

The Economic Importance of Food and Fiber

A Spotlight on Putnam County, Georgia

**Prepared for
Putnam County Cooperative Extension
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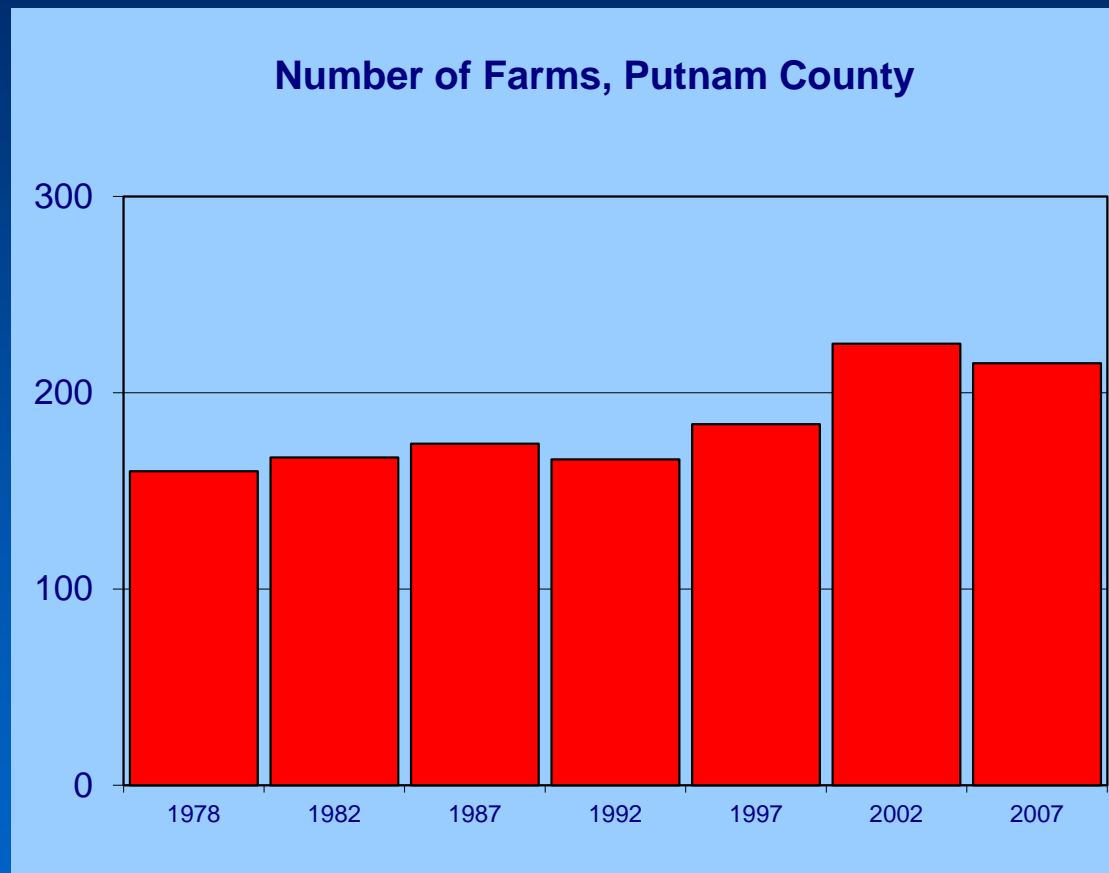
by:

**The Center for Agribusiness
and Economic Development**

**College of Agricultural
and Environmental Sciences**

The University of Georgia

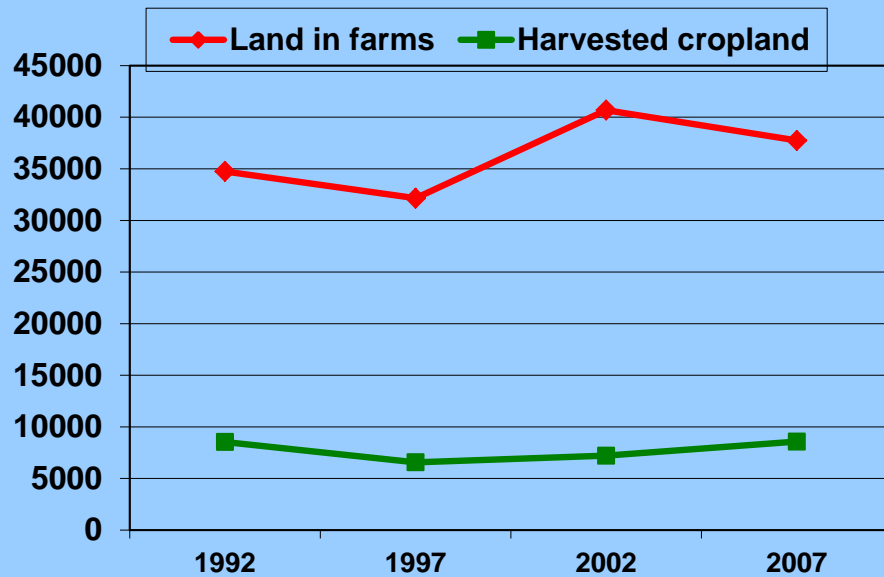
Trends in Putnam County: Number of Farms



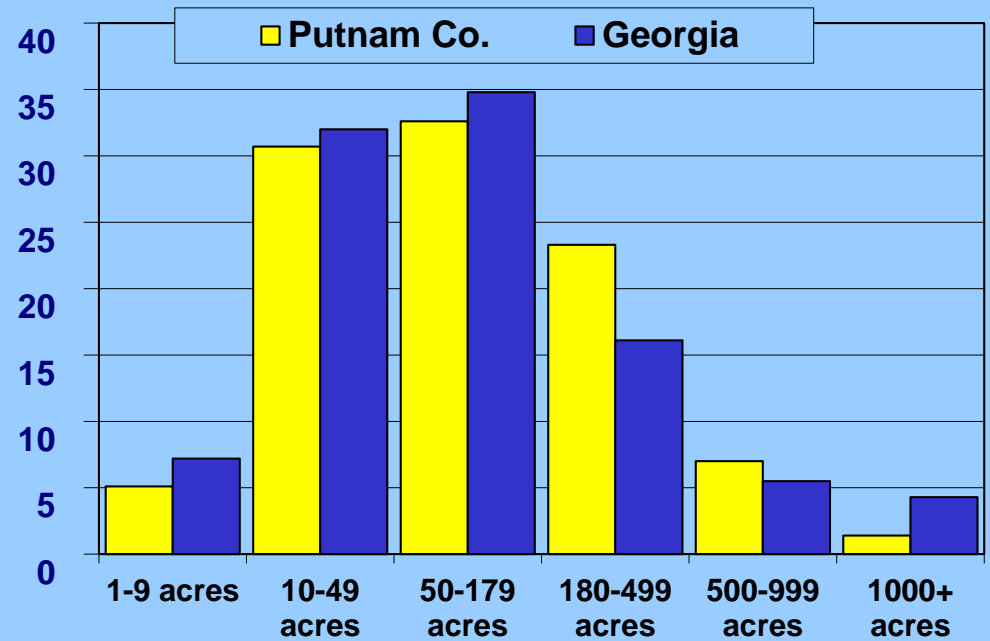
Source: 1978-2007 (quinquennial) Censuses of Agriculture

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

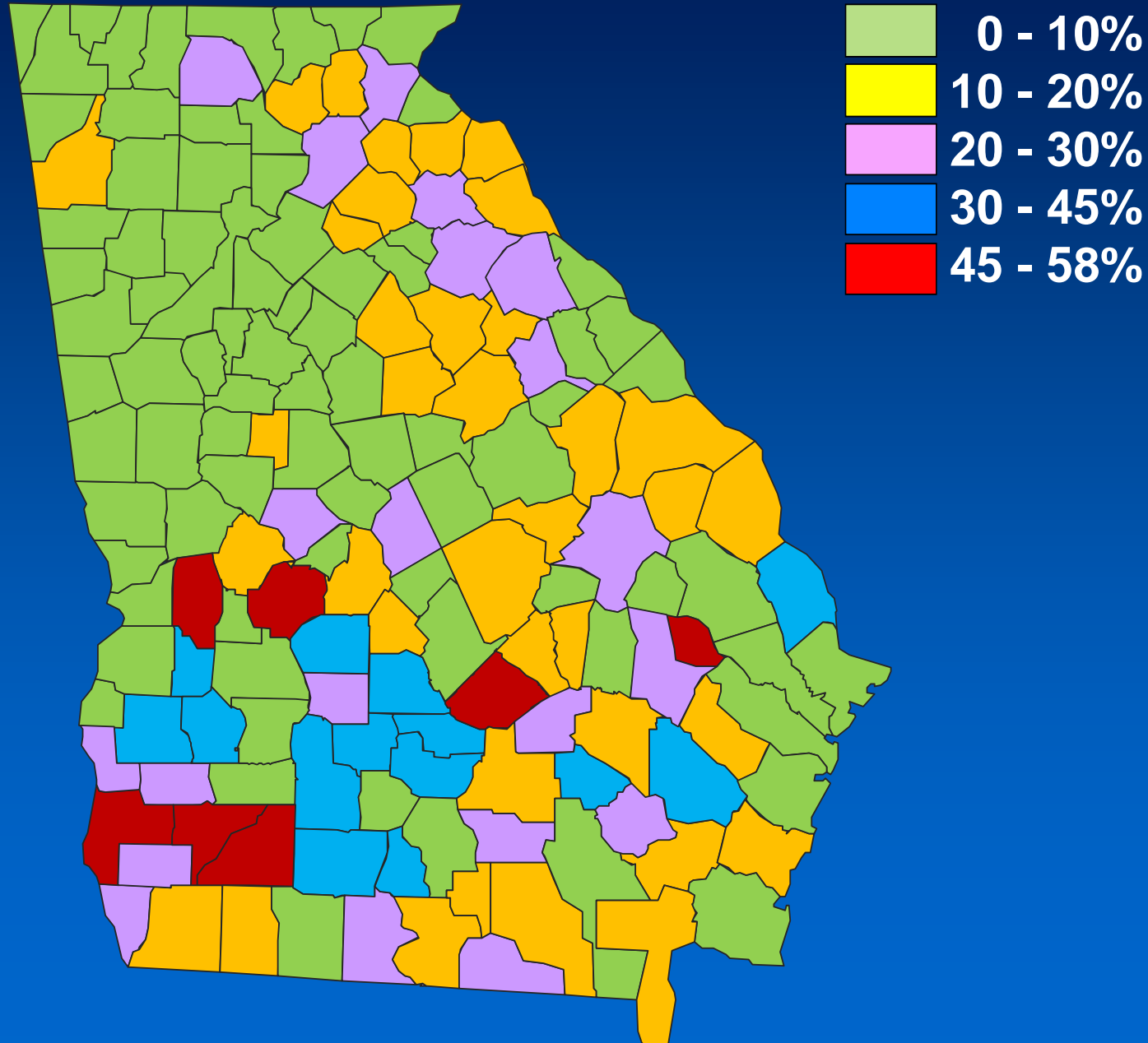
Land in Farms & Harvested Cropland
Putnam County



Percent of Farms by Size, 2007



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



Agriculture in Georgia

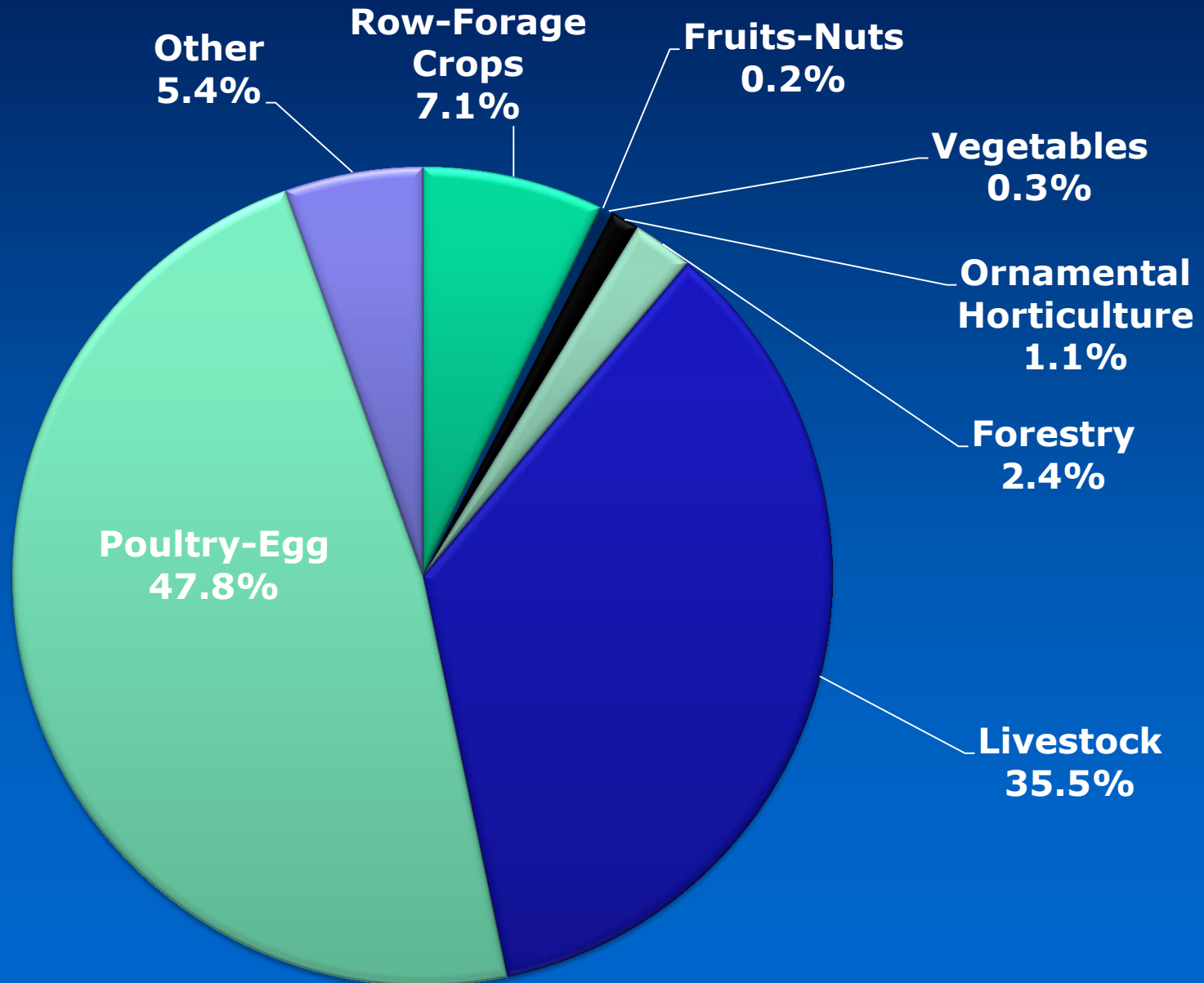
- Georgia's 2011 Farm Gate Value was \$13.0 billion. Adding the value of \$2.1 billion of landscape services increased the total agricultural production value to \$15.1 billion.
- Total food and fiber production and directly related businesses account for a \$71.1 billion *output impact* on Georgia's \$763.6 billion economy.

What We Know about Putnam County

- **2011 Farm Gate Value in Putnam Co. was \$73.9 million. Adding \$1.7 million of landscape services increased the total agricultural production value to \$75.7 million.**
- **The highest value commodity group was Poultry and Eggs, representing 47.8% of the total agricultural production value.**

Putnam County

2011 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?**

Putnam County Economy

Agriculture *OUTPUT*

	Output in \$	Percent
Agriculture	75,653,925	6.28%
Mining	9,023,044	0.75%
Construction	100,782,708	8.36%
Manufacturing	211,718,435	17.56%
Trans-Utilities-Info	292,878,325	24.29%
Trade	80,019,415	6.64%
Finance-Ins-RE	165,314,696	13.71%
Services	162,950,848	13.52%
Govt. & non-NAICS	107,284,681	8.90%

Total County Economic Output = \$1,205.6 million

Putnam County Economy

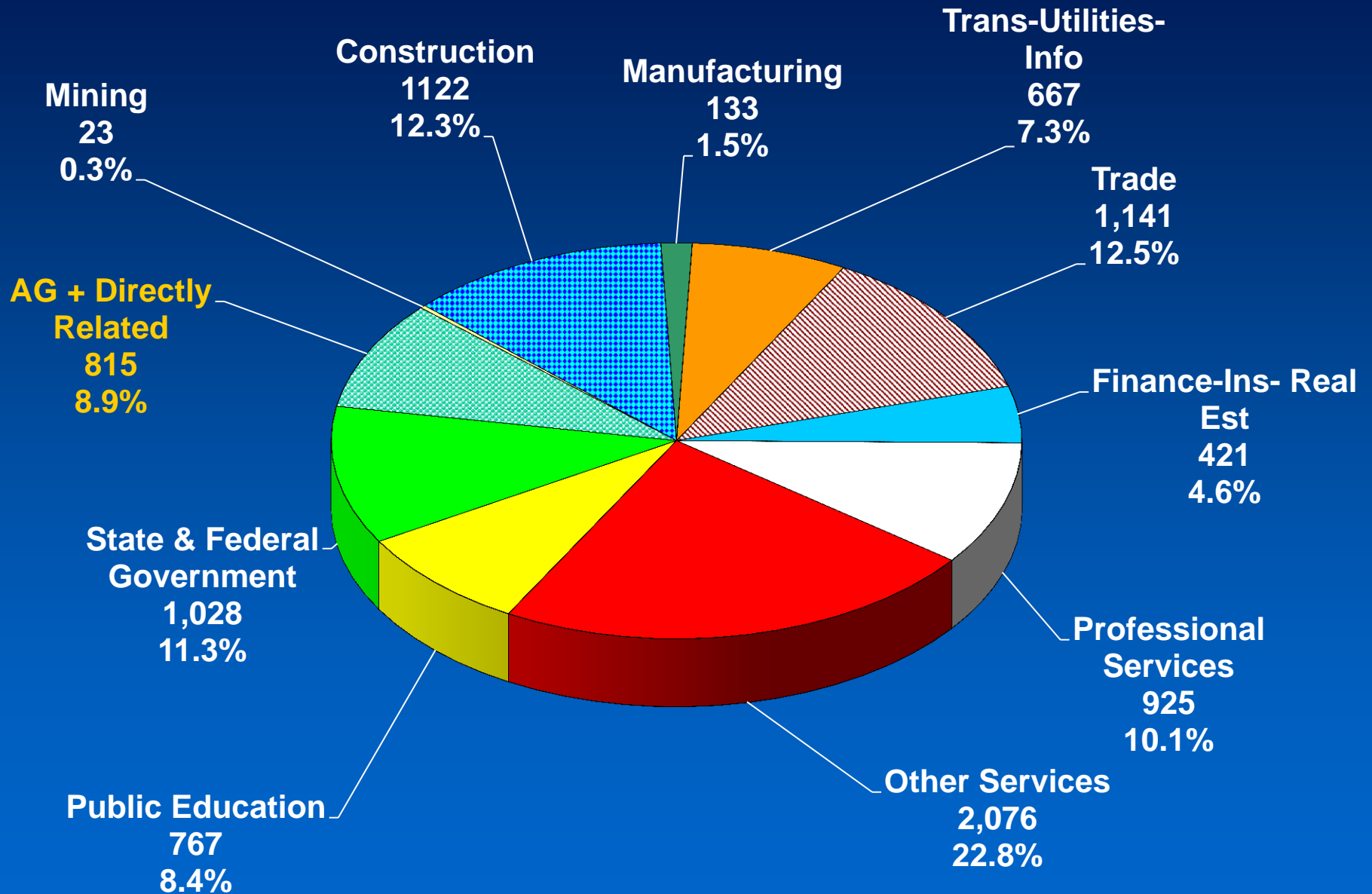
Agriculture + Directly Related Businesses *OUTPUT*

	Output in \$	Percent
Agriculture + Direct	226,192,127	18.76%
Mining	9,023,044	0.75%
Construction	100,782,708	8.36%
Manufacturing	61,180,233	5.07%
Trans-Utilities-Info	292,878,325	24.29%
Trade	80,019,415	6.64%
Finance-Ins-Real Est	165,314,696	13.71%
Services	162,950,848	13.52%
Govt. & non-NAICS	107,284,681	8.90%

Total County Economic Output = \$1,205.6 million

Putnam County Employment

Total Jobs = 9,118



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 \$75.7 million consisting of Farm Gate Value and landscape services comprises 6.3% of the county's economy.
- AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 18.8% of the county's economy.

What is the Impact?

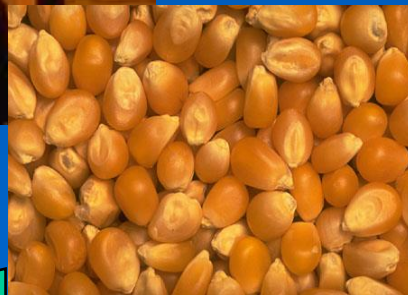
- What is the total (direct and indirect) *impact* of food and fiber production and directly related industries?
- This scenario illustrates how other industries are affected by the presence of food and fiber in the county. The indirect impacts measure output created due to food and fiber production 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



Putnam County

Agriculture *IMPACT*

	Direct \$	Indirect \$
Agriculture	75,653,925	0
Mining	0	152,817
Construction	0	615,320
Manufacturing	0	5,368,798
Trans-Utilities-Info	0	4,221,871
Trade	0	1,498,505
Finance-Ins-Real Est	0	4,737,737
Services	0	3,226,616
Govt. & non-NAICS	0	398,461
Total	75,653,925	20,220,126

Total Impact of Production AG = \$95.9 million
8.0% of total economy

Putnam County

Production Agriculture + Directly Related Businesses *IMPACT*

	Direct \$	Indirect \$
Agriculture + Direct	226,192,127	0
Mining	0	402,018
Construction	0	1,826,727
Manufacturing	0	5,486,425
Trans-Utilities-Info	0	9,736,331
Trade	0	3,757,204
Finance-Ins-Real Est	0	8,601,969
Services	0	9,018,838
Govt. & non-NAICS	0	863,232
Total	226,192,127	39,692,744

**Total Impact of AG + Directly Related = \$265.9 million
22.1% of total economy**

Putnam County

Production Agriculture + Directly Related Industries Employment *IMPACT*

	Direct	Indirect
Agriculture + Direct	815	0
Mining	0	1
Construction	0	25
Manufacturing	0	6
Trans-Utilities-Info	0	47
Trade	0	48
Finance-Ins-Real Est	0	23
Services	0	149
Govt. & non-NAICS	0	6

**Total Impact of AG + Directly Related Employment = 1,118 Jobs
12.3% of total employment**

What These Numbers Mean: A Brief Explanation

- ***Direct*** impact is \$226.2 million. This includes food and fiber production, processing and directly related manufacturing.
- ***Indirect*** impact from related sectors is \$39.7 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 \$265.9 million.
- The total county *output* is \$1,205.6 million.
- Thus, food and fiber (directly and indirectly) account for 22.1% 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

#13-01A

