

The Economic Importance of Food and Fiber

A Spotlight on Putnam County, Georgia

Prepared for:
Putnam County Cooperative Extension
January, 2007

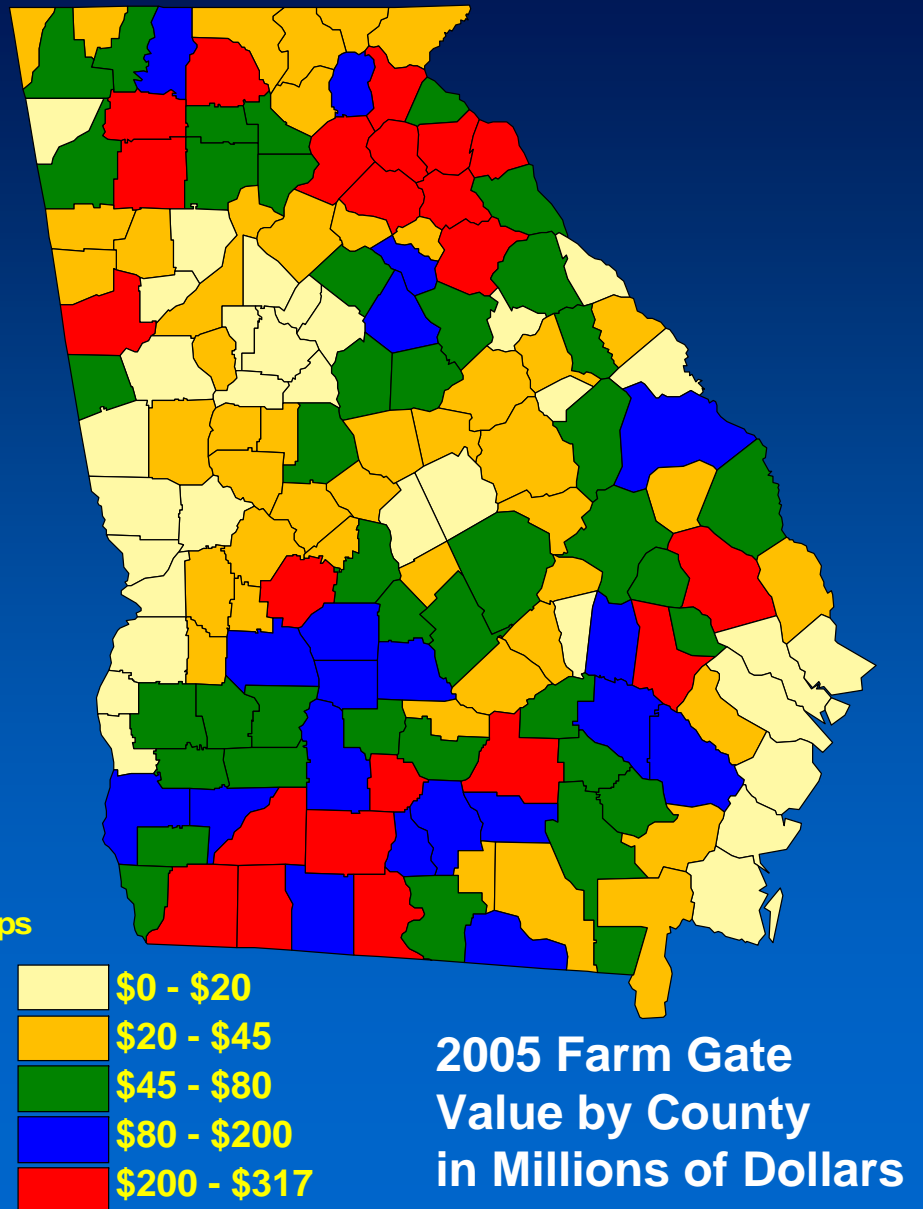
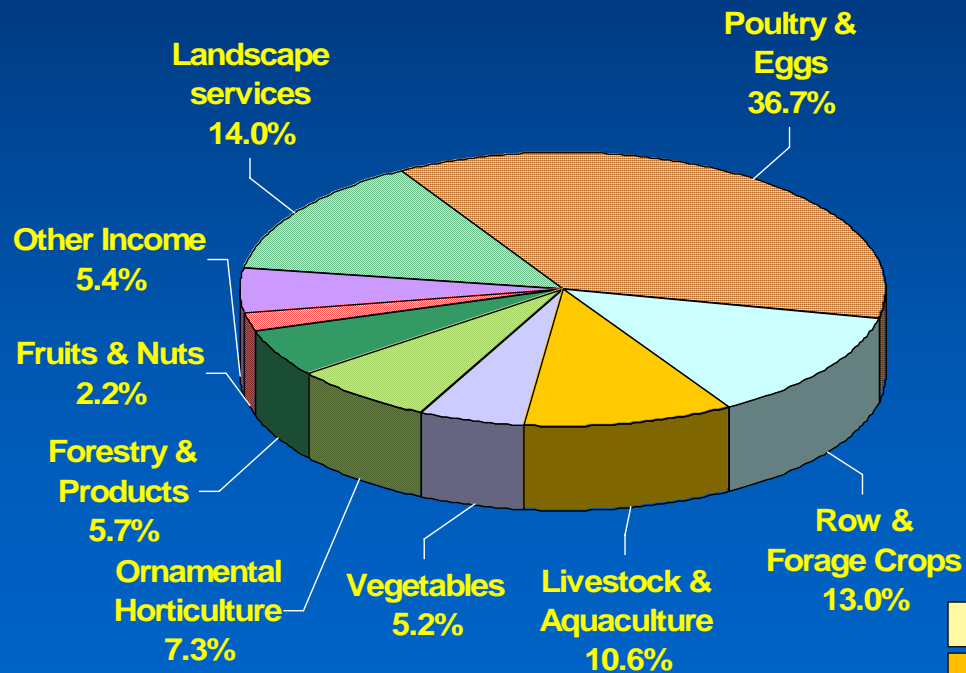
by:
The Center for Agribusiness and Economic Development
College of Agricultural and Environmental Sciences
The University of Georgia

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



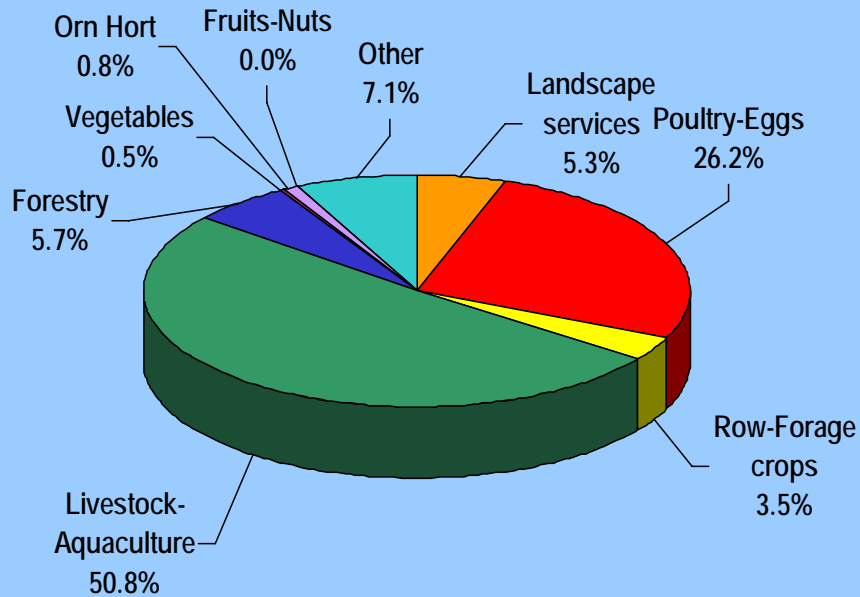
What We Know about Putnam County

- 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.

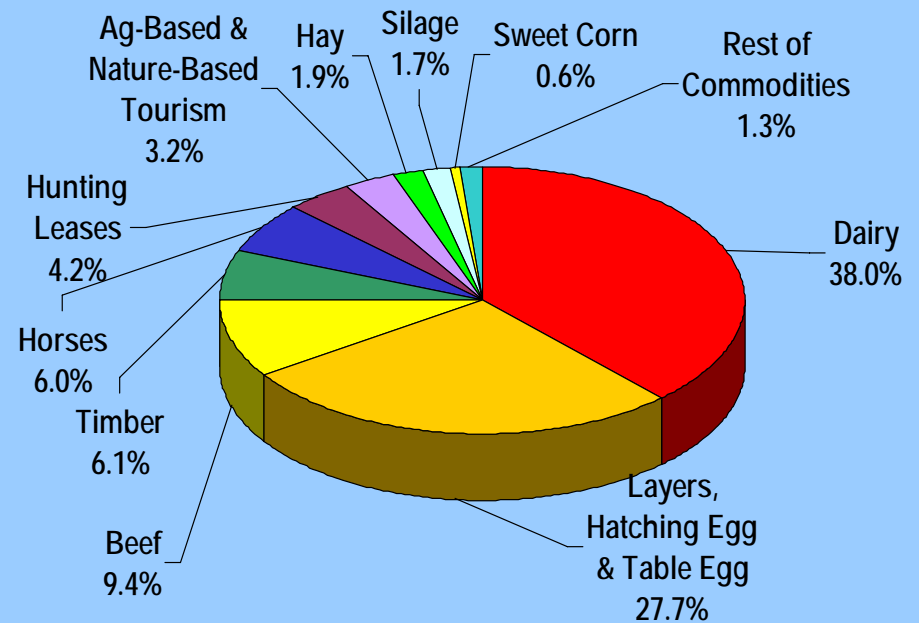
Putnam County

2005 Agricultural Production Value

2005 Agricultural Production



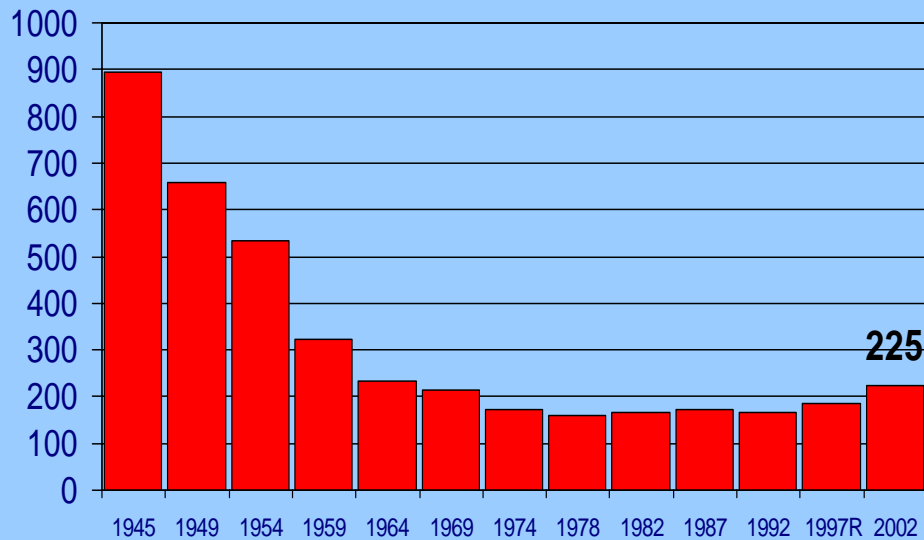
2005 Top Farm Gate Commodities



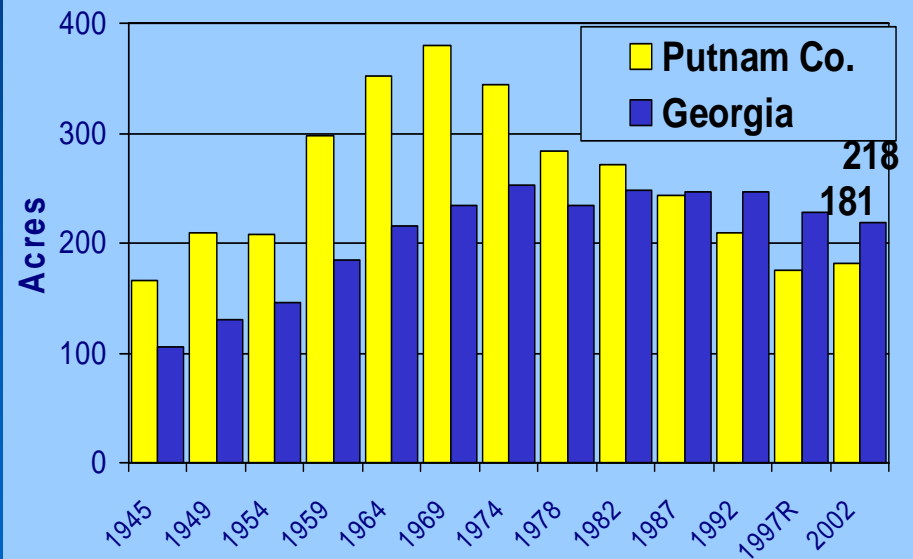
Total AG Value = \$63.2 Million

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

Number of Farms, Putnam County



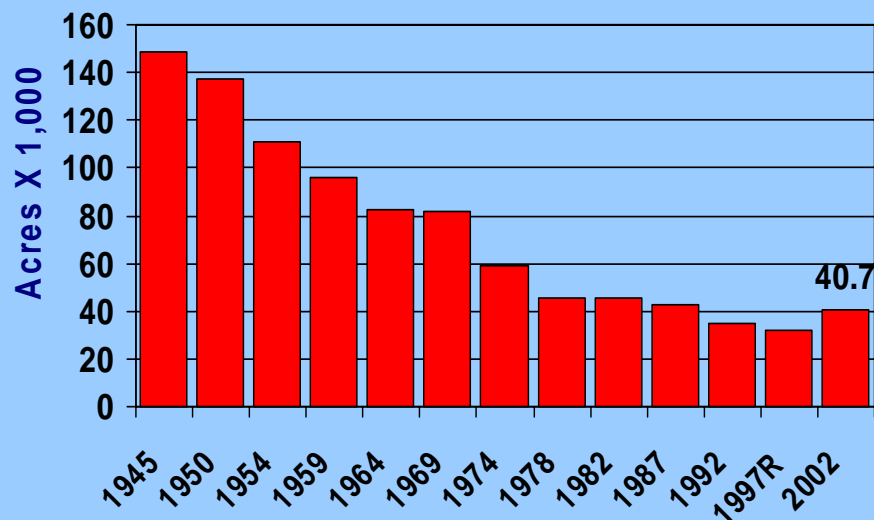
Average Farm Size



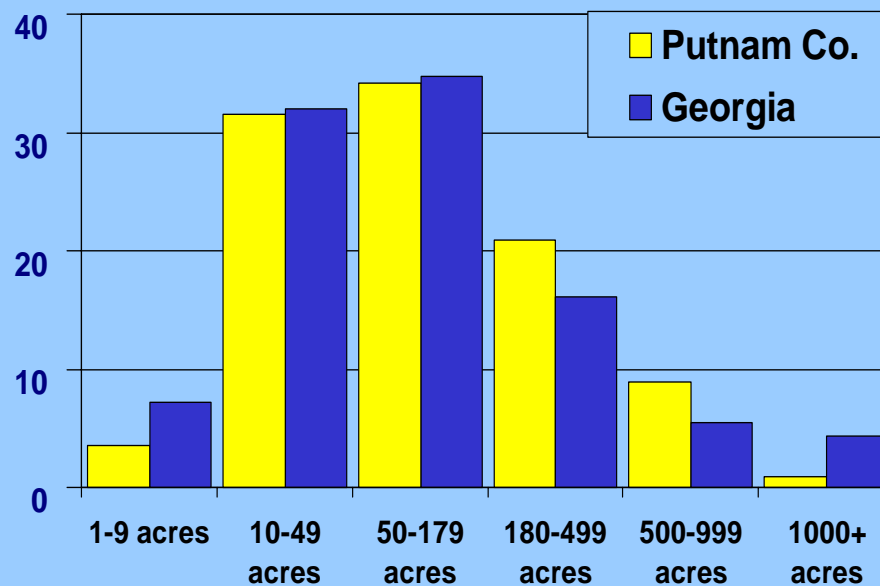
Source: 1945 2002 (quinquennial) Censuses of Agriculture

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

Land in Farms
Putnam County



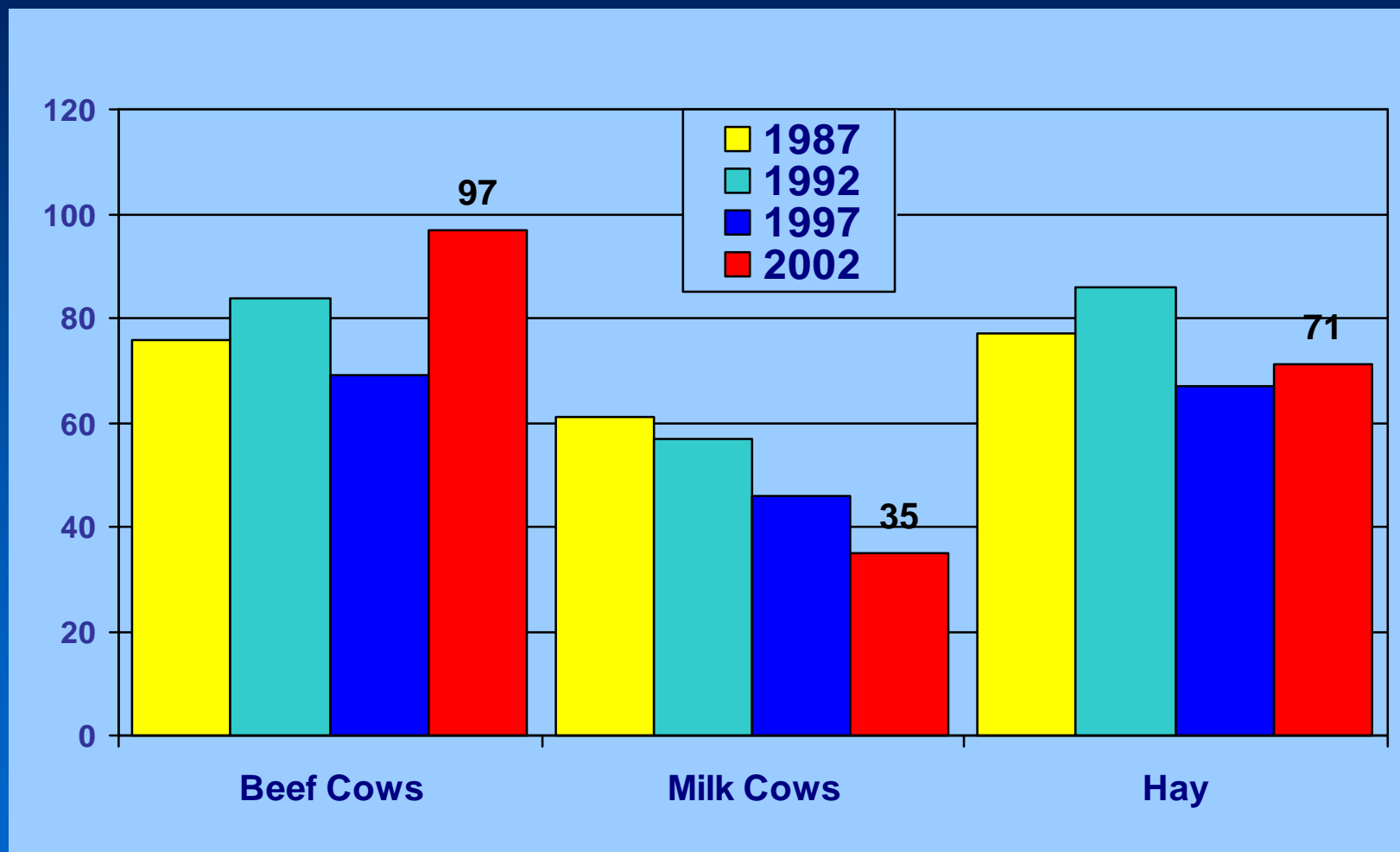
Percent of Farms by Size, 2002



Source: 1945 2002 (quinquennial) Censuses of Agriculture

Trends in Putnam County

Number of Farms by Commodity

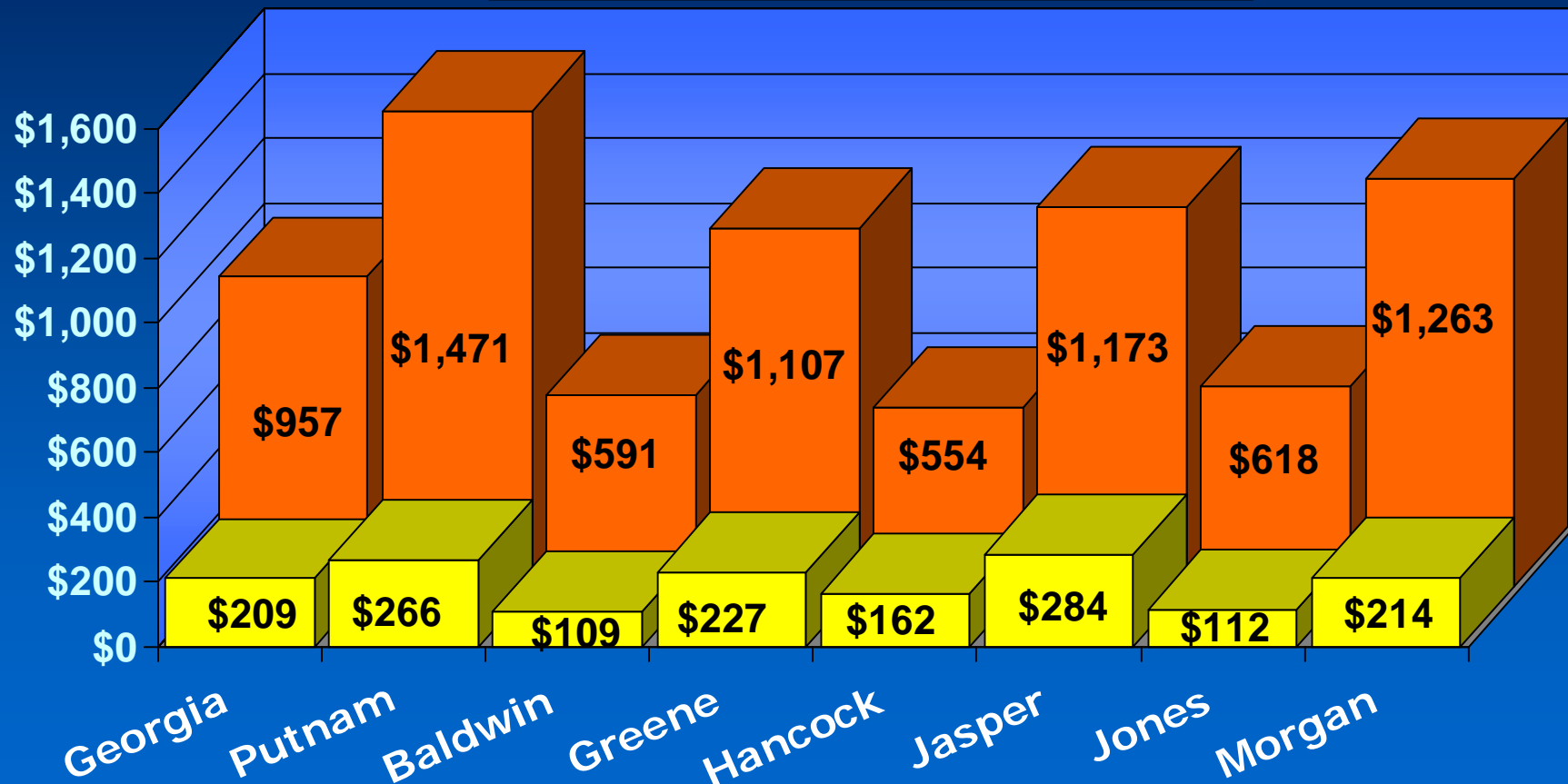


Source: 1987 2002 (quinquennial) Censuses of Agriculture

How Do We Compare ?

Georgia, Putnam and Surrounding Counties Farm Gate Value

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



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?

Putnam County Economy

Agriculture *OUTPUT*

	Output in \$ Millions	Percent
Agriculture	63.221	7.7
Construction	85.657	10.4
Manufacturing	195.226	23.8
Trans-Utilities-Info	78.034	9.5
Trade	115.760	14.1
Finance-Ins-RE	41.569	5.1
Services	116.050	14.1
Government	126.034	15.3

Total County Economic Output = \$821.6 million

Putnam County Economy

Agriculture + Directly Related Businesses *OUTPUT*

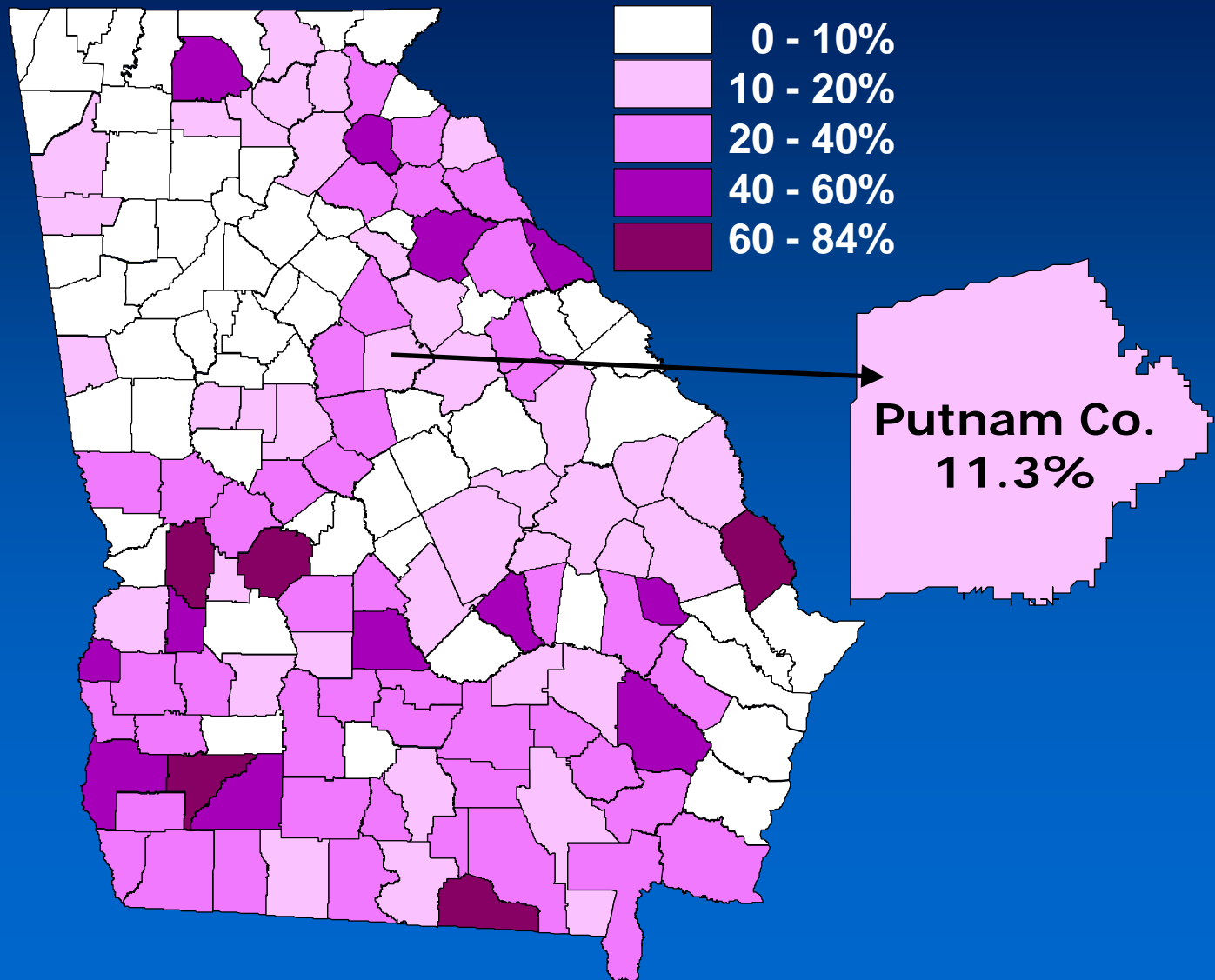
	Output in \$ Millions	Percent
<i>Agriculture + Direct</i>	92.893	11.3
Construction	85.657	10.4
Manufacturing	165.554	20.2
Trans-Utilities-Info	78.034	9.5
Trade	115.760	14.1
Finance-Ins-RE	41.569	5.1
Services	116.050	14.1
Government	126.034	15.3

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.

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

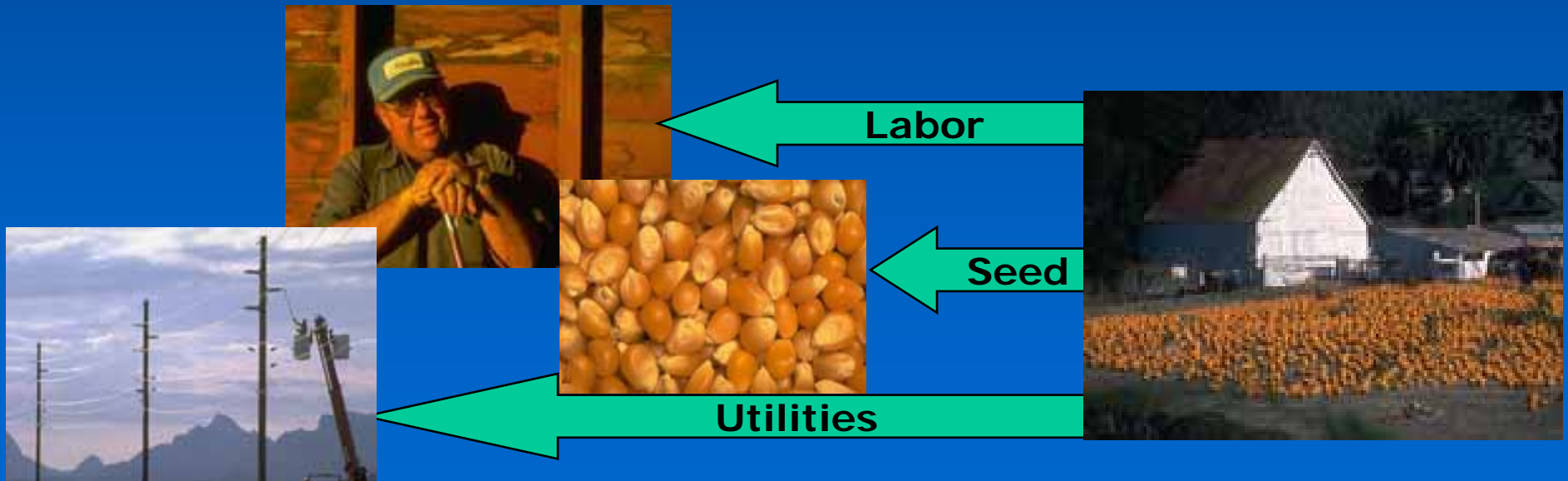


What is the Impact?

- 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.



Putnam County

Agriculture *IMPACT*

	Direct \$ Millions	Indirect \$ Millions
Agriculture	63.221	0
Construction	0	0.264
Manufacturing	0	0.242
Trans-Utilities-Info	0	2.801
Trade	0	3.548
Finance-Ins-RE	0	1.934
Services	0	3.122
Government	0	2.240
Total	63.221	14.149

Total Impact of Production AG = \$77.4 million—9.4% of total economy

Putnam County

Production Agriculture + Directly Related Businesses *IMPACT*

	Direct \$ Millions	Indirect \$ Millions
Agriculture + Direct	92.893	0
Construction	0	0.321
Manufacturing	0	1.927
Trans-Utilities-Info	0	4.235
Trade	0	4.958
Finance-Ins-RE	0	2.477
Services	0	4.183
Government	0	3.018
Total	92.813	21.118

Total Impact of AG + Directly Related = \$114 million—13.9% of total economy

Putnam County

Production Agriculture + Directly Related Industries Employment *IMPACT*

	Direct	Indirect
Agriculture + Direct	687	0
Construction	0	4
Manufacturing	0	8
Trans-Utilities-Info	0	27
Trade	0	63
Finance-Ins-RE	0	16
Services	0	82
Government	0	4

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.

What These Numbers Mean:

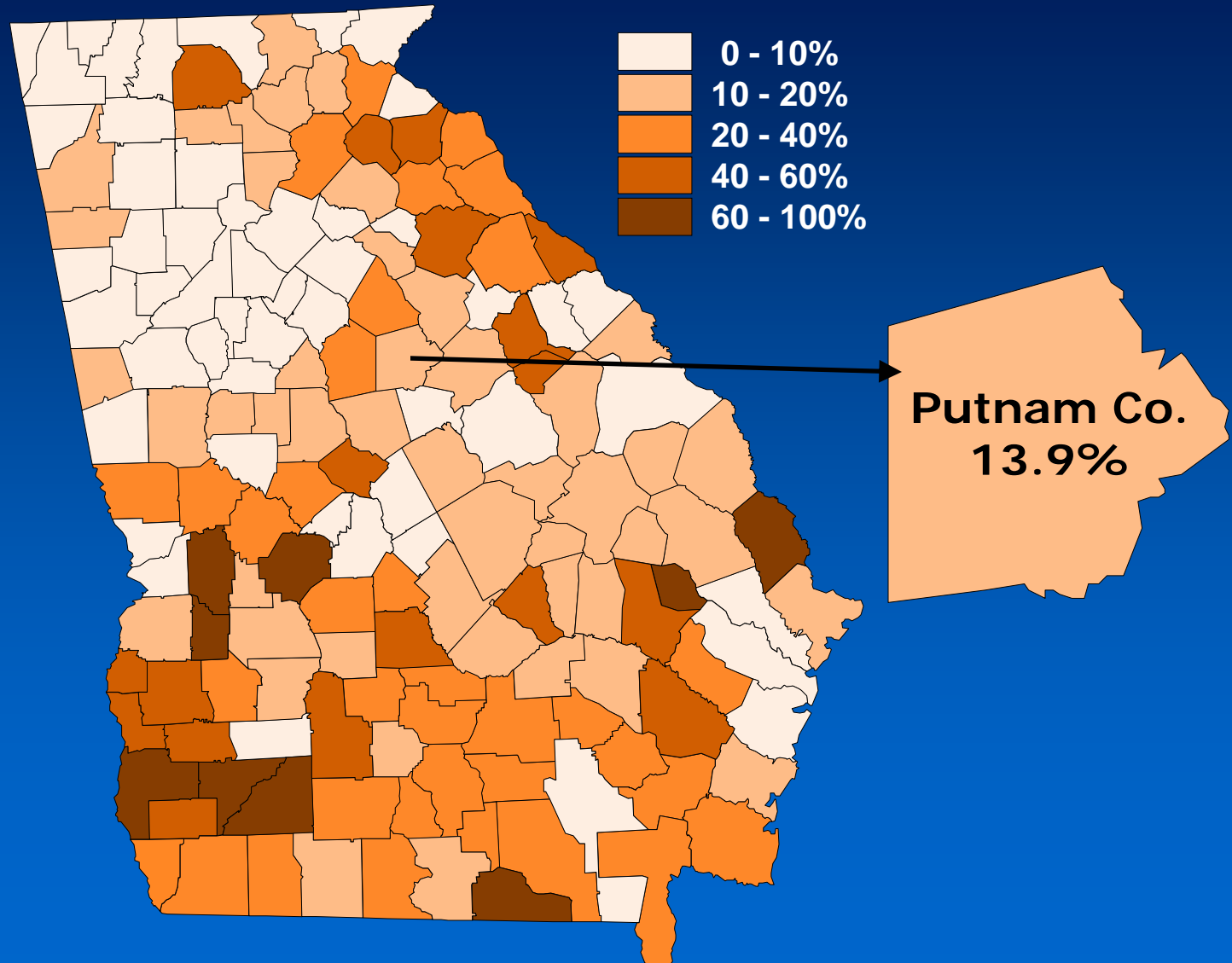
A Brief Explanation (continued)

- 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.

Putnam County Food and Fiber Impact Conclusions

- 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



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
#0701A
January, 2007**

