The Economic Importance of Food and Fiber

A Spotlight on Pike County, Georgia

Prepared for Pike County Cooperative Extension
March, 2009

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

2010 Trend CAED: 18,662
2010 OPB Proj.: 18,072
2007 Est.: 17,204

2000: 13,688
1990: 10,224
1980: 8,937
1970: 7,316
1960: 7,138
1950: 8,459
1940: 10,375
1930: 10,853

Primary data sources: U.S. Census Bureau, decennial censuses & estimate; OPB (State Office of Planning and Budget) CAED (Center for Agribusiness & Economic Development).

Loss
- 0 – 7.2%
- 7.2 – 16.6%
- 16.6 – 39.0%
- 39.0 – 61.5%

Avg. GA
County = 9.9%
GA = 16.6%
US = 7.2%

Pike Co. = 25.7%

Primary data source: U.S. Census Bureau (3/08)
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%

Pike Co. 70.3%

Primary data sources:
U.S. Census of Agriculture, 2002
Forest Statistics for Georgia, 1997
Components of 2007 Property Tax Gross Digest
Pike County

Residential 55.0%
Ag-Preferential-Environ-Conserv 25.6%
Commercial 5.7%
Industrial 2.1%
Public Utility 1.7%
Motor Vehicle 9.0%
Mobile Home 0.5%
Heavy Equipment 0.3%
Timber * 0.2%

40% Assessment Value of Property
Gross Digest = $570,809,189
Homestead & Property Exemptions = $475,296,506
Net M&O Digest = $95,512,683
Value of exempt property = $13,174,067

* Timber taxed at 100% based on previous year sales

Primary data source:
GA Dept. of Revenue
<table>
<thead>
<tr>
<th>County</th>
<th>% Residential</th>
<th>% Agricultural</th>
<th>% Commercial</th>
<th>% Industrial</th>
<th>% Utility</th>
<th>% Motor Veh</th>
<th>% Mobile Home</th>
<th>% Timber</th>
</tr>
</thead>
<tbody>
<tr>
<td>PIKE</td>
<td>55.0</td>
<td>25.6</td>
<td>5.7</td>
<td>2.1</td>
<td>1.7</td>
<td>9.0</td>
<td>0.5</td>
<td>0.18</td>
</tr>
<tr>
<td>COWETA</td>
<td>60.4</td>
<td>7.5</td>
<td>14.9</td>
<td>5.7</td>
<td>4.3</td>
<td>6.9</td>
<td>0.1</td>
<td>0.04</td>
</tr>
<tr>
<td>FAYETTE</td>
<td>69.1</td>
<td>2.2</td>
<td>15.6</td>
<td>5.3</td>
<td>1.3</td>
<td>6.4</td>
<td>0.1</td>
<td>0.00</td>
</tr>
<tr>
<td>LAMAR</td>
<td>51.1</td>
<td>22.3</td>
<td>9.1</td>
<td>5.3</td>
<td>3.9</td>
<td>7.8</td>
<td>0.4</td>
<td>0.13</td>
</tr>
<tr>
<td>MERIWETHER</td>
<td>32.4</td>
<td>42.3</td>
<td>8.2</td>
<td>3.3</td>
<td>4.0</td>
<td>7.8</td>
<td>1.3</td>
<td>0.47</td>
</tr>
<tr>
<td>SPALDING</td>
<td>43.8</td>
<td>14.1</td>
<td>18.0</td>
<td>14.5</td>
<td>1.9</td>
<td>7.5</td>
<td>0.1</td>
<td>0.04</td>
</tr>
<tr>
<td>UPSON</td>
<td>38.9</td>
<td>19.3</td>
<td>14.2</td>
<td>15.1</td>
<td>4.0</td>
<td>7.4</td>
<td>0.7</td>
<td>0.23</td>
</tr>
<tr>
<td>Avg. GA Co.</td>
<td>42.4</td>
<td>23.8</td>
<td>12.7</td>
<td>7.0</td>
<td>5.0</td>
<td>7.2</td>
<td>1.1</td>
<td>.9</td>
</tr>
</tbody>
</table>

Primary data source: GA Dept. of Revenue
Revenue : Expenditure Ratios
$ of Revenue for Each $ of Expenditure

<table>
<thead>
<tr>
<th>Type</th>
<th>County 1</th>
<th>County 2</th>
<th>County 3</th>
<th>County 4</th>
<th>US Avg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm/Forest</td>
<td>$1.92</td>
<td>$2.86</td>
<td>$2.70</td>
<td>$3.19</td>
<td>$3.45</td>
</tr>
<tr>
<td>Commercial</td>
<td>$1.17</td>
<td>$1.93</td>
<td>$1.25</td>
<td>$1.92</td>
<td>$2.70</td>
</tr>
<tr>
<td>Residential</td>
<td>$0.64</td>
<td>$0.87</td>
<td>$0.83</td>
<td>$0.90</td>
<td>$0.87</td>
</tr>
</tbody>
</table>

Agriculture in Georgia

- Georgia's 2007 Farm Gate Value was $11.6 billion. Adding the value of landscape services increased the total agricultural production value to $13.6 billion.

- Total food and fiber production and directly related businesses account for a $59 billion output impact on Georgia's $735 billion economy.
Production Agriculture: 2007

Georgia Total Agricultural Production Value
$13.6 Billion

2007 Farm Gate Value by County
in Millions of Dollars

- $0 - $20
- $20 - $45
- $45 - $80
- $80 - $200
- $200 - $390

Pie chart showing:
- Poultry & Eggs: 39.8%
- Landscape services: 15.3%
- Row & Forage Crops: 12.3%
- Livestock & Aquaculture: 9.8%
- Vegetables: 6.6%
- Ornamental Horticulture: 5.6%
- Other Income: 4.5%
- Forestry & Products: 4.4%
- Fruits & Nuts: 1.8%
What We Know about Pike County

- 2007 Farm Gate Value in Pike Co. was $25.7 million. Adding $2.6 million of landscape services increased the total agricultural production value to $28.3 million.

- The highest value commodity group was poultry/eggs, representing 36.1% of the total agricultural production value.
Pike County
2007 Agricultural Production Value

2007 Agricultural Production
- Orn Hort: 17.9%
- Fruits-Nuts: 4.5%
- Other: 1.7%
- Landscape services: 9.3%
- Row-Forage crops: 4.4%
- Livestock-Aquaculture: 20.3%
- Forestry: 5.1%
- Vegetables: 0.7%

2007 Top Farm Gate Commodities
- Broilers: 39.8%
- Field Nursery: 13.9%
- Horses: 10.1%
- Rest of Commodities: 8.0%
- Hay: 1.8%
- Container Nursery: 1.7%
- Greenhouse: 4.2%
- Peaches: 4.2%
- Dairy: 3.1%
- Beef: 8.8%

Total AG Value = $28.3 million
Trends in Pike County: Number of Farms & Average Farm Size

Number of Farms, Pike County

Average Farm Size

Source: 1945-2007 (quinquennial) Censuses of Agriculture
Trends in Pike County: Land in Farms & Farms by Size

Source: 1945-2007 (quinquennial) Censuses of Agriculture
Trends in Pike County
Number of Farms by Commodity

Source: 2002-2007 (quinquennial) Censuses of Agriculture
How Do We Compare?

Georgia, Pike and Surrounding Counties

Farm Gate Value

Sources: 2007 Census of Agriculture and 2007 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?
# Pike County Economy

## Agriculture OUTPUT

<table>
<thead>
<tr>
<th>Industry</th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>28.285</td>
<td>8.3</td>
</tr>
<tr>
<td>Mining</td>
<td>1.448</td>
<td>0.4</td>
</tr>
<tr>
<td>Construction</td>
<td>95.318</td>
<td>28.1</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>29.115</td>
<td>8.6</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>12.518</td>
<td>3.7</td>
</tr>
<tr>
<td>Trade</td>
<td>13.794</td>
<td>4.1</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>67.859</td>
<td>20.0</td>
</tr>
<tr>
<td>Services</td>
<td>51.832</td>
<td>15.3</td>
</tr>
<tr>
<td>Government</td>
<td>38.910</td>
<td>11.5</td>
</tr>
</tbody>
</table>

**Total County Economic Output = $339 million**
## Pike 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>29.428</td>
<td>8.7</td>
</tr>
<tr>
<td>Mining</td>
<td>1.448</td>
<td>0.4</td>
</tr>
<tr>
<td>Construction</td>
<td>95.318</td>
<td>28.1</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>27.973</td>
<td>8.2</td>
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<tr>
<td>Trans-Utilities-Info</td>
<td>12.518</td>
<td>3.7</td>
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<tr>
<td>Trade</td>
<td>13.794</td>
<td>4.1</td>
</tr>
<tr>
<td>Finance-Ins-Real Est</td>
<td>67.859</td>
<td>20.0</td>
</tr>
<tr>
<td>Services</td>
<td>51.832</td>
<td>15.3</td>
</tr>
<tr>
<td>Government</td>
<td>38.910</td>
<td>11.5</td>
</tr>
</tbody>
</table>

**Total County Economic Output = $339 million**
Pike County Employment
Total Jobs = 3,653

AG + Directly Related
537
14.7%

State & Federal Government
351
9.6%

Public Education
465
12.7%

Other Services
565
15.5%

Professional Services
269
7.4%

Construction
797
21.8%

Manufacturing
158
4.3%

Trade
230
6.3%

Trans-Utilities-Info
106
2.9%

Finance-Ins-Real Est
164
4.5%

Mining
11
0.3%

Primary data source: Center for Agribusiness & Economic Development, UGA
An Economic Snapshot of Pike County

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

- AG value alone of $28.3 million consisting of Farm Gate Value and landscape services comprises 8.3% of the county’s economy.

- AG plus directly related businesses (ex. logging, etc.) comprise 8.7% of the county’s economy.
Food and Fiber Production and Directly Related Manufacturing as % of Total Output

Pike Co. 8.7%
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.
# Pike 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>28.285</td>
<td>0</td>
</tr>
<tr>
<td>Mining</td>
<td>0</td>
<td>0.019</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>0.176</td>
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<tr>
<td>Manufacturing</td>
<td>0</td>
<td>0.029</td>
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<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>0.517</td>
</tr>
<tr>
<td>Trade</td>
<td>0</td>
<td>0.295</td>
</tr>
<tr>
<td>Finance-Ins-Real Est</td>
<td>0</td>
<td>1.387</td>
</tr>
<tr>
<td>Services</td>
<td>0</td>
<td>0.688</td>
</tr>
<tr>
<td>Government</td>
<td>0</td>
<td>0.125</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>28.285</strong></td>
<td><strong>3.236</strong></td>
</tr>
</tbody>
</table>

**Total Impact of Production AG = $31.5 million**

**9.3% of total economy**
## Pike 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>29.428</td>
<td>0</td>
</tr>
<tr>
<td>Mining</td>
<td>0</td>
<td>0.019</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>0.177</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>0.030</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>0.527</td>
</tr>
<tr>
<td>Trade</td>
<td>0</td>
<td>0.306</td>
</tr>
<tr>
<td>Finance-Ins-Real Est</td>
<td>0</td>
<td>1.421</td>
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<tr>
<td>Services</td>
<td>0</td>
<td>0.712</td>
</tr>
<tr>
<td>Government</td>
<td>0</td>
<td>0.127</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>0</strong></td>
<td><strong>3.320</strong></td>
</tr>
</tbody>
</table>

Total Impact of AG + Directly Related = $32.7 million
9.7% of total economy
### Pike 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>482</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>2</td>
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<tr>
<td>Manufacturing</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>4</td>
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<tr>
<td>Trade</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Finance-Ins-Real Est</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Services</td>
<td>0</td>
<td>12</td>
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<tr>
<td>Government</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

Total Impact of AG + Directly Related Employment = 511 Jobs
14% of total employment
What These Numbers Mean: A Brief Explanation

- **Direct** impact is $29.4 million. This includes food and fiber production, processing and directly related manufacturing.

- **Indirect** impact from the Trade sector is $306 thousand. 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 $32.7 million.

The total county *output* is $339 million.

Thus, food and fiber (directly and indirectly) account for 9.7% of the total county output.
Food and Fiber Production and Directly Related Manufacturing *IMPACT* as % of Total Output

Pike Co. 9.7%
Contact Information

Prepared by:
Sue Boatright and Sharon Kane
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
#09-09A
March, 2009