

The Economic Importance of Food and Fiber

A Spotlight on Randolph County, Georgia

**Prepared for
Randolph County Cooperative Extension
October, 2012**

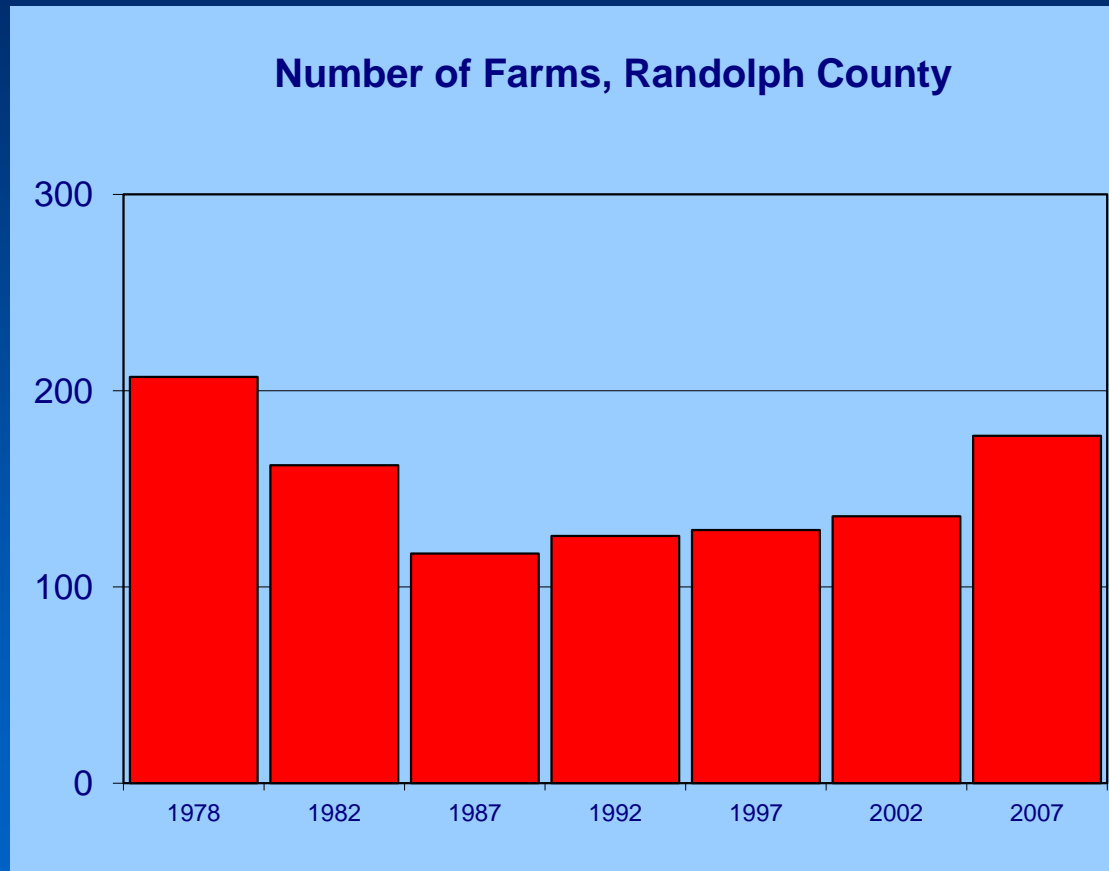
by:

**The Center for Agribusiness
and Economic Development**

**College of Agricultural
and Environmental Sciences**

The University of Georgia

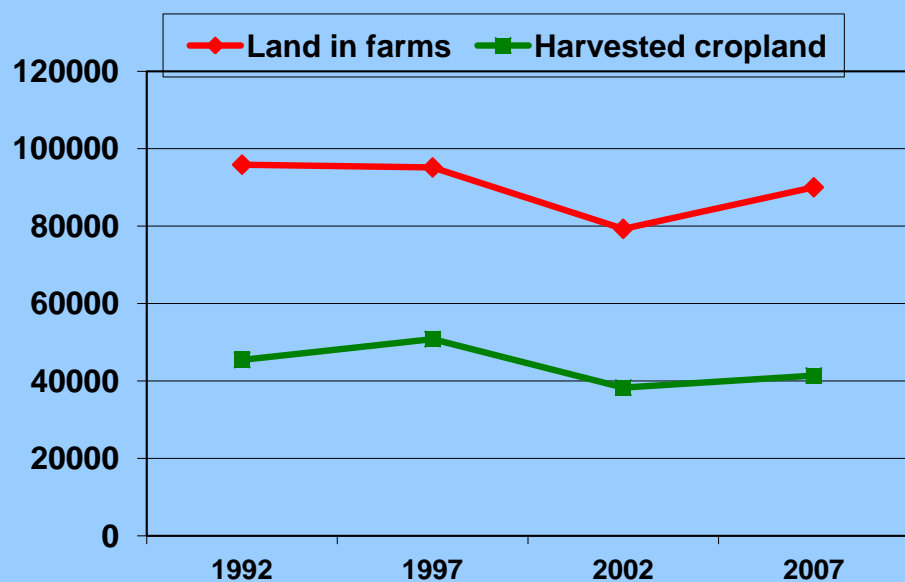
Trends in Randolph County: Number of Farms



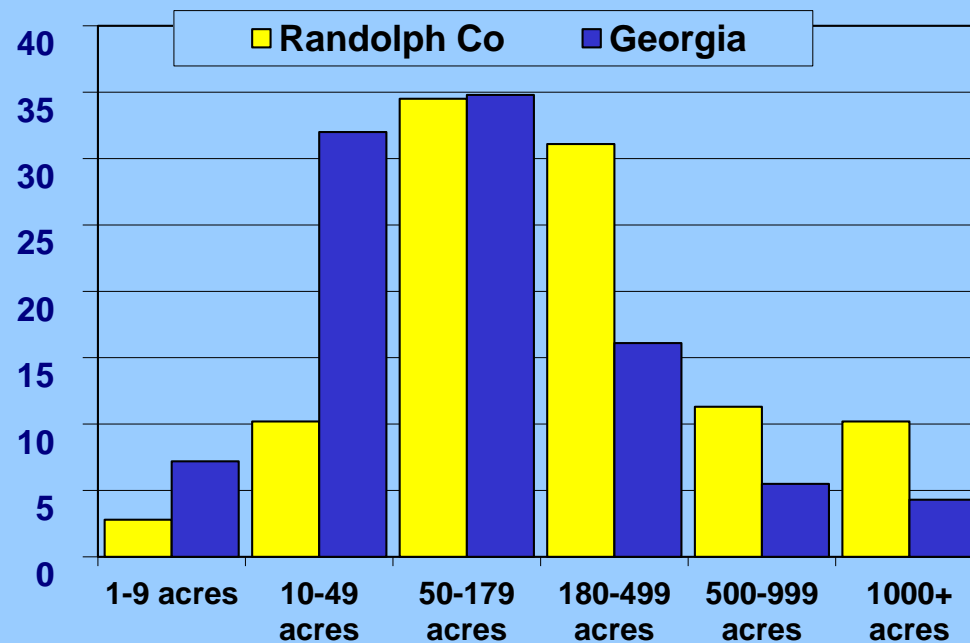
Source: 1978-2007 (quinquennial) Censuses of Agriculture

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

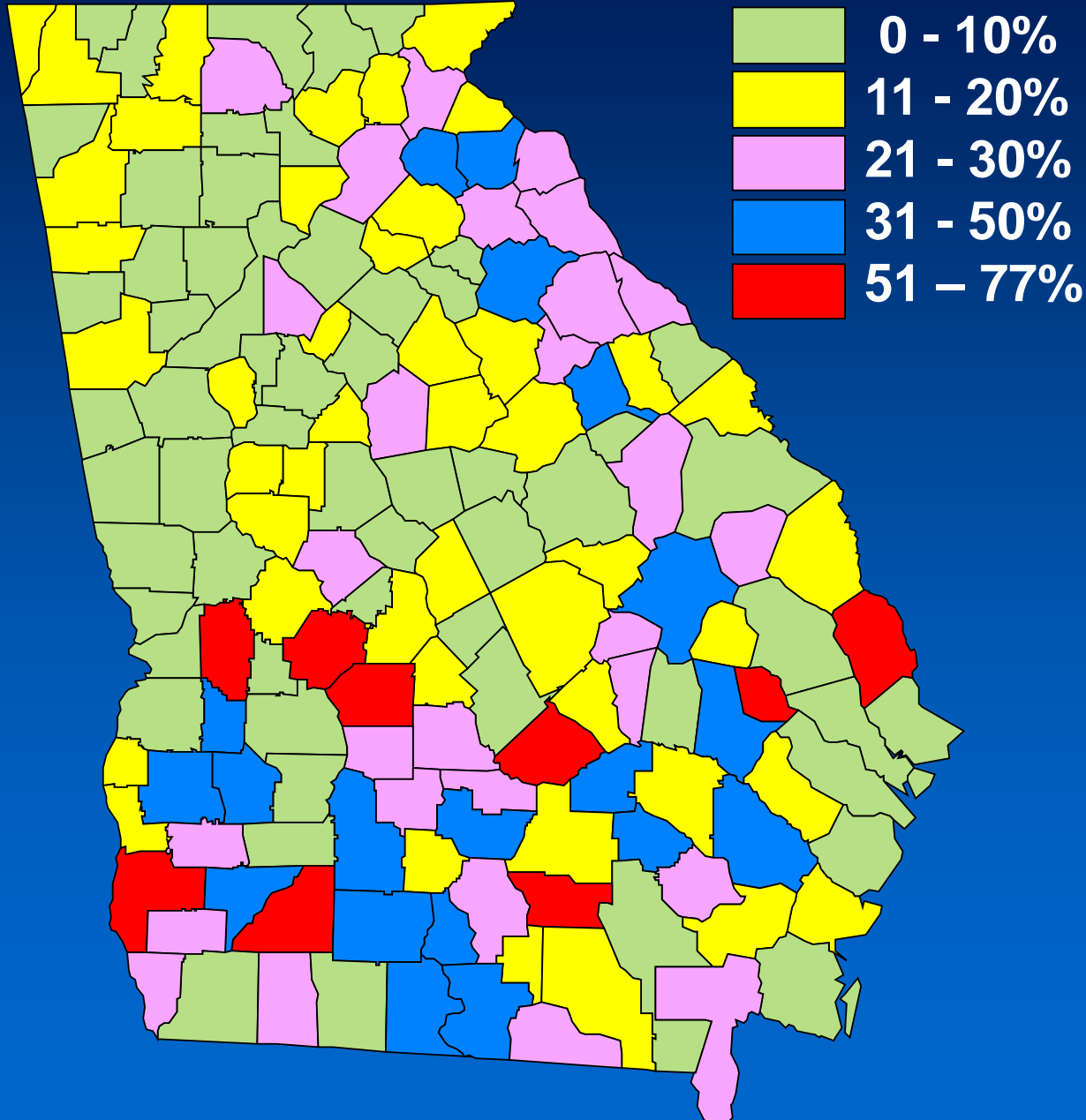
Land in Farms & Harvested Cropland
Randolph County



Percent of Farms by Size, 2007



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

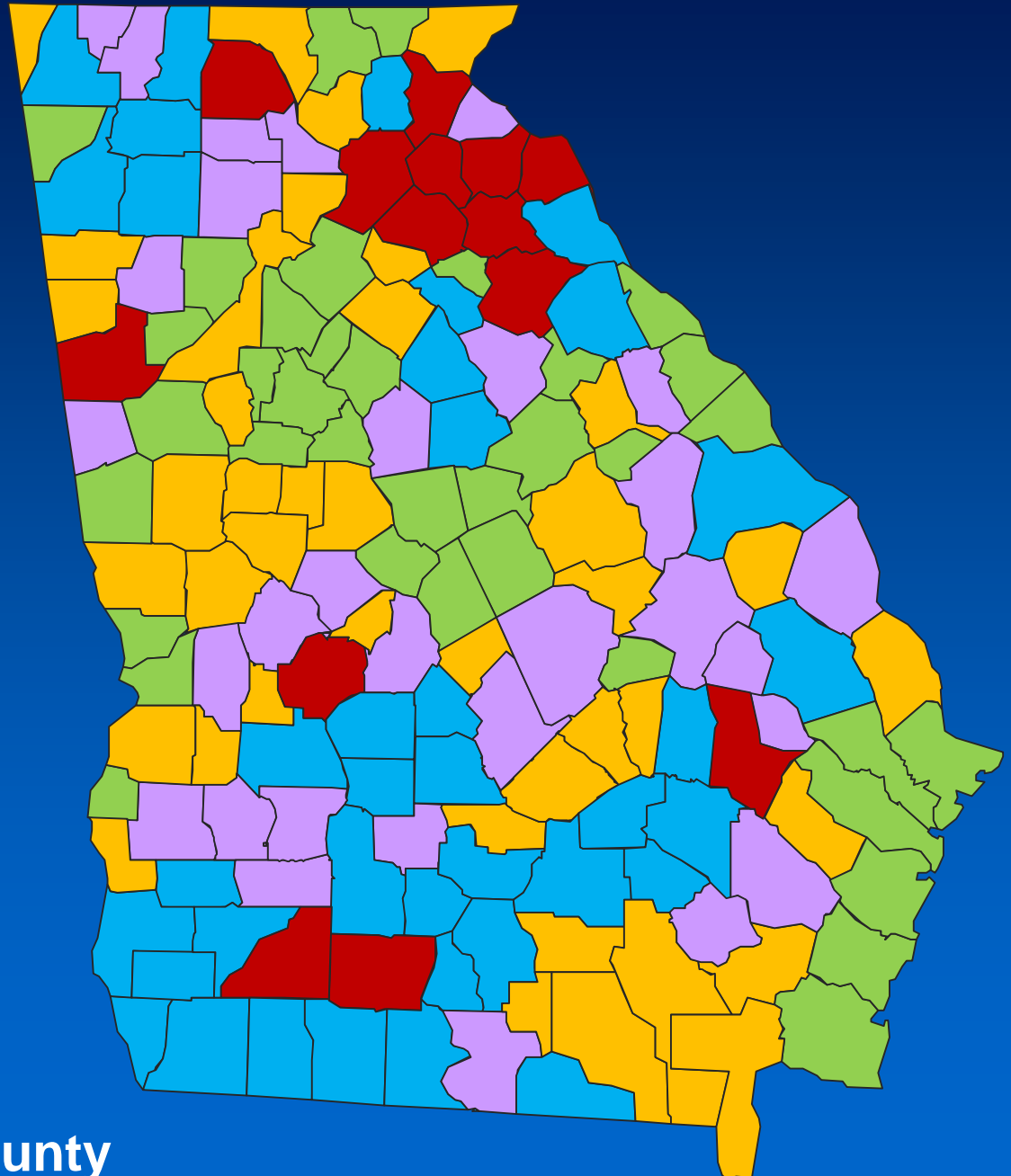


Agriculture in Georgia

- 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



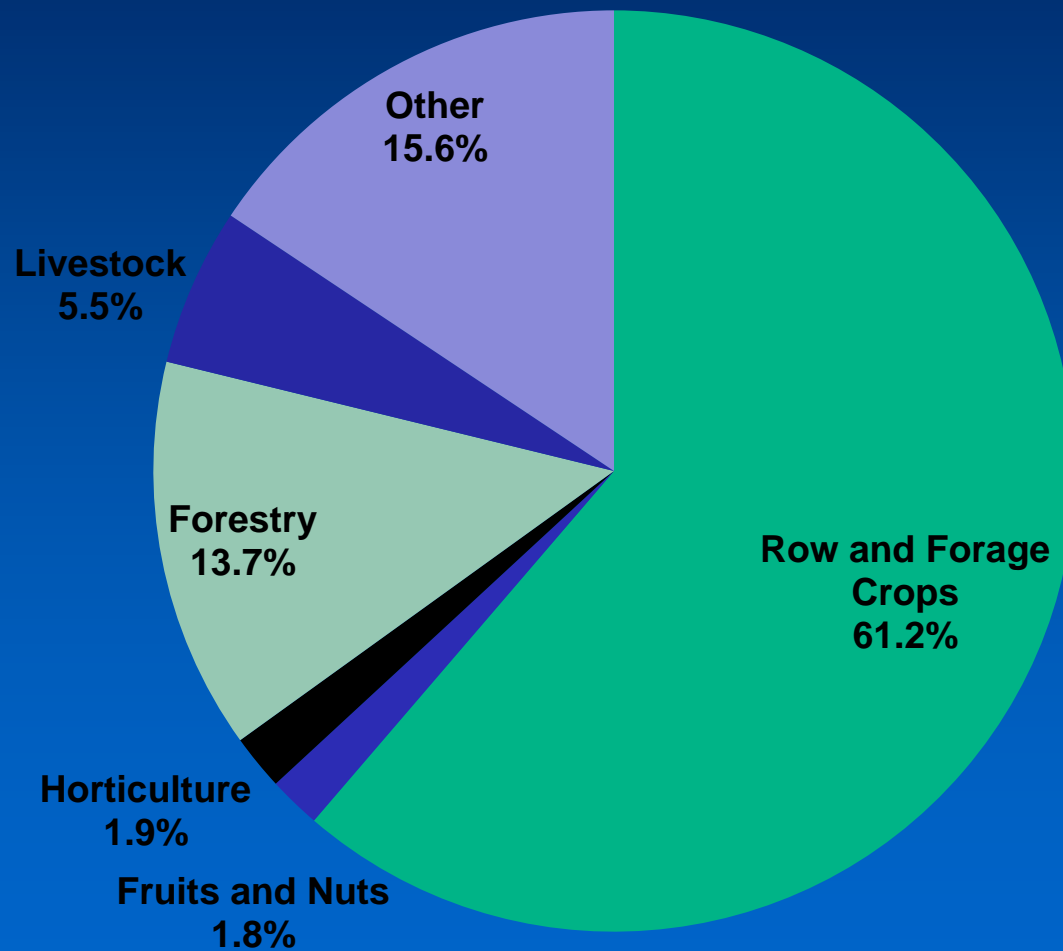
2010 Farm Gate Value by County
in Millions of Dollars

What We Know about Randolph County

- **2010 Farm Gate Value in Randolph Co. was \$50.7 million. Adding \$651,724 of landscape services increased the total agricultural production value to \$51.4 million.**
- **The highest value commodity group was row and forage crops, representing 61.2% of the total agricultural production value.**

Randolph 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?**

Randolph County Economy

Agriculture *OUTPUT*

	Output in \$	Percent
Agriculture	51,397,010	16.40%
Mining	366,099	0.12%
Construction	13,666,160	4.36%
Manufacturing	56,701,797	18.09%
Trans-Utilities-Info	24,634,367	7.86%
Trade	25,941,071	8.28%
Finance-Ins-RE	50,675,810	16.17%
Services	49,844,474	15.90%
Govt. & non-NAICS	40,163,391	12.82%

Total County Economic Output = \$313.4 million

Randolph County Economy

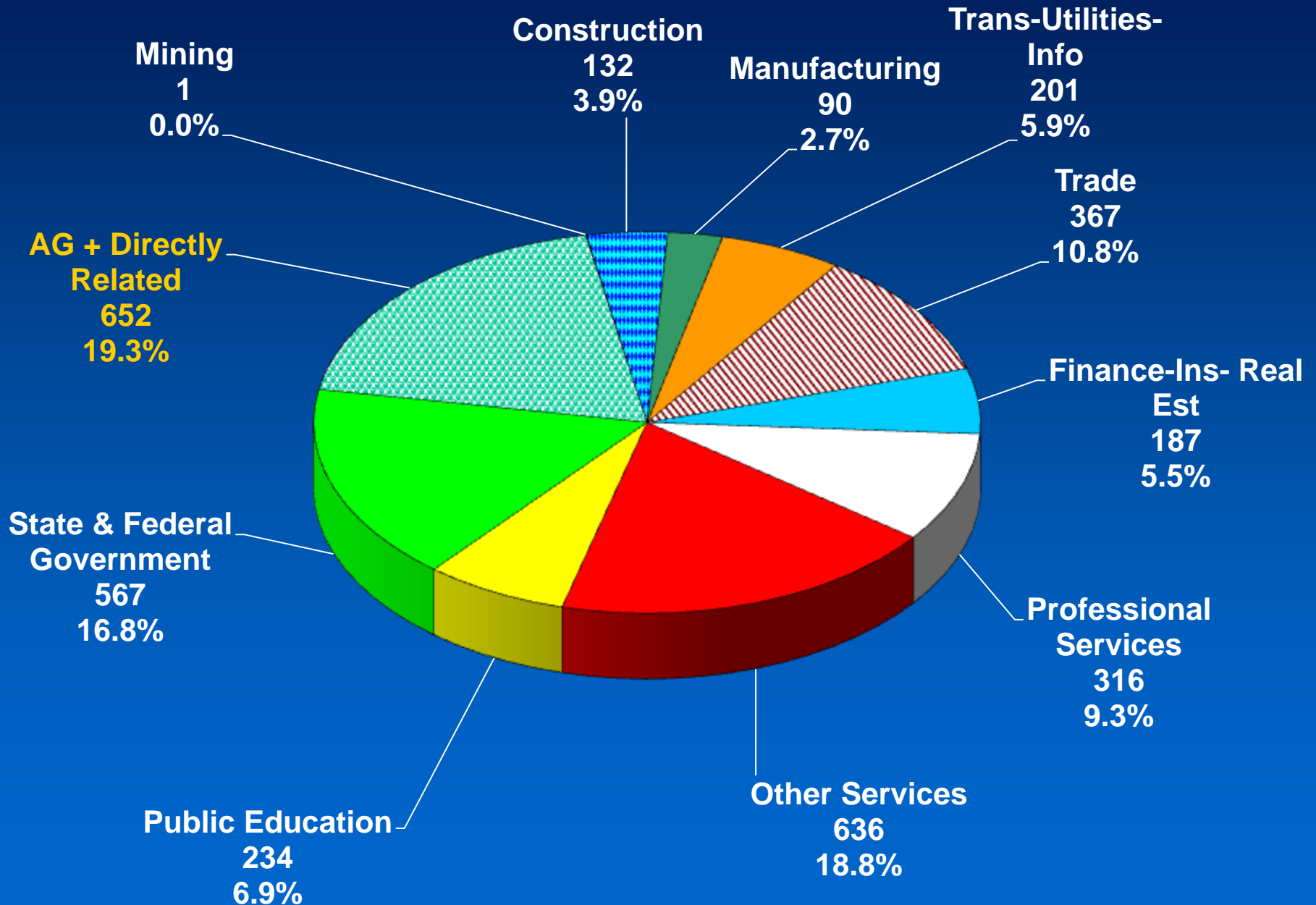
Agriculture + Directly Related Businesses *OUTPUT*

	Output in \$	Percent
Agriculture + Direct	107,951,726	34.45%
Mining	366,099	0.12%
Construction	13,666,160	4.36%
Manufacturing	147,082	0.05%
Trans-Utilities-Info	24,634,367	7.86%
Trade	25,941,071	8.28%
Finance-Ins-Real Est	50,675,810	16.17%
Services	49,844,474	15.90%
Govt. & non-NAICS	40,163,391	12.82%

Total County Economic Output = \$ 313.4 million

Randolph County Employment

Total Jobs = 3,384



Primary data source: Center for Agribusiness & Economic Development, UGA

An Economic Snapshot of Randolph County

- **How much of Randolph County's total economic output comes from food and fiber production?**
- **AG value alone of \$51.4 million consisting of Farm Gate Value and landscape services comprises 16.4% of the county's economy.**
- **AG plus directly related businesses (ex. Ag Support Services, Processing, etc.) comprise 34.5% 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



Randolph County

Agriculture *IMPACT*

	Direct \$	Indirect \$
Agriculture	51,397,010	0
Mining	0	13
Construction	0	337,840
Manufacturing	0	12,078
Trans-Utilities-Info	0	2,437,742
Trade	0	2,379,512
Finance-Ins-Real Est	0	9,177,465
Services	0	3,486,405
Govt. & non-NAICS	0	1,042,139
Total	51,397,010	18,873,195

Total Impact of Production AG = \$70.3 million
22.4% of total economy

Randolph County

Production Agriculture + Directly Related Businesses *IMPACT*

	Direct \$	Indirect \$
Agriculture + Direct	107,951,726	0
Mining	0	18
Construction	0	520,767
Manufacturing	0	12,211
Trans-Utilities-Info	0	5,054,611
Trade	0	4,610,074
Finance-Ins-Real Est	0	13,451,332
Services	0	7,161,649
Govt. & non-NAICS	0	1,462,879
Total	107,951,726	32,273,541

**Total Impact of AG + Directly Related = \$140.2 million
44.7 % of total economy**

Randolph County

Production Agriculture + Directly Related Industries Employment *IMPACT*

	Direct	Indirect
Agriculture + Direct	452	0
Mining	0	0
Construction	0	4
Manufacturing	0	0
Trans-Utilities-Info	0	18
Trade	0	32
Finance-Ins-Real Est	0	38
Services	0	64
Govt. & non-NAICS	0	4

**Total Impact of AG + Directly Related Employment = 946 Jobs
28.0% of total employment**

What These Numbers Mean: A Brief Explanation

- ***Direct*** impact is \$108 million. This includes food and fiber production, processing and directly related manufacturing.
- ***Indirect*** impact from related sectors is \$32.2 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.**

Randolph County Food and Fiber

Impact Conclusions

- The total *impact* of food and fiber production, processing and direct manufacturing is \$140.2 million.
- The total county *output* is \$313.4 million.
- Thus, food and fiber (directly and indirectly) account for 44.7% 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#1205

