The Economic Importance of Food and Fiber

A Spotlight on Putnam County, Georgia

Prepared for
Putnam County Cooperative Extension
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College of Agricultural and Environmental Sciences
The University of Georgia
Trends in Putnam County: Number of Farms

Number of Farms, Putnam County

Source: 1978-2012 (quinquennial) Censuses of Agriculture
Trends in Putnam County: Land in Farms, Harvested Cropland & Farms by Size

Source: 1992-2012 (quinquennial) Censuses of Agriculture
Agriculture in Georgia

- Georgia's 2013 Farm Gate Value was $13.59 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 $72.5 billion output contribution in Georgia's $826.6 billion economy.
What We Know about Putnam County

- 2013 Farm Gate Value in Putnam Co. was $98.1 million. Adding $2.2 million of landscape services increased the total agricultural production value to $100.3 million.

- The highest value commodity group was poultry and eggs, representing 55.4% of the total agricultural production value.
Putnam County
2013 Agricultural Production Value

Livestock 26.1%
Poultry & Eggs 55.4%
Forestry 2.0%
Ornamental Horticulture 6.0%
Vegetables 0.4%
Fruits & Nuts 0.2%
Row and Forage Crops 3.0%
Other 6.8%
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) *Contribution* of food and fiber production and directly related industries?
Putnam County Employment
Total Jobs = 8,990

Agriculture
350
3.9%

Mining
18.8
0.2%

Construction
770
8.6%

Manufacturing
532
5.9%

672
7.5%

Trade
1,227
13.6%

State & Federal Government
1,463
16.3%

Service
3,957
44.0%

Primary data source: Center for Agribusiness & Economic Development, UGA
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 $100.3 million consisting of Farm Gate Value and landscape services comprises 6.7% of the county’s economy.

- AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 13.2% of the county’s economy.
What is the Contribution?

- What is the total (direct and indirect) \textit{Contribution} 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 of related sectors in the county, which combined with the direct effect shows the role within the economy of the food and fiber sector.
What Contribution Means: A Brief Explanation

- The *Contribution* 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 Contribution

<table>
<thead>
<tr>
<th>Activity</th>
<th>Direct $ (millions)</th>
<th>Total $ (millions)</th>
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</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>100.3</td>
<td>100.3</td>
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<tr>
<td>Mining</td>
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<tr>
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<td>Trade</td>
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<td>Service Industries</td>
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<td>Government</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>100.3</strong></td>
<td><strong>138.1</strong></td>
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</table>

**Total Contribution of Production AG = $138.1 million**

**9.2% of total economy**
## Putnam County
Production Agriculture + Directly Related Businesses

<table>
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<tr>
<th>Contribution</th>
<th>Total $million</th>
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<td>Mining</td>
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<td>Construction</td>
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<td>Manufacturing</td>
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<td>Service</td>
<td>26.8</td>
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<tr>
<td>Government</td>
<td>.26</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>251.8</strong></td>
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</table>

Total Contribution of AG + Directly Related = $251.8 million
16.9% of total economy
<table>
<thead>
<tr>
<th>Industry</th>
<th>Direct</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
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<td>Construction</td>
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<td>Government</td>
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</table>

Total Contribution of AG + Directly Related Employment = 1,584.9 Jobs
17.6% of total employment
What These Numbers Mean: A Brief Explanation

- Direct Contribution is $100.3 million. This includes food and fiber production, processing and directly related manufacturing.

- Indirect Contribution from related sectors is $96.3 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.
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 Contribution of food and fiber production, processing and direct manufacturing is $251.8 million.

The total county output is $1,494.4 million.

Thus, food and fiber (directly and indirectly) contribute approximately 16.9% of the total county output, considering the multiplier effects.
Contact Information

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“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