-Utilities-Info	0	3.642
Trade	0	11.715
Finance-Ins-RE	0	6.686
Services	0	8.268
Government	0	5.324
Total	159.214	57.928

Total Impact of AG + Direct = \$217 Million – 27.6% of Total Economy

# Morgan County

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

	Direct	Indirect
<i>Agriculture + Direct</i>	<i>2,170</i>	<i>300</i>
Construction	0	8
Manufacturing	0	7
Trans-Utilities-Info	0	24
Trade	0	137
Finance-Ins-RE	0	46
Services	0	165
Government	0	9

Total Impact of AG + Directly Related Employment = 2,865 Jobs

# What These Numbers Mean: A Brief Explanation

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- *Direct* impact is \$159.2 million. This includes food and fiber production, processing, and directly related manufacturing.
- *Indirect* impact from the Trade sector is \$11.7 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)

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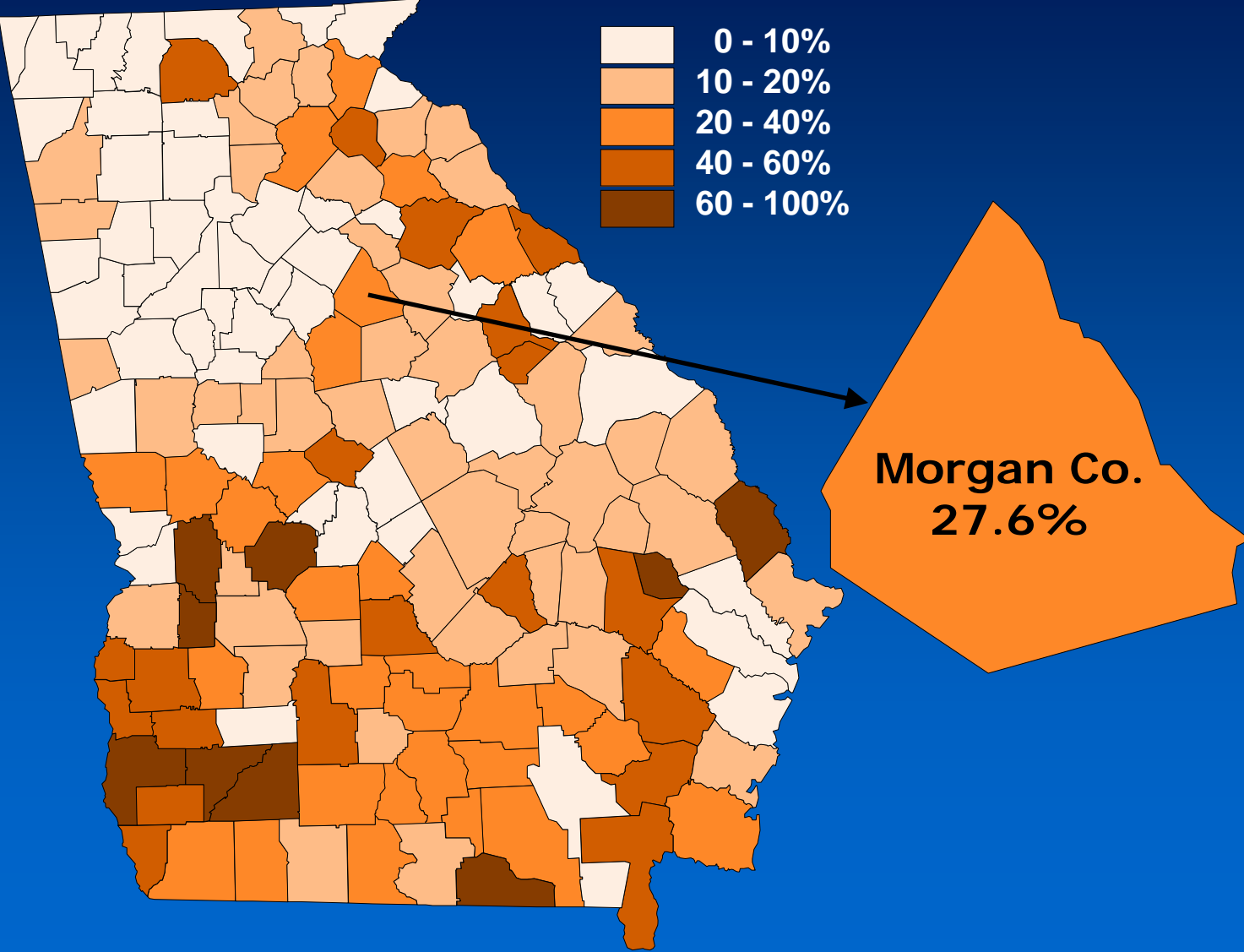
- As local stores increase their output, they may demand more stock from local wholesalers (also in the Trade sector). Local wholesalers demand more from local manufacturers, thus increasing activity in the Manufacturing sector.
- Local stores also hire employees to assist farmers. They take home wages and buy groceries at the local store which increases demand there.

# Morgan County Food and Fiber Impact Conclusions

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- The total *impact* of food and fiber production, processing and direct manufacturing is \$217 million.
- The total county economic *output* is \$786 million.
- Thus, food and fiber (directly and indirectly) account for 27.6% of the total output.

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





# Contact Information

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*“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  
#05-18A  
September, 2005**

