

The Economic Importance of Food and Fiber

A Spotlight on Burke County, Georgia

**Prepared for
Burke County Cooperative Extension
November, 2012**

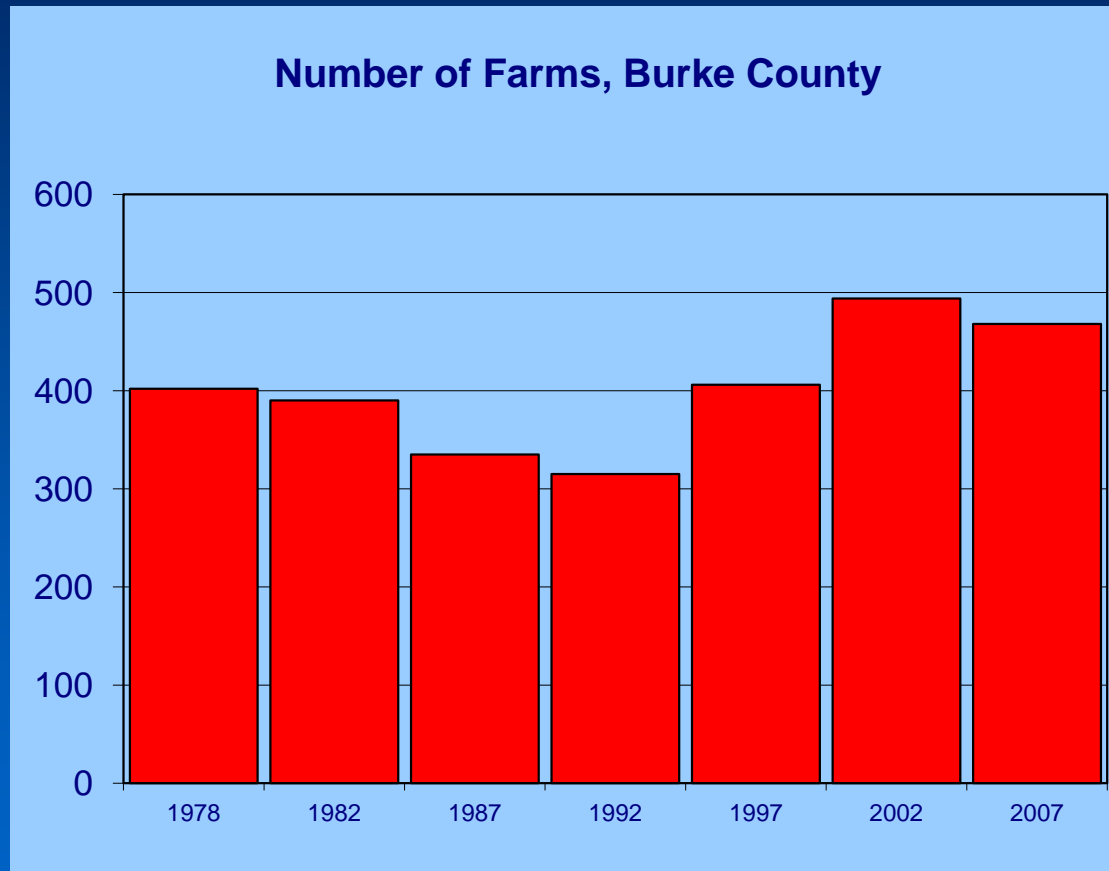
by:

**The Center for Agribusiness
and Economic Development**

**College of Agricultural
and Environmental Sciences**

The University of Georgia

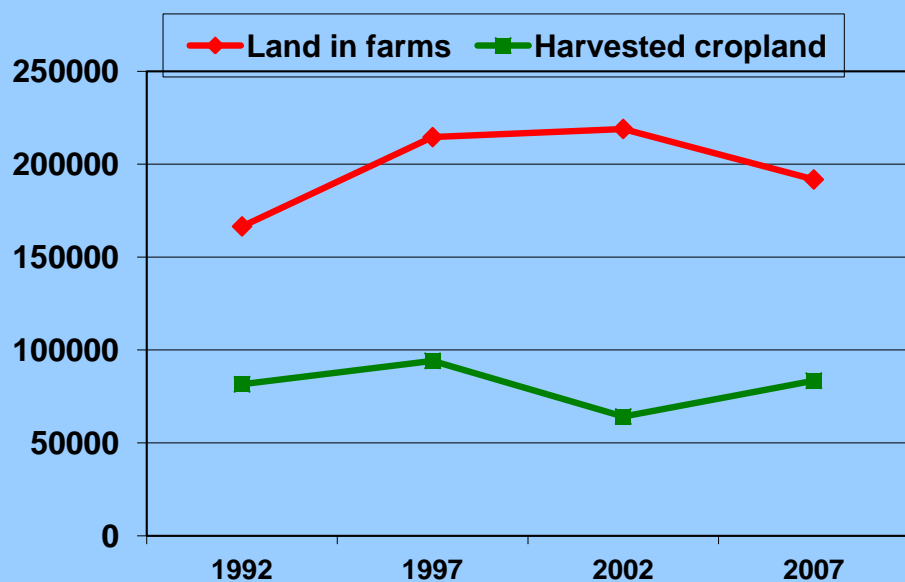
Trends in Burke County: Number of Farms



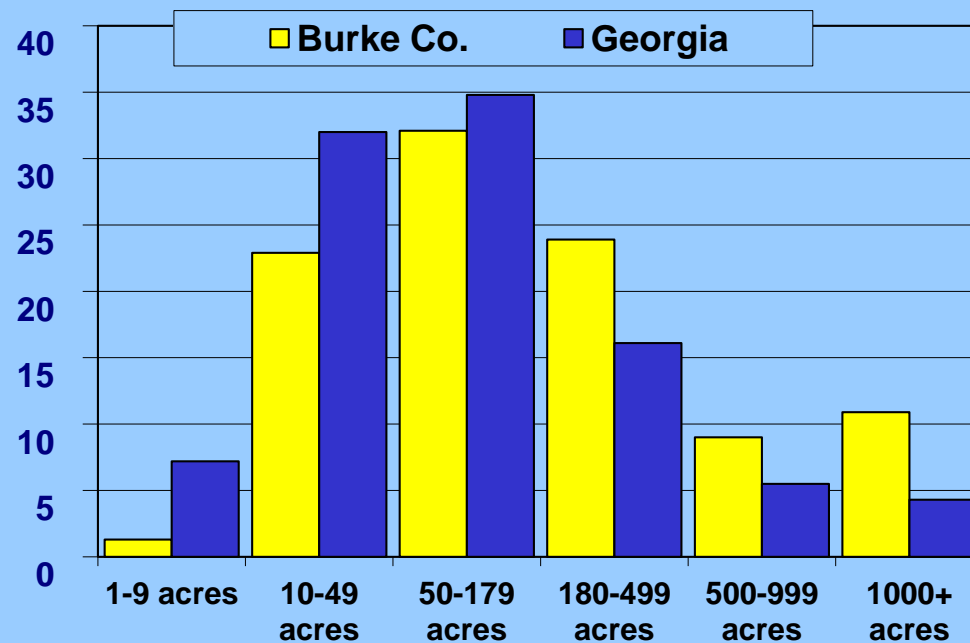
Source: 1978-2007 (quinquennial) Censuses of Agriculture

Trends in Burke County: Land in Farms, Harvested Cropland & Farms by Size

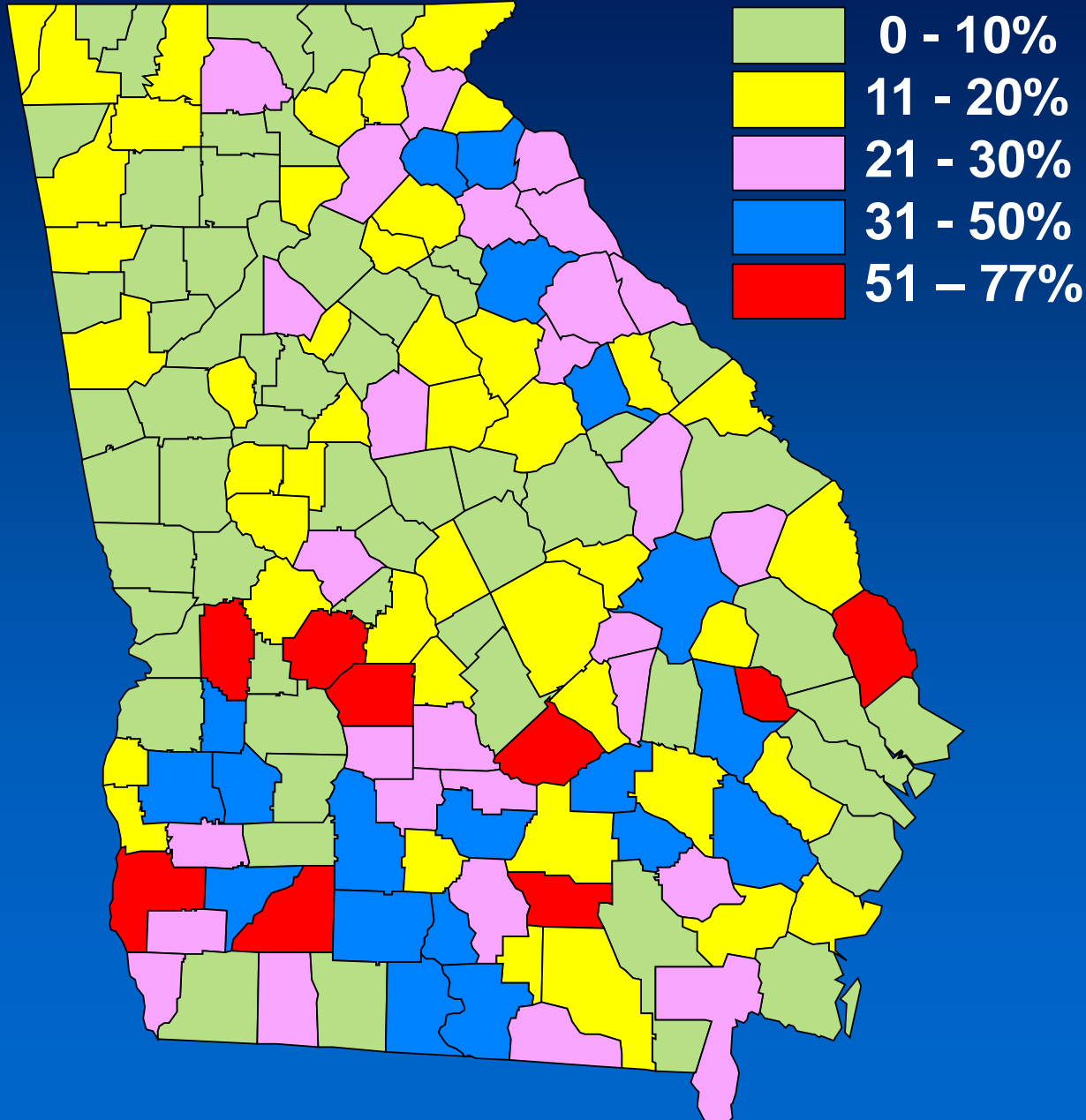
Land in Farms & Harvested Cropland
Burke County



Percent of Farms by Size, 2007



Food and Fiber Production and Directly Related Manufacturing as % of Total Economic Output

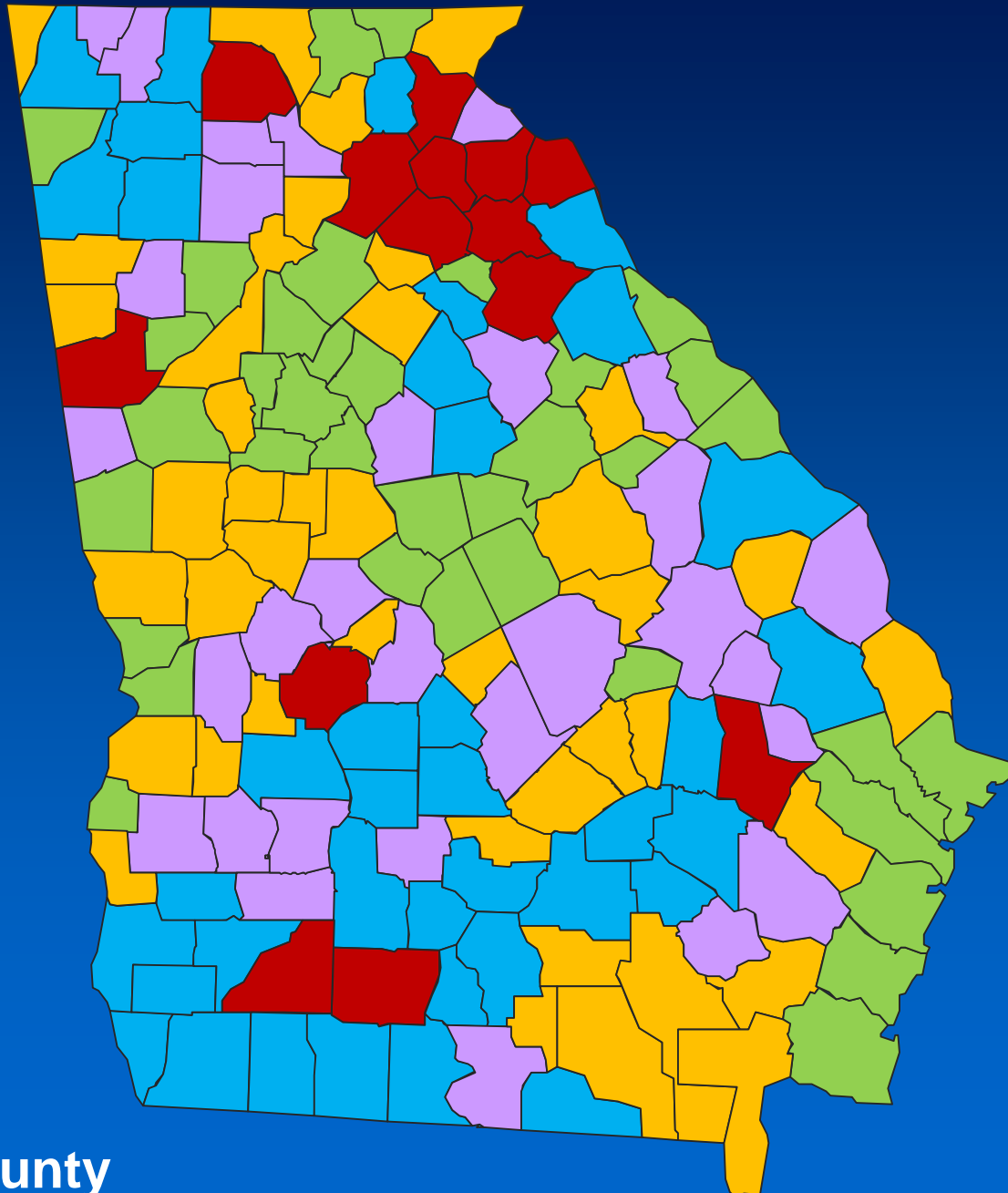


Agriculture in Georgia

- Georgia's 2010 Farm Gate Value was \$12.0 billion. Adding the value of \$2.2 billion of landscape services increased the total agricultural production value to \$14.2 billion.
- Total food and fiber production and directly related businesses account for a \$68.9 billion *output impact* on Georgia's \$719.8 billion economy.

Production Agriculture: 2010

Georgia Total
Agricultural
Production
Value
\$14.2 Billion



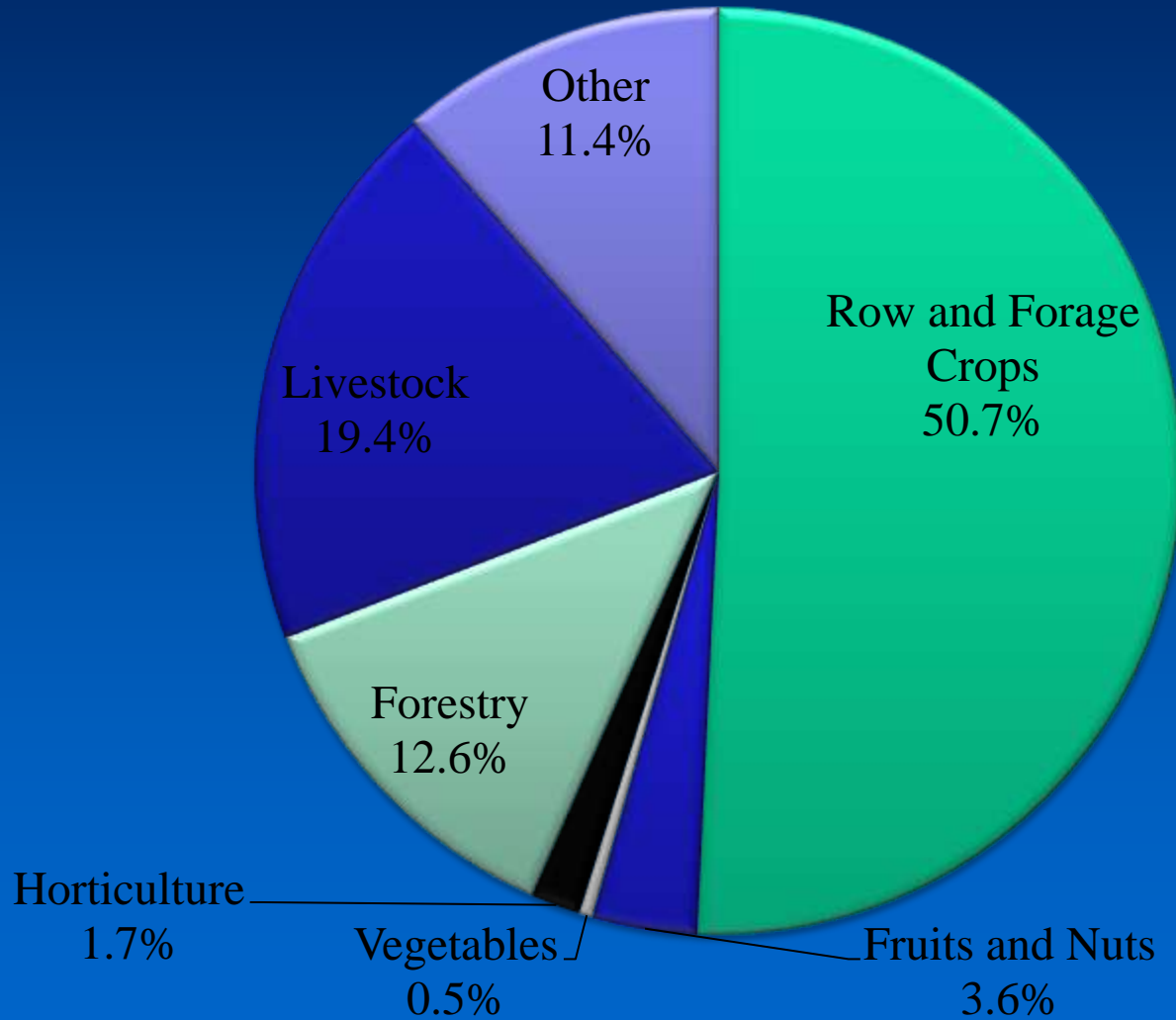
2010 Farm Gate Value by County
in Millions of Dollars

What We Know about Burke County

- **2010 Farm Gate Value in Burke Co. was \$113.7 million. Adding \$6.7 million of landscape services increased the total agricultural production value to \$120.4 million.**
- **The highest value commodity group was row and forage crops, representing 50.7% of the total agricultural production value.**

Burke County

2010 Agricultural Production Value



What We Did

County Economy Modeled

- **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?**

Burke County Economy

Agriculture *OUTPUT*

	Output in \$	Percent
Agriculture	120,407,131	8.49%
Mining	0	0.00%
Construction	41,712,542	2.94%
Manufacturing	184,893,738	13.03%
Trans-Utilities-Info	536,985,577	37.85%
Trade	88,359,354	6.23%
Finance-Ins-RE	144,021,939	10.15%
Services	196,908,825	13.88%
Govt. & non-NAICS	105,365,245	7.43%

Total County Economic Output = \$1,418.7 million

Burke County Economy

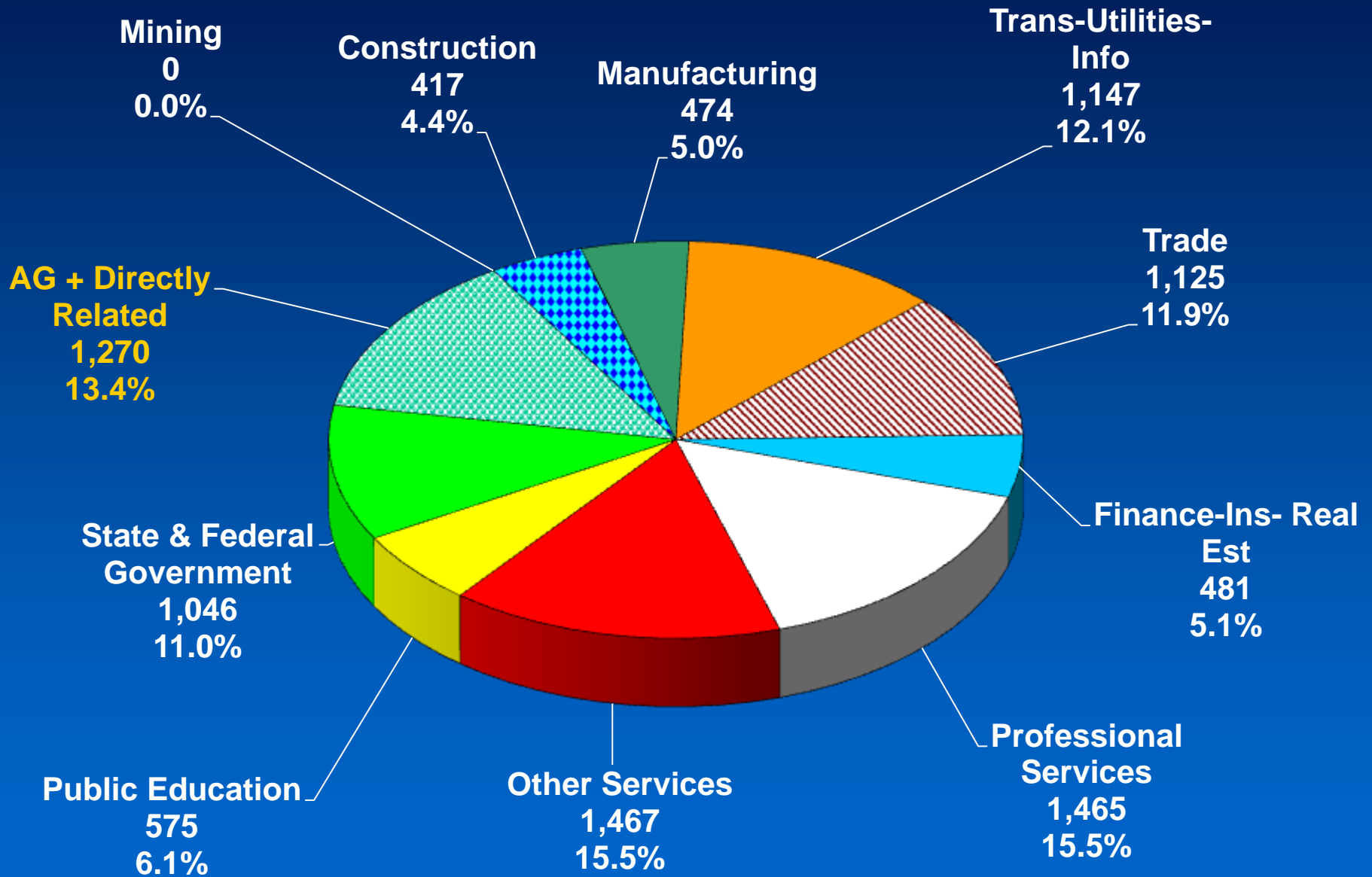
Agriculture + Directly Related Businesses *OUTPUT*

	Output in \$	Percent
Agriculture + Direct	176,157,580	12.42%
Mining	0	0.00%
Construction	41,712,542	2.94%
Manufacturing	129,143,289	9.10%
Trans-Utilities-Info	536,985,577	37.85%
Trade	88,359,354	6.23%
Finance-Ins-Real Est	144,021,939	10.15%
Services	196,908,825	13.88%
Govt. & non-NAICS	105,365,245	7.43%

Total County Economic Output = \$ 1,418.7 million

Burke County Employment

Total Jobs = 9,467



An Economic Snapshot of Burke County

- **How much of Burke County's total economic output comes from food and fiber production?**
- **AG value alone of \$120.4 million consisting of Farm Gate Value and landscape services comprises 8.49% of the county's economy.**
- **AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 12.4% of the county's economy.**

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.



Labor



Seed

Utilities



Burke County

Agriculture *IMPACT*

	Direct \$	Indirect \$
Agriculture	120,407,131	0
Mining	0	0
Construction	0	473,331
Manufacturing	0	188,199
Trans-Utilities-Info	0	6,441,874
Trade	0	4,807,356
Finance-Ins-Real Est	0	19,524,782
Services	0	11,532,404
Govt. & non-NAICS	0	1,860,548
Total	120,407,131	44,828,494

Total Impact of Production AG = \$165.2 million
11.7% of total economy

Burke County

Production Agriculture + Directly Related Businesses *IMPACT*

	Direct \$	Indirect \$
Agriculture + Direct	176,157,580	0
Mining	0	0
Construction	0	601,274
Manufacturing	0	197,754
Trans-Utilities-Info	0	9,570,114
Trade	0	6,180,717
Finance-Ins-Real Est	0	22,572,428
Services	0	15,076,683
Govt. & non-NAICS	0	2,141,106
Total	176,157,580	56,340,076

**Total Impact of AG + Directly Related = \$232.5 million
16.4% of total economy**

Burke County

Production Agriculture + Directly Related Industries Employment *IMPACT*

	Direct	Indirect
Agriculture + Direct	1,270	0
Mining	0	0
Construction	0	7
Manufacturing	0	1
Trans-Utilities-Info	0	46
Trade	0	82
Finance-Ins-Real Est	0	91
Services	0	235
Govt. & non-NAICS	0	11

**Total Impact of AG + Directly Related Employment = 1,741 Jobs
18.4% of total employment**

What These Numbers Mean: A Brief Explanation

- ***Direct*** impact is \$176.2 million. This includes food and fiber production, processing and directly related manufacturing.
- ***Indirect*** impact from related sectors is \$56.3 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.**

Burke County Food and Fiber Impact Conclusions

- The total *impact* of food and fiber production, processing and direct manufacturing is \$232.5 million.
- The total county *output* is \$1,418.7 million.
- Thus, food and fiber (directly and indirectly) account for 16.4% of the total county output, considering the multiplier effects.

Contact Information

Prepared by:

Sharon P. Kane and Karen Stubbs

Center for Agribusiness & Economic Development

Dr. Kent Wolfe, Director

*“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 “Resources”, then
“Georgia Statistics System”*

Ag Profile Report
AP#1206

