The Economic Importance of Food and Fiber

A Spotlight on Putnam County, Georgia

Prepared for:
Putnam County Cooperative Extension
January, 2007

by:
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College of Agricultural and Environmental Sciences
The University of Georgia
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%
- 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%
- Row & Forage Crops 13.0%

2005 Farm Gate Value by County in Millions of Dollars

- $0 - $20
- $20 - $45
- $45 - $80
- $80 - $200
- $200 - $317
What We Know about Putnam County

- 2005 Farm Gate Value in Putnam Co. was $59.9 million. Adding $3.4 million of landscape services increased the total agricultural production value to $63.2 million.

- The highest value commodity group was livestock/aquaculture, representing 50.8% of the total agricultural production value.
Putnam County
2005 Agricultural Production Value

2005 Agricultural Production

- Livestock-Aquaculture: 50.8%
- Forestry: 5.7%
- Row-Forage crops: 3.5%
- Landscape services: 5.3%
- Poultry-Eggs: 26.2%
- Other: 7.1%
- Fruits-Nuts: 0.0%
- Vegetables: 0.5%
- Orn Hort: 0.8%

2005 Top Farm Gate Commodities

- Dairy: 38.0%
- Layers, Hatching Egg & Table Egg: 27.7%
- Beef: 9.4%
- Timber: 6.1%
- Horses: 6.0%
- Hunting Leases: 4.2%
- Ag-Based & Nature-Based Tourism: 3.2%
- Silage: 1.7%
- Hay: 1.9%
- Sweet Corn: 0.6%
- Rest of Commodities: 1.3%

Total AG Value = $63.2 Million
Trends in Putnam County:
Number of Farms & Average Farm Size

Number of Farms, Putnam County

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

Land in Farms
Putnam County

Percent of Farms by Size, 2002

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

Source: 1987-2002 (quinquennial) Censuses of Agriculture
How Do We Compare?

Georgia, Putnam and Surrounding Counties
Farm Gate Value

Sources: 2002 Census of Agriculture and 2005 Farm Gate Value Report
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?
## Putnam County Economy
### Agriculture Output

<table>
<thead>
<tr>
<th>Sector</th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>63.221</td>
<td>7.7</td>
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<tr>
<td>Construction</td>
<td>85.657</td>
<td>10.4</td>
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<tr>
<td>Manufacturing</td>
<td>195.226</td>
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<td>Trans-Utilities-Info</td>
<td>78.034</td>
<td>9.5</td>
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<tr>
<td>Trade</td>
<td>115.760</td>
<td>14.1</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>41.569</td>
<td>5.1</td>
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<tr>
<td>Services</td>
<td>116.050</td>
<td>14.1</td>
</tr>
<tr>
<td>Government</td>
<td>126.034</td>
<td>15.3</td>
</tr>
</tbody>
</table>

**Total County Economic Output = $821.6 million**
Putnam County Economy
Agriculture + Directly Related Businesses *OUTPUT*

<table>
<thead>
<tr>
<th></th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Agriculture + Direct</strong></td>
<td>92.893</td>
<td>11.3</td>
</tr>
<tr>
<td>Construction</td>
<td>85.657</td>
<td>10.4</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>165.554</td>
<td>20.2</td>
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<td>78.034</td>
<td>9.5</td>
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<tr>
<td>Trade</td>
<td>115.760</td>
<td>14.1</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>41.569</td>
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<tr>
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</tr>
<tr>
<td>Government</td>
<td>126.034</td>
<td>15.3</td>
</tr>
</tbody>
</table>

Total County Economic Output = $821.6 million
An Economic Snapshot of Putnam County

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

- AG value alone of $63.2 million consisting of Farm Gate Value and landscape services comprises 7.7% of the county’s economy.

- AG plus directly related businesses (ex. logging, sawmills, etc.) comprise 11.3% of the county’s economy.
Putnam Co. 11.3%
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.
Putnam County
Agriculture *IMPACT*

<table>
<thead>
<tr>
<th>Industry</th>
<th>Direct $ Millions</th>
<th>Indirect $ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>63.221</td>
<td>0</td>
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<tr>
<td>Construction</td>
<td>0</td>
<td>0.264</td>
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<td>Manufacturing</td>
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<td>Trade</td>
<td>0</td>
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<td>Finance-Ins-RE</td>
<td>0</td>
<td>1.934</td>
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<td>Services</td>
<td>0</td>
<td>3.122</td>
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<td>Government</td>
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<td>2.240</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>63.221</strong></td>
<td><strong>14.149</strong></td>
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Total Impact of Production AG = $77.4 million—9.4% of total economy
## Putnam County
### Production Agriculture + Directly Related Businesses Impact

<table>
<thead>
<tr>
<th>Industry</th>
<th>Direct $ Millions</th>
<th>Indirect $ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
<td>92.893</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>0.321</td>
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<tr>
<td>Manufacturing</td>
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<td>Services</td>
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<td>4.183</td>
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<tr>
<td>Government</td>
<td>0</td>
<td>3.018</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>92.813</strong></td>
<td><strong>21.118</strong></td>
</tr>
</tbody>
</table>

Total Impact of AG + Directly Related = $114 million—13.9% of total economy
### Putnam 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>687</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
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<td>27</td>
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<tr>
<td>Trade</td>
<td>0</td>
<td>63</td>
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<tr>
<td>Finance-Ins-RE</td>
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<td>16</td>
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<td>Services</td>
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<td>82</td>
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<tr>
<td>Government</td>
<td>0</td>
<td>4</td>
</tr>
</tbody>
</table>

**Total Impact of AG + Directly Related Employment = 892 Jobs**
What These Numbers Mean: A Brief Explanation

- **Direct** impact is $92.9 million. This includes food and fiber production, processing and directly related manufacturing.

- **Indirect** impact from the Trade sector is $4.958 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.
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 $114 million.

The total *output* is $821.6 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

Putnam Co. 13.9%
Contact Information

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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
#0701A
January, 2007