The Economic Importance of Food and Fiber

A Spotlight on Pierce County, Georgia

Prepared for:
Pierce County Cooperative Extension
April, 2007

by:
The Center for Agribusiness and Economic Development

College of Agricultural and Environmental Sciences
The University of Georgia
Total Population
Pierce County

Primary data sources: U.S. Census Bureau, decennial censuses & estimate; CAED (Center for Agribusiness & Economic Development).

Loss
- 6.4%
- 6.4 – 14.4%
- 14.4 – 34%
- 34 – 53.4%

Avg. GA
County = 9.1%
GA = 14.4%
US = 6.4%

Primary data source: U.S. Census Bureau
Percent of Land in Cropland & Forestland: 2002

- 23 – 40%
- 40 – 55%
- 55 – 70%
- 70 – 85%
- 85% or more

GA Total = 78.5%
GA Avg. Co. = 77.3%
Metro Avg. Co. = 70.7%
Nonmetro Avg. Co. = 82.6%

Primary data sources:
U.S. Census of Agriculture, 2002
Forest Statistics for Georgia, 1997
Components of 2005 Property Tax Gross Digest
Pierce County

- Residential: 43.3%
- Ag-Preferential-Environ-Conserv: 21.6%
- Commercial: 10.5%
- Industrial: 4.6%
- Motor Vehicle: 11.3%
- Public Utility: 4.1%
- Mobile Home: 3.0%
- Timber *: 1.6%

40% Assessment Value of Property
Gross Digest = $354,504,681
STATE Homestead & Property Exemptions = $30,094,077
Net M&O Digest = $324,410,604
Value of exempt property = $14,741,212

* Timber taxed at 100% based on previous year sales

Primary data source: GA Dept. of Revenue
## County Property Tax Digest Comparisons: 2005

<table>
<thead>
<tr>
<th>County</th>
<th>% Residential</th>
<th>% Agricultural</th>
<th>% Commercial</th>
<th>% Industrial</th>
<th>% Motor Vehicle</th>
<th>% Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pierce</td>
<td>43.2</td>
<td>21.6</td>
<td>10.5</td>
<td>4.6</td>
<td>11.3</td>
<td>8.7</td>
</tr>
<tr>
<td>Appling</td>
<td>17.4</td>
<td>10.5</td>
<td>8.1</td>
<td>2.9</td>
<td>6.6</td>
<td>54.4</td>
</tr>
<tr>
<td>Bacon</td>
<td>30.3</td>
<td>24.4</td>
<td>13.7</td>
<td>9.6</td>
<td>12.1</td>
<td>9.9</td>
</tr>
<tr>
<td>Brantley</td>
<td>37.7</td>
<td>17.8</td>
<td>12.9</td>
<td>0.0</td>
<td>14.4</td>
<td>17.1</td>
</tr>
<tr>
<td>Ware</td>
<td>43.0</td>
<td>7.0</td>
<td>23.3</td>
<td>3.8</td>
<td>10.6</td>
<td>12.3</td>
</tr>
<tr>
<td>Wayne</td>
<td>29.9</td>
<td>14.3</td>
<td>12.9</td>
<td>27.8</td>
<td>8.7</td>
<td>6.3</td>
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<tr>
<td>Avg. GA Co.</td>
<td>41.5</td>
<td>21.7</td>
<td>13.3</td>
<td>7.9</td>
<td>8.4</td>
<td>7.8</td>
</tr>
</tbody>
</table>

Primary data source: GA Dept. of Revenue
Agriculture in Georgia

- Georgia's 2005 Farm Gate Value was $10.6 billion. Adding the value of landscape services increased the total agricultural production value to $12.3 billion.

- Total food and fiber production and directly related businesses account for a $52.7 billion output impact on Georgia's $614 billion economy.
Production Agriculture: 2005

Georgia Total Agricultural Production Value
$12.3 Billion

- Poultry & Eggs: 36.7%
- Livestock & Forage Crops: 13.0%
- Landscape services: 14.0%
- Other Income: 5.4%
- Fruits & Nuts: 2.2%
- Forestry & Products: 5.7%
- Ornamental Horticulture: 7.3%
- Vegetables: 5.2%
- Livestock & Aquaculture: 10.6%

2005 Farm Gate Value by County in Millions of Dollars

- $0 - $20
- $20 - $45
- $45 - $80
- $80 - $200
- $200 - $317
2005 Farm Gate Value in Pierce Co. was $54.5 million. Adding $582 thousand of landscape services increased the total agricultural production value to $55 million.

The highest value commodity group was row & forage crops, representing 40.3% of the total agricultural production value.
Pierce County
2005 Agricultural Production Value

2005 Agricultural Production

- Row-Forage crops: 40.3%
- Fruits-Nuts: 15.0%
- Livestock-Aquaculture: 10.3%
- Forestry: 8.6%
- Vegetables: 6.0%
- Landscape services: 1.1%
- Poultry-Eggs: 4.9%
- Other: 12.5%

2005 Top Farm Gate Commodities

- Rest of commodities: 32.2%
- Peanuts: 13.4%
- Cotton: 10.0%
- Dairy: 7.9%
- Timber: 7.8%
- Blueberries: 7.6%
- Hay: 6.9%
- Corn: 3.9%
- Tobacco: 3.7%
- Cucumbers: 3.6%
- Pecans: 3.0%

Total AG Value = $55 million
Trends in Pierce County:
Number of Farms & Average Farm Size

Number of Farms, Pierce County

Average Farm Size

Source: 1945-2002 (quinquennial) Censuses of Agriculture
Trends in Pierce County:
Land in Farms & Farms by Size

Source: 1945-2002 (quinquennial) Censuses of Agriculture
Trends in Pierce County
Number of Farms by Commodity

Source: 1987-2002 (quinquennial) Censuses of Agriculture
How Do We Compare?
Georgia, Pierce and Surrounding Counties
Farm Gate Value

Sources: 2002 Census of Agriculture and 2005 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?
<table>
<thead>
<tr>
<th>Industry</th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>55.061</td>
<td>10.4</td>
</tr>
<tr>
<td>Construction</td>
<td>52.607</td>
<td>9.9</td>
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<tr>
<td>Manufacturing</td>
<td>115.492</td>
<td>21.7</td>
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<td>Trans-Utilities-Info</td>
<td>62.113</td>
<td>11.7</td>
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<tr>
<td>Trade</td>
<td>75.553</td>
<td>14.2</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>31.022</td>
<td>5.8</td>
</tr>
<tr>
<td>Services</td>
<td>66.125</td>
<td>12.4</td>
</tr>
<tr>
<td>Govt &amp; Other</td>
<td>73.544</td>
<td>13.8</td>
</tr>
</tbody>
</table>

**Total County Economic Output = $531.5 million**
## Pierce County Economy
### Agriculture + Directly Related Businesses Output

<table>
<thead>
<tr>
<th>Sector</th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
<td>127.194</td>
<td>23.9</td>
</tr>
<tr>
<td>Construction</td>
<td>52.607</td>
<td>9.9</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>43.358</td>
<td>8.2</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>62.113</td>
<td>11.7</td>
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<td>75.553</td>
<td>14.2</td>
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<tr>
<td>Finance-Ins-RE</td>
<td>31.022</td>
<td>5.8</td>
</tr>
<tr>
<td>Services</td>
<td>66.125</td>
<td>12.4</td>
</tr>
<tr>
<td>Government</td>
<td>73.544</td>
<td>13.8</td>
</tr>
<tr>
<td><strong>Total County Economic Output</strong></td>
<td><strong>$531.5 million</strong></td>
<td></td>
</tr>
</tbody>
</table>
An Economic Snapshot of Pierce County

- How much of Pierce County’s total economic output comes from food and fiber production?

- AG value alone of $55 million consisting of Farm Gate Value and landscape services comprises 10.4% of the county’s economy.

- AG plus directly related businesses (ex. logging, sawmills, animal slaughtering, etc.) comprise 23.9% of the county’s economy.
Food and Fiber Production and Directly Related Manufacturing as % of Total Output

Pierce Co. 23.9%
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.
## Pierce County
### Agriculture IMPACT

<table>
<thead>
<tr>
<th>Sector</th>
<th>Direct $ Millions</th>
<th>Indirect $ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>55.061</td>
<td>0</td>
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<tr>
<td>Construction</td>
<td>0</td>
<td>.167</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>.187</td>
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<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>1.237</td>
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<tr>
<td>Trade</td>
<td>0</td>
<td>3.484</td>
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<tr>
<td>Finance-Ins-RE</td>
<td>0</td>
<td>1.395</td>
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<td>Services</td>
<td>0</td>
<td>2.847</td>
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<td>Government</td>
<td>0</td>
<td>2.479</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>55.061</strong></td>
<td><strong>11.797</strong></td>
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</table>

Total Impact of Production AG = $66.9 million–12.6% of total economy
## Pierce County
Production Agriculture + Directly Related Businesses *IMPACT*

<table>
<thead>
<tr>
<th></th>
<th>Direct $ Millions</th>
<th>Indirect $ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
<td>87.971</td>
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<tr>
<td>Construction</td>
<td>0</td>
<td>.281</td>
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<tr>
<td>Manufacturing</td>
<td>39.223</td>
<td>3.011</td>
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<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>3.478</td>
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<tr>
<td>Trade</td>
<td>0</td>
<td>8.232</td>
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<tr>
<td>Finance-Ins-RE</td>
<td>0</td>
<td>2.861</td>
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<tr>
<td>Services</td>
<td>0</td>
<td>6.155</td>
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<tr>
<td>Government</td>
<td>0</td>
<td>4.323</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>127.194</strong></td>
<td><strong>28.341</strong></td>
</tr>
</tbody>
</table>

Total Impact of AG+Directly Related=$155.5 million—29.3% of Total Economy
## Pierce County
Production Agriculture + Directly Related Industries Employment IMPACT

<table>
<thead>
<tr>
<th>Industry</th>
<th>Direct</th>
<th>Indirect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
<td>928</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>13</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>31</td>
</tr>
<tr>
<td>Trade</td>
<td>0</td>
<td>103</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>0</td>
<td>21</td>
</tr>
<tr>
<td>Services</td>
<td>0</td>
<td>125</td>
</tr>
<tr>
<td>Government</td>
<td>0</td>
<td>4</td>
</tr>
</tbody>
</table>

**Total Impact of AG + Directly Related Employment = 1,227 Jobs**
What These Numbers Mean: A Brief Explanation

- **Direct** impact is $127.2 million. This includes food and fiber production, processing and directly related manufacturing.

- **Indirect** impact from the Trade sector is $8.2 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.
The total impact of food and fiber production, processing and direct manufacturing is $155.5 million.

The total output is $531.5 million.

Thus, food and fiber (directly and indirectly) account for 29.3% of the total output.
Food and Fiber Production and Directly Related Manufacturing *IMPACT* as % of Total Output

Pierce Co. 29.3%
Contact Information

Prepared by:
Sue Boatright and Archie Flanders
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
#0711A
April, 2007