The Economic Importance of Food and Fiber

A Spotlight on Putnam County, Georgia

Prepared for
Putnam County Cooperative Extension
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by:
The Center for Agribusiness and Economic Development
College of Agricultural and Environmental Sciences
The University of Georgia
Primary data sources: U.S. Census Bureau, decennial censuses & estimate; CAED (Center for Agribusiness & Economic Development).

Loss
0 – 6.4%
6.4 – 14.4%
14.4 – 34%
34 – 53.4%

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

Putnam Co. 5.9%

Primary data source: U.S. Census Bureau (3/07)
Percent of Land in Cropland & Forestland: 2002

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

Putnam Co. 85.6%
Components of 2006 Gross Property Tax Digest
Putnam County

Primary data source: GA Dept. of Revenue

Residential 64.2%

Ag-Preferential-Environ-Conserv 9.9%

Commercial 9.7%

Industrial 3.2%

Public Utility 8.2%

Motor Vehicle 4.0%

Mobile Home 0.4%

Heavy Equipment 0.04%

Timber * 0.3%

Components of 2006 Gross Property Tax Digest

40% Assessment Value of Property
Gross Digest = $1,425,646,243
STATE Homestead & Property Exemptions = $94,652,008
Net M&O Digest = $1,330,994,235
Value of exempt property = $37,540,928

* Timber taxed at 100% based on previous year sales
### County Property Tax Digest Comparisons: 2006

<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>PUTNAM</td>
<td>64.2</td>
<td>9.9</td>
<td>9.7</td>
<td>3.2</td>
<td>4.0</td>
<td>9.0</td>
</tr>
<tr>
<td>BALDWIN</td>
<td>55.9</td>
<td>6.7</td>
<td>17.0</td>
<td>5.8</td>
<td>7.6</td>
<td>6.9</td>
</tr>
<tr>
<td>GREENE</td>
<td>66.1</td>
<td>17.0</td>
<td>8.8</td>
<td>2.7</td>
<td>2.8</td>
<td>2.6</td>
</tr>
<tr>
<td>HANCOCK</td>
<td>40.8</td>
<td>32.1</td>
<td>4.0</td>
<td>0.6</td>
<td>3.7</td>
<td>18.8</td>
</tr>
<tr>
<td>JASPER</td>
<td>39.4</td>
<td>42.1</td>
<td>3.3</td>
<td>3.8</td>
<td>5.6</td>
<td>5.8</td>
</tr>
<tr>
<td>JONES</td>
<td>55.4</td>
<td>13.3</td>
<td>9.4</td>
<td>2.1</td>
<td>10.5</td>
<td>9.0</td>
</tr>
<tr>
<td>MORGAN</td>
<td>31.5</td>
<td>43.6</td>
<td>11.6</td>
<td>5.6</td>
<td>4.9</td>
<td>2.7</td>
</tr>
<tr>
<td>Avg. GA Co.</td>
<td>41.9</td>
<td>22.5</td>
<td>12.8</td>
<td>7.6</td>
<td>7.4</td>
<td>7.7</td>
</tr>
</tbody>
</table>

Primary data source: GA Dept. of Revenue
Revenue : Expenditure Ratios

$ of Revenue for Each $ of Expenditure

Farm/Forest
- Cherokee: $0.87
- Jones: $3.45
- Carroll: $0.90
- Oconee: $1.25
- US Avg: $0.83

Commercial
- Cherokee: $1.92
- Jones: $2.86
- Carroll: $1.17
- Oconee: $1.93
- US Avg: $2.70

Residential
- Cherokee: $0.64
- Jones: $1.17
- Carroll: $0.87
- Oconee: $0.83
- US Avg: $0.90

Georgia's 2006 Farm Gate Value was $10.4 billion. Adding the value of landscape services increased the total agricultural production value to $12.2 billion.

Total food and fiber production and directly related businesses account for a $34.5 billion output impact on Georgia's $55 billion economy.
Production Agriculture: 2006

Georgia Total Agricultural Production Value
$12.2 Billion

- Poultry & Eggs: 36.1%
- Row & Forage Crops: 12.4%
- Landscape Services: 14.7%
- Livestock & Aquaculture: 10.4%
- Ornamental Horticulture: 6.3%
- Vegetables: 6.8%
- Fruits & Nuts: 2.5%
- Forestry & Products: 5.5%
- Other Income: 5.3%

2006 Farm Gate Value by County in Millions of Dollars

- $0 - $20
- $20 - $45
- $45 - $80
- $80 - $200
- $200 - $385
What We Know about Putnam County

- 2006 Farm Gate Value in Putnam Co. was $60.6 million. Adding $3.3 million of landscape services increased the total agricultural production value to $63.9 million.

- The highest value commodity group was livestock, representing 44% of the total agricultural production value.
Putnam County
2006 Agricultural Production Value

2006 Agricultural Production

- Livestock-Aquaculture: 44.1%
- Poultry-Eggs: 32.7%
- Row-Forage crops: 4.1%
- Landscape services: 5.1%
- Fruits-Nuts-Veges: 0.6%
- Orn Hort: 0.7%
- Forestry: 5.0%
- Other: 7.6%

2006 Top Farm Gate Commodities

- Layers: 34.5%
- Dairy: 32.1%
- Beef: 8.2%
- Horses: 5.9%
- Timber: 5.3%
- Hunting leases: 4.1%
- Ag/Nature based tourism: 3.2%
- Silage: 2.7%
- Hay: 1.6%
- Sweet corn: 0.5%
- Other commodities: 1.9%

Total AG Value = $63.9 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

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 2006 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.

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>Category</th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>63.908</td>
<td>6.7%</td>
</tr>
<tr>
<td>Construction</td>
<td>103.745</td>
<td>10.9%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>239.899</td>
<td>25.2%</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>78.700</td>
<td>8.3%</td>
</tr>
<tr>
<td>Trade</td>
<td>149.179</td>
<td>15.7%</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>44.699</td>
<td>4.7%</td>
</tr>
<tr>
<td>Services</td>
<td>134.077</td>
<td>14.1%</td>
</tr>
<tr>
<td>Government</td>
<td>136.169</td>
<td>14.3%</td>
</tr>
</tbody>
</table>

**Total County Economic Output = $950.4 million**
### Putnam County Economy

#### Agriculture + Directly Related Businesses Output

<table>
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<tr>
<th>Industry</th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
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<tr>
<td><strong>Agriculture + Direct</strong></td>
<td>102.643</td>
<td>10.8%</td>
</tr>
<tr>
<td>Construction</td>
<td>103.745</td>
<td>10.9%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>201.164</td>
<td>21.2%</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
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**Total County Economic Output = $950.4 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 $63.9 million consisting of Farm Gate Value and landscape services comprises 6.7% of the county’s economy.

- AG plus directly related businesses (ex. logging, sawmills, etc.) comprise 10.8% of the county’s economy.
Food and Fiber Production and Directly Related Manufacturing as % of Total Output

- 0 - 10%
- 10 - 20%
- 20 - 30%
- 30 - 50%
- 50 – 77%

Putnam Co. 10.8%
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>Sector</th>
<th>Direct $ Millions</th>
<th>Indirect $ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>63.908</td>
<td>0</td>
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<tr>
<td>Construction</td>
<td>0</td>
<td>.315</td>
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<tr>
<td>Manufacturing</td>
<td>0</td>
<td>.329</td>
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<td>Trans-Utilities-Info</td>
<td>0</td>
<td>3.154</td>
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<td>Trade</td>
<td>0</td>
<td>3.607</td>
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<tr>
<td>Finance-Ins-RE</td>
<td>0</td>
<td>2.214</td>
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<td>Services</td>
<td>0</td>
<td>3.794</td>
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<tr>
<td>Government</td>
<td>0</td>
<td>2.302</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63.908</strong></td>
<td><strong>15.714</strong></td>
</tr>
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</table>

Total Impact of Production AG = $79.6 million—8.4% 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>65.753</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>.394</td>
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<tr>
<td>Manufacturing</td>
<td>36.890</td>
<td>2.695</td>
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<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>5.172</td>
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<tr>
<td>Trade</td>
<td>0</td>
<td>5.417</td>
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<tr>
<td>Finance-Ins-RE</td>
<td>0</td>
<td>2.918</td>
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<tr>
<td>Services</td>
<td>0</td>
<td>5.099</td>
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<tr>
<td>Government</td>
<td>0</td>
<td>3.264</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>102.643</strong></td>
<td><strong>24.959</strong></td>
</tr>
</tbody>
</table>

Total Impact of AG + Directly Related = $127.6 million—13.4% of total economy
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<thead>
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<th>Direct</th>
<th>Indirect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
<td>663</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>32</td>
</tr>
<tr>
<td>Trade</td>
<td>0</td>
<td>58</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>0</td>
<td>18</td>
</tr>
<tr>
<td>Services</td>
<td>0</td>
<td>86</td>
</tr>
<tr>
<td>Government</td>
<td>0</td>
<td>4</td>
</tr>
</tbody>
</table>

Total Impact of AG + Directly Related Employment = 876 Jobs
What These Numbers Mean: A Brief Explanation

- **Direct** impact is $65.8 million. This includes food and fiber production, processing and directly related manufacturing.

- **Indirect** impact from the Trade sector is $5.4 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.
The total *impact* of food and fiber production, processing and direct manufacturing is $127.6 million.

The total *output* is $950.4 million.

Thus, food and fiber (directly and indirectly) account for 13.4% of the total output.
Food and Fiber Production and Directly Related Manufacturing *IMPACT* as % of Total Output

Putnam Co. 13.4%