The Economic Importance of Food and Fiber

A Spotlight on Webster County, Georgia

Prepared by:

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College of Agricultural & Environmental Sciences
UNIVERSITY OF GEORGIA

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Georgia's 2016 Farm Gate Value was over $13.75 billion. Adding the value of $2.5 billion of landscape services increased the total agricultural production value to $16.25 billion.

Total food and fiber production and directly related businesses account for a $73.3 billion output contribution to Georgia's $972 billion economy.
What We Know about Webster County

- 2016 Farm Gate Value in Webster Co. was $29.9 million. Adding $375.4 thousand of landscape services increased the total agricultural production value to $30.3 million.

- The highest value commodity group was row and forage crops, representing 46.6% of the total Farm Gate production value.
Webster County
2016 Farm Gate Production Value

- Row-Forage Crops: 46.6%
- Fruits-Nuts: 6.2%
- Ornamental Horticulture: 2.9%
- Forestry: 13.7%
- Livestock: 5.7%
- Other: 25.0%
Examining the Economic Contribution
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) Economic Contribution of food and fiber production and directly related industries?
Webster County Employment
Total County Employment = 845

Agriculture
203
24.1%

State & Federal Government
139
16.4%

Service
144
17.0%

Manufacturing
185
21.9%

Trade
93
11.1%

57
6.7%

Mining
7
0.8%

Construction
17
2.0%

Primary data source: IMPLAN data, compiled by Center for Agribusiness & Economic Development, UGA
An Economic Snapshot of Webster County

How much of Webster County’s total economic output comes from food and fiber production and related industries?

AG value alone of $30.3 million—consisting of Farm Gate Value and landscape services comprises 24.3% of the county’s economy.

AG plus directly related businesses (ex. Ag Support Services, Processing, food & fiber manufacturing, etc.) comprise 68.4% of the county’s economy.
What is the Economic Contribution?

What is the total (direct and indirect) economic 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 and quantifies their economic role.

The indirect contribution measures output created by food and fiber production, processing and spending by employees of those industries.
What Economic 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.

- Further, agricultural commodities are sold to other sectors as the inputs to production.
## Webster County
### Agriculture Economic Contribution

<table>
<thead>
<tr>
<th>Sector</th>
<th>Direct</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ag + Landscape Services</td>
<td>30,313,484</td>
<td>30,313,484</td>
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<tr>
<td>Mining</td>
<td>0</td>
<td>19</td>
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<tr>
<td>Utilities</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>75,966</td>
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<tr>
<td>Manufacturing</td>
<td>0</td>
<td>5,408</td>
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<tr>
<td>Wholesale Trade</td>
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<tr>
<td>Transportation &amp; Warehousing</td>
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<td>498,235</td>
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<td>Information</td>
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<tr>
<td>Finance &amp; insurance</td>
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<td>Real estate &amp; rental</td>
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<td>Professional- scientific &amp; tech services</td>
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<td>Management of companies</td>
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<td>0</td>
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<tr>
<td>Administrative &amp; waste services</td>
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<td>0</td>
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<tr>
<td>Educational services</td>
<td>0</td>
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<tr>
<td>Government &amp; non NAICS</td>
<td>0</td>
<td>714,807</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30,313,484</strong></td>
<td><strong>35,469,425</strong></td>
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</table>

**Total Contribution of Production**

AG = $35.5 million

28.4% of total economy
## Webster County
### Production Agriculture + Directly Related Industries

#### Contribution

<table>
<thead>
<tr>
<th>Sector</th>
<th>Direct</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ag + Related Industries</td>
<td>85,424,145</td>
<td>85,424,145</td>
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<tr>
<td>Mining</td>
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<td>79</td>
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<td>0</td>
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<tr>
<td>Construction</td>
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<tr>
<td>Other Manufacturing (not food or fiber)</td>
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<td>28,280</td>
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<tr>
<td>Wholesale Trade</td>
<td>0</td>
<td>3,299,498</td>
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<tr>
<td>Retail trade</td>
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<td>1,056,417</td>
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<tr>
<td>Transportation &amp; Warehousing</td>
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<td>Information</td>
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<tr>
<td>Finance &amp; insurance</td>
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<td>Real estate &amp; rental</td>
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<td>2,945,074</td>
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<tr>
<td>Professional- scientific &amp; tech services</td>
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<td>150,252</td>
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<tr>
<td>Management of companies</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Administrative &amp; waste services</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Educational svcs</td>
<td>0</td>
<td>12,658</td>
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<tr>
<td>Health &amp; social services</td>
<td>0</td>
<td>111,579</td>
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<tr>
<td>Arts- entertainment &amp; recreation</td>
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<td>86,858</td>
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<tr>
<td>Accommodation &amp; food services</td>
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<td>161,074</td>
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<td>Other services</td>
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<tr>
<td>Government &amp; non NAICS</td>
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<td>1,083,796</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>85,424,145</strong></td>
<td><strong>99,317,647</strong></td>
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</table>

**Total Contribution of AG + Related = $99.3 million**

79.5% of total economy
## Webster County
### Production Agriculture + Directly Related Industries
#### Employment Contribution

<table>
<thead>
<tr>
<th>Sector</th>
<th>Direct</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ag + Related Industries</td>
<td>532</td>
<td>532</td>
</tr>
<tr>
<td>Mining</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Utilities</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Other Manufacturing (not food or fiber)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>0</td>
<td>15</td>
</tr>
<tr>
<td>Retail trade</td>
<td>0</td>
<td>15</td>
</tr>
<tr>
<td>Transportation &amp; Warehousing</td>
<td>0</td>
<td>19</td>
</tr>
<tr>
<td>Information</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Finance &amp; insurance</td>
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<td>10</td>
</tr>
<tr>
<td>Real estate &amp; rental</td>
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<td>5</td>
</tr>
<tr>
<td>Professional- scientific &amp; tech services</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Management of companies</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Administrative &amp; waste services</td>
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<td>0</td>
</tr>
<tr>
<td>Educational services</td>
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<td>1</td>
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<tr>
<td>Health &amp; social services</td>
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<td>4</td>
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<tr>
<td>Arts- entertainment &amp; recreation</td>
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</tr>
<tr>
<td>Accommodation &amp; food services</td>
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<td>5</td>
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<tr>
<td>Other services</td>
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<td>11</td>
</tr>
<tr>
<td>Government &amp; non NAICS</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>532</strong></td>
<td><strong>631</strong></td>
</tr>
</tbody>
</table>

Total Contribution of AG + Related Employment = 631
Accounts for 70.5% of employment
What These Numbers Mean: A Brief Explanation

- **Direct contribution** is $85.4 million. This includes food and fiber production, processing and directly related manufacturing.

- **Total contribution** includes related sectors and sums to $99.3 million. This includes the captured effects of farmers (direct source) buying supplies (seed, fertilizer, work boots) from local stores. These stores must increase their output to meet 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 food and fiber and related industries. They take home wages and buy groceries at local stores, which increases demand there.
Webster County Food and Fiber Summary

- The total *economic contribution* of food and fiber production, processing and direct manufacturing is $99.3 million.

- The total county *output* is $124.9 million.

- Thus, food and fiber industries (directly and indirectly) account for 79.5% of the total county output, considering the multiplier effects from direct and related industries.
Contact Information

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Dr. Kent Wolfe, Director

“Adding Value to Georgia’s Agricultural Economy Through Research and Extension”

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