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# The University of Georgia

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**Center for Agribusiness and Economic Development**

**College of Agricultural and Environmental Sciences**

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## **Economic Importance of Georgia Food Products Industries**

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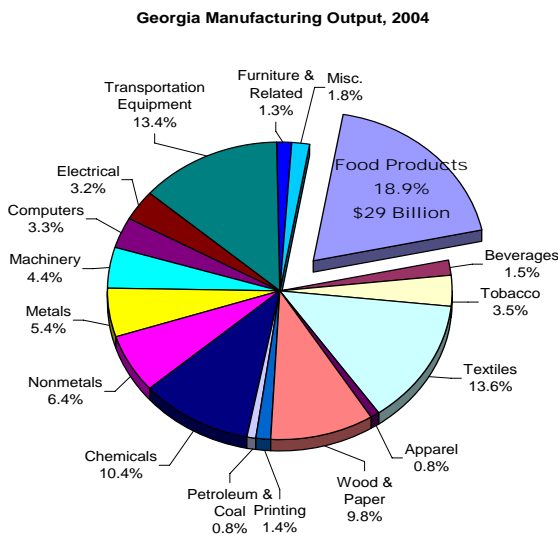
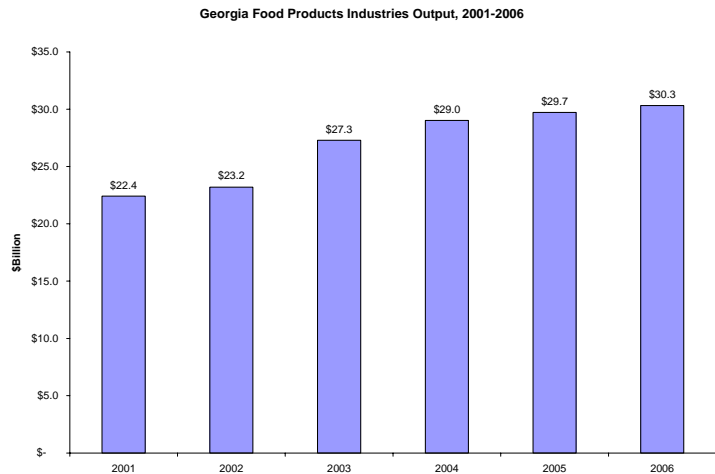
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## Executive Summary

- The manufacturing sector is an important component of the Georgia economy, accounting for \$154 billion in output and representing 24.2 percent of the state’s output. This sector employed over 450,000 workers and 9.1 percent of statewide employment in 2004.
- Within the manufacturing sector, the food products industries in Georgia have demonstrated a pattern of growth with output growing from \$22 billion in 2001 to over \$30 billion in 2006.
- Food products industries in Georgia comprise the largest industrial category among manufacturing businesses as measured by output, accounting for over \$29 billion of output and 18.9 percent of manufacturing output in 2004. Throughout Georgia, food products industries represent 15.1 percent of manufacturing employment and employ over 69,000 workers (2004).
- In the Northwest Extension district, food products industries account for over \$19 billion of output in the region and represents 18.3 percent of the district’s manufacturing output. Food products is the largest industrial category among manufacturing businesses in Northwest Georgia as measured by output, represents 11.7 percent of manufacturing employment and employs over 32,000 workers.



- Food products industries in the Northeast Extension district is the largest industrial category among manufacturing businesses in the region, as measured by both output and employment. These food products businesses represent 23.2 percent of manufacturing output, accounting for just over \$5 billion of output in the Northeast Georgia economy and 24.5 percent of the manufacturing employment in the region, employing over 20,000 workers.
- The Southwest Georgia district food products industries account for over \$3 billion of output, 22.8 percent of the district’s manufacturing output. These industries employ nearly 10,000 workers, 19.3 percent of the manufacturing workforce in the region.
- Food products industries in the Southeast Extension district represent 13.0 percent of the district’s manufacturing output, accounting for nearly \$2 billion of output in the region. These industries employ 13.9 percent of the manufacturing workforce in the region, with over 7,000 workers.

## Economic Importance of Georgia Food Products Industries

The manufacturing sector is an important component of the Georgia economy, accounting for \$154 billion in output and representing 24.2 percent of the state's output, as shown in Table 1. Manufacturing employed over 450,000 workers and 9.1 percent of statewide employment in 2004. Manufacturing ranks second only to the Services sector with \$254 billion (40.1 percent) in output and employment of 2.5 million workers (48.9 percent). These two economic sectors are dominant in the Georgia economy, making up nearly two thirds of all output in the state.

**Table 1. Georgia Output and Employment, by Major Sector, 2004**

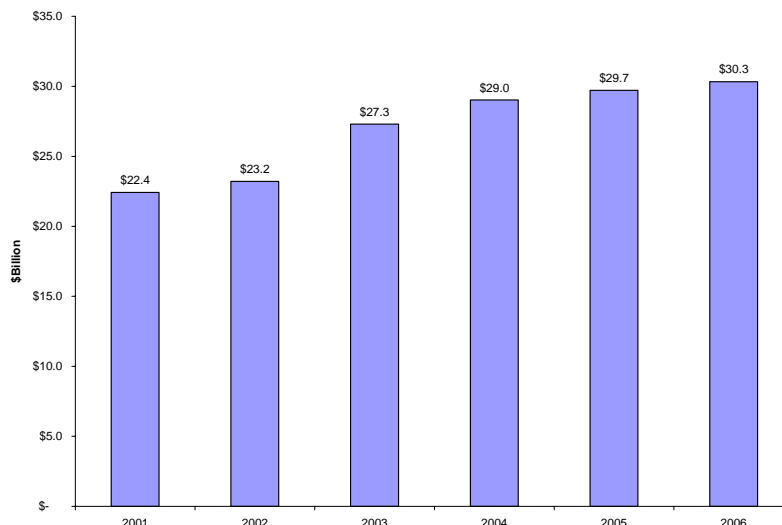
Industry	Output <sup>1</sup>	Percent	Employment <sup>2</sup>	Percent
Agriculture, Mining, Utilities	26,019.127	4.1	110,905	2.2
Construction	35,735.178	5.6	349,448	7.0
Manufacturing	153,771.804	24.2	458,360	9.1
Wholesale Trade	38,092.359	6.0	215,290	4.3
Retail Trade	32,429.769	5.1	491,207	9.8
Transportation, Warehousing	27,157.198	4.3	221,351	4.4
Services	254,424.311	40.1	2,453,033	48.9
Government	42,737.099	6.7	715,696	14.3
Not Classified by NAICS	24,771.177	3.9	NA	NA
<b>Total</b>	<b>635,138.023</b>	<b>100</b>	<b>5,015,289</b>	<b>100</b>

<sup>1</sup>Millions of dollars, <sup>2</sup>Number of Jobs

### Food Products Industries in Georgia

The range of food products industries in Georgia are not only a large portion of the manufacturing sector, but also demonstrate a growth trend as shown in Figure 1, representing a \$22 billion industry in 2001 and expanding to over \$30 billion in 2006 (preliminary).

**Figure 1. Georgia Food Products Industries Output, 2001-2006**

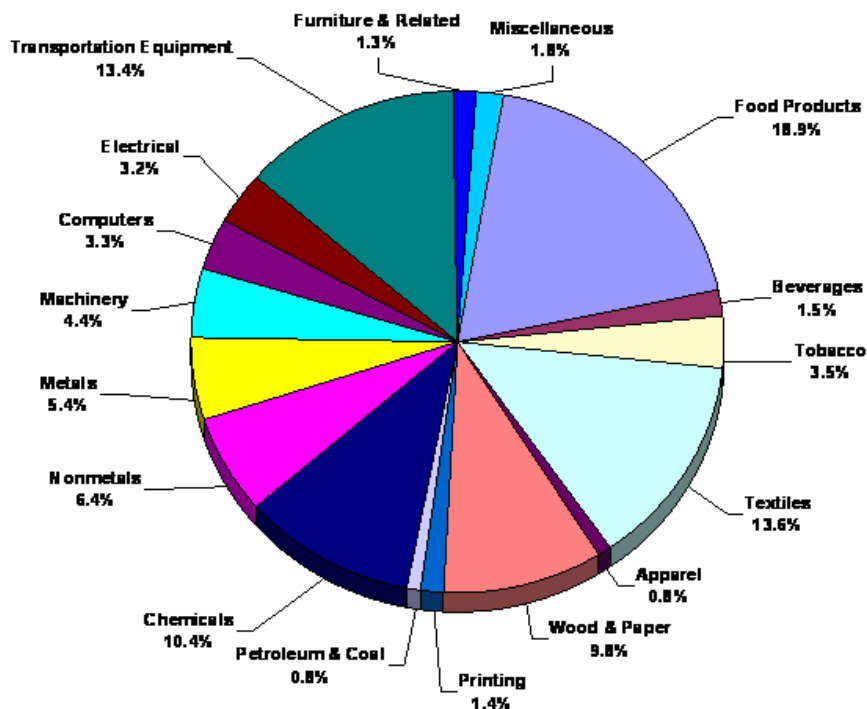


Source: CAED estimates compiled from IMPLAN and Georgia Economic Modeling System data.

Within the manufacturing sector, Figure 2 shows the percent of total output for major industrial categories, demonstrating the magnitude of food products industries. Table 2 highlights the manufacturing output and employment industries, revealing that the food products industries:

- Represent 18.9 percent of Georgia's manufacturing output
- Account for over \$29 billion of output in the Georgia economy
- Compose the largest industrial category among manufacturing businesses in Georgia as measured by output
- Represent 15.1 percent of manufacturing employment and employ over 69,000 workers
- Rank second slightly behind textile manufacturing in the level of employment

**Figure 2. Georgia Manufacturing Output, 2004 Total Manufacturing Output = \$154 Billion**



The food products industries include a wide variety of categories, such as:

- Animal food
- Grain and oilseed milling
- Sugar and confectionery products
- Fruit and vegetable preserving and specialty products
- Dairy products
- Animal slaughtering and processing
- Seafood product preparation and packaging
- Bakeries and tortillas

**Table 2. Georgia Output and Employment by Industry, 2004 Manufacturing**

Industry	Output <sup>1</sup>	Percent	Employment <sup>2</sup>	Percent
Food Products	29,016.642	18.9	69,120	15.1
Beverages	2,232.441	1.5	3,160	0.7
Tobacco	5,404.169	3.5	2,261	0.5
Textiles	20,910.410	13.6	75,978	16.6
Apparel	1,244.342	0.8	9,369	2.0
Wood & Paper	15,007.975	9.8	49,880	10.9
Printing	2,142.832	1.4	21,678	4.7
Petroleum & Coal	1,274.704	0.8	1,122	0.2
Chemicals	16,061.186	10.4	20,755	4.5
Nonmetals	9,830.014	6.4	44,259	9.7
Metals	8,284.700	5.4	34,191	7.5
Machinery	6,722.753	4.4	23,455	5.1
Computers	5,150.405	3.3	13,681	3.0
Electrical	4,926.610	3.2	16,304	3.6
Transportation Equipment	20,650.680	13.4	43,503	9.5
Furniture & Related	2,068.924	1.3	14,264	3.1
Miscellaneous	2,843.018	1.8	15,381	3.4
<b>Total Manufacturing</b>	<b>153,771.804</b>	<b>100</b>	<b>458,360</b>	<b>100</b>

<sup>1</sup>Millions of dollars, <sup>2</sup>Number of Jobs



### *Economic Profile of Extension Districts*

The regions represented by the designated Extension districts each have unique economic characteristics, as shown in Table 3. The Northwest district, as might be expected, has the largest population, the greatest number of jobs, highest employment to population ratio (percent employed of total population), and the most income per household. The Northeast district ranks second in all of these categories, with the exception of the employment to population ratio which is the lowest among the four districts. All of the districts except for the Northwest have employment to population ratios and income per household figures less than those for the state as a whole.

**Table 3. Economic Characteristics of Georgia Economy, by District, 2004**

	Population	Employment	Percent Employed	Income per Household
NW	5,464,110	3,441,651	63.0	\$86,901
NE	1,386,891	618,533	44.6	\$66,548
SW	882,367	425,637	48.2	\$62,568
SE	1,096,015	529,467	48.3	\$65,320
<b>Georgia</b>	<b>8,829,383</b>	<b>5,015,288</b>	<b>56.8</b>	<b>\$78,693</b>

### *Northwest Georgia District*

Table 4 shows that the manufacturing sector represents an important component of the Northwest Georgia economy, accounting for \$102 billion in output, representing 21.7 percent of the district's output. This sector employed over 275,000 workers and 8.0 percent of the regional employment in 2004.

**Table 4. NW Georgia Output and Employment, by Major Sector, 2004**

Industry	Output <sup>1</sup>	Percent	Employment <sup>2</sup>	Percent
Agriculture, Mining, Utilities	12,797.518	2.7	27,762	0.8
Construction	26,437.725	5.6	250,056	7.3
Manufacturing	102,174.045	21.7	275,676	8.0
Wholesale Trade	32,871.371	7.0	172,806	5.0
Retail Trade	22,536.581	4.8	329,308	9.6
Transportation, Warehousing	21,641.990	4.6	159,611	4.6
Services	211,723.432	45.0	1,842,782	53.5
Government	24,431.419	5.2	383,652	11.1
Not Classified by NAICS	16,160.209	3.4	NA	NA
<b>Total</b>	<b>470,774.291</b>	<b>100</b>	<b>3,441,651</b>	<b>100</b>

<sup>1</sup>Millions of dollars, <sup>2</sup>Number of Jobs

Table 5 summarizes the output and employment figures from the industries within the manufacturing sector. In the Northwest district, the food products industries:

- Represent 18.3 percent of the district’s manufacturing output
- Account for approximately \$19 billion of output in the Northwest Georgia economy
- Compose the largest industrial category among manufacturing businesses in Northwest Georgia as measured by output
- Represent 11.7 percent of manufacturing employment and employ over 32,000 workers

**Table 5. NW Georgia Output and Employment by Industry, 2004 Manufacturing**

Industry	Output <sup>1</sup>	Percent	Employment <sup>2</sup>	Percent
Food Products	18,656.557	18.3	32,360	11.7
Beverages	1,310.023	1.3	1,939	0.7
Tobacco	5,403.689	5.3	2,260	0.8
Textiles	17,059.755	16.7	56,705	20.6
Apparel	519.295	0.5	3,665	1.3
Wood & Paper	6,149.461	6.0	20,526	7.4
Printing	1,827.189	1.8	17,908	6.5
Petroleum & Coal	592.450	0.6	710	0.3
Chemicals	9,608.487	9.4	12,419	4.5
Nonmetals	6,123.176	6.0	27,711	10.1
Metals	5,677.876	5.6	20,739	7.5
Machinery	3,049.709	3.0	11,884	4.3
Computers	4,787.620	4.7	12,264	4.4
Electrical	3,485.821	3.4	10,255	3.7
Transportation Equipment	14,517.586	14.2	25,307	9.2
Furniture & Related	1,245.260	1.2	7,902	2.9
Miscellaneous	2,160.089	2.1	11,122	4.0
<b>Total Manufacturing</b>	<b>102,174.045</b>	<b>100</b>	<b>275,676</b>	<b>100</b>

<sup>1</sup>Millions of dollars, <sup>2</sup>Number of Jobs

### *Northeast Georgia District*

Unlike the state as a whole and the Northwest district, Table 6 shows the manufacturing sector in the Northeast district as the largest sector in the regional economy in terms of output, accounting for \$22 billion in output, representing 32.5 percent of the district's output. This sector employed over 81,000 workers, with 13.2 percent of the regional employment in 2004.

**Table 6. NE Georgia Output and Employment, by Major Sector, 2004**

Industry	Output <sup>1</sup>	Percent	Employment <sup>2</sup>	Percent
Agriculture, Mining, Utilities	4,396.452	6.6	20,375	3.3
Construction	4,434.670	6.7	46,917	7.6
Manufacturing	21,593.205	32.5	81,658	13.2
Wholesale Trade	2,269.562	3.4	17,604	2.8
Retail Trade	4,047.578	6.1	63,707	10.3
Transportation, Warehousing	1,561.080	2.3	17,408	2.8
Services	18,005.008	27.1	247,034	39.9
Government	6,547.397	9.9	123,830	20.0
Not Classified by NAICS	3,574.247	5.4	NA	NA
<b>Total</b>	<b>66,429.200</b>	<b>100</b>	<b>618,533</b>	<b>100</b>

<sup>1</sup>Millions of dollars, <sup>2</sup>Number of Jobs

Table 7 summarizes the output and employment figures from the industries within the manufacturing sector. In the Northwest district, the food products industries:

- Represent 23.2 percent of the district's manufacturing output
- Account for just over \$5 billion of output in the Northeast Georgia economy
- Compose the largest industrial category among manufacturing businesses in Northeast Georgia as measured by output and employment
- Represent 24.5 percent of the manufacturing employment in the region, employing over 20,000 workers

**Table 7. NE Georgia Output and Employment by Industry, 2004 Manufacturing**

Industry	Output <sup>1</sup>	Percent	Employment <sup>2</sup>	Percent
Food Products	5,000.059	23.2	20,031	24.5
Beverages	226.949	1.1	436	0.5
Tobacco	0.000	0.0	0	0.0
Textiles	2,201.577	10.2	10,933	13.4
Apparel	203.395	0.9	1,630	2.0
Wood & Paper	2,259.324	10.5	9,205	11.3
Printing	190.746	0.9	2,291	2.8
Petroleum & Coal	43.036	0.2	55	0.1
Chemicals	3,297.008	15.3	4,078	5.0
Nonmetals	1,479.053	6.8	7,414	9.1
Metals	942.271	4.4	5,054	6.2
Machinery	1,751.417	8.1	5,545	6.8
Computers	261.648	1.2	1,020	1.2
Electrical	635.280	2.9	2,291	2.8
Transportation Equipment	2,117.107	9.8	5,371	6.6
Furniture & Related	432.473	2.0	3,079	3.8
Miscellaneous	551.863	2.6	3,224	3.9
<b>Total Manufacturing</b>	<b>21,593.205</b>	<b>100</b>	<b>81,658</b>	<b>100</b>

<sup>1</sup>Millions of dollars, <sup>2</sup>Number of Jobs

### *Southwest Georgia District*

Similar to the Northeast district, Table 8 shows the manufacturing sector in the Southwest district as the largest sector in the regional economy in terms of output, accounting for \$15 billion in output, representing 34.1 percent of the district's output. This sector employed over 50,000 workers, 11.8 percent of regional employment in 2004.

**Table 8. SW Georgia Output and Employment, by Major Sector, 2004**

Industry	Output <sup>1</sup>	Percent	Employment <sup>2</sup>	Percent
Agriculture, Mining, Utilities	3,701.959	8.5	33,495	7.9
Construction	1,850.968	4.3	20,309	4.8
Manufacturing	14,861.153	34.1	50,065	11.8
Wholesale Trade	1,302.932	3.0	11,867	2.8
Retail Trade	2,610.499	6.0	44,309	10.4
Transportation, Warehousing	1,637.013	3.8	19,451	4.6
Services	10,304.547	23.7	154,731	36.4
Government	5,023.668	11.5	91,411	21.5
Not Classified by NAICS	2,224.981	5.1	NA	NA
<b>Total</b>	<b>43,517.720</b>	<b>100</b>	<b>425,637</b>	<b>100</b>

<sup>1</sup>Millions of dollars, <sup>2</sup>Number of Jobs

Table 9 summarizes the output and employment figures from the industries within the manufacturing sector in the Southwest Georgia district. Within the district, food products industries:

- Represent 22.8 percent of the district's manufacturing output
- Account for over \$3 billion of output in the Southwest Georgia economy
- Compose the largest industrial category among manufacturing businesses in Southwest Georgia as measured by output and employment
- Represent 19.3 percent of the manufacturing workforce in the region, employing nearly 10,000 workers

**Table 9. SW Georgia Output and Employment by Industry, 2004 Manufacturing**

Industry	Output <sup>1</sup>	Percent	Employment <sup>2</sup>	Percent
Food Products	3,384.313	22.8	9,665	19.3
Beverages	651.611	4.4	701	1.4
Tobacco	0.000	0.0	0	0.0
Textiles	882.407	5.9	4,464	8.9
Apparel	339.896	2.3	2,680	5.4
Wood & Paper	2,645.235	17.8	8,550	17.1
Printing	48.493	0.3	589	1.2
Petroleum & Coal	294.641	2.0	71	0.1
Chemicals	1,847.798	12.4	2,171	4.3
Nonmetals	1,417.735	9.5	5,983	12.0
Metals	691.266	4.7	3,476	6.9
Machinery	433.081	2.9	1,684	3.4
Computers	78.162	0.5	341	0.7
Electrical	328.323	2.2	1,533	3.1
Transportation Equipment	1,530.570	10.3	5,806	11.6
Furniture & Related	217.279	1.5	1,862	3.7
Miscellaneous	70.342	0.5	489	1.0
<b>Total Manufacturing</b>	<b>14,861.153</b>	<b>100</b>	<b>50,065</b>	<b>100</b>

<sup>1</sup>Millions of dollars, <sup>2</sup>Number of Jobs

### *Southeast Georgia District*

Table 10 shows the manufacturing sector in the Southwest district as the largest sector in the regional economy in terms of output, accounting for over \$15 billion in output, representing 27.8 percent of the district's output. Manufacturing employed over 50,000 workers, with 9.6 percent of the regional employment in 2004.

**Table 10. SE Georgia Output and Employment, by Major Sector, 2004**

Industry	Output <sup>1</sup>	Percent	Employment <sup>2</sup>	Percent
Agriculture, Mining, Utilities	5,123.198	9.4	29,273	5.5
Construction	3,011.812	5.5	32,165	6.1
Manufacturing	15,143.400	27.8	50,960	9.6
Wholesale Trade	1,648.504	3.0	13,014	2.5
Retail Trade	3,235.110	5.9	53,883	10.2
Transportation, Warehousing	2,317.116	4.3	24,881	4.7
Services	14,391.311	26.4	208,487	39.4
Government	6,734.610	12.4	116,803	22.1
Not Classified by NAICS	2,811.745	5.2	NA	NA
<b>Total</b>	<b>54,416.806</b>	<b>100</b>	<b>529,467</b>	<b>100</b>

<sup>1</sup>Millions of dollars, <sup>2</sup>Number of Jobs

Table 11 summarizes the output and employment figures from the industries within the manufacturing sector in the Southeast Georgia district. Within the district, the food products industries:

- Represent 13.0 percent of the district's manufacturing output
- Account for nearly \$2 billion of output in the Southeast Georgia economy
- Rank third among manufacturing businesses in Southeast Georgia as measured by output and second in employment
- Represent 13.9 percent of the manufacturing workforce in the region, employing over 7,000 workers

**Table 11. SE Georgia Output and Employment by Industry, 2004 Manufacturing**

Industry	Output <sup>1</sup>	Percent	Employment <sup>2</sup>	Percent
Food Products	1,975.712	13.0	7,065	13.9
Beverages	43.858	0.3	84	0.2
Tobacco	0.480	0.0	1	0.0
Textiles	766.671	5.1	3,875	7.6
Apparel	181.755	1.2	1,393	2.7
Wood & Paper	3,953.954	26.1	11,599	22.8
Printing	76.405	0.5	889	1.7
Petroleum & Coal	344.577	2.3	285	0.6
Chemicals	1,307.892	8.6	2,087	4.1
Nonmetals	810.050	5.3	3,151	6.2
Metals	973.287	6.4	4,923	9.7
Machinery	1,488.546	9.8	4,342	8.5
Computers	22.975	0.2	56	0.1
Electrical	477.185	3.2	2,225	4.4
Transportation Equipment	2,485.419	16.4	7,020	13.8
Furniture & Related	173.912	1.1	1,421	2.8
Miscellaneous	60.723	0.4	545	1.1
<b>Total Manufacturing</b>	<b>15,143.400</b>	<b>100</b>	<b>50,960</b>	<b>100</b>

<sup>1</sup>Millions of dollars, <sup>2</sup>Number of Jobs

## Appendix A-1. Georgia Counties by Extension District

<b>Northwest District</b>	<b>Northeast District</b>	<b>Southeast District</b>	<b>Southwest District</b>
Bartow	Baldwin	Appling	Baker
Bibb	Banks	Atkinson	Ben Hill
Carroll	Barrow	Bacon	Berrien
Catoosa	Butts	Bleckley	Brooks
Chattooga	Clarke	Brantley	Calhoun
Chattahoochee	Columbia	Bryan	Clay
Cherokee	Dawson	Bulloch	Clinch
Clayton	Elbert	Burke	Colquitt
Cobb	Fannin	Camden	Cook
Coweta	Franklin	Candler	Crisp
Crawford	Gilmer	Charlton	Decatur
Dade	Glascok	Chatham	Dooly
DeKalb	Greene	Coffee	Dougherty
Douglas	Habersham	Dodge	Early
Fayette	Hall	Effingham	Echols
Floyd	Hancock	Emanuel	Grady
Forsyth	Hart	Evans	Houston
Fulton	Jackson	Glynn	Irwin
Gordon	Jasper	Jeff Davis	Lanier
Gwinnett	Jones	Jefferson	Lee
Haralson	Lincoln	Jenkins	Lowndes
Harris	Lumpkin	Johnson	Macon
Heard	Madison	Laurens	Marion
Henry	McDuffie	Liberty	Miller
Lamar	Monroe	Long	Mitchell
Meriwether	Morgan	McIntosh	Peach
Murray	Oconee	Montgomery	Pulaski
Muscogee	Oglethorpe	Pierce	Quitman
Newton	Pickens	Screven	Randolph
Paulding	Putnam	Tattall	Schley
Pike	Rabun	Telfair	Seminole
Polk	Richmond	Toombs	Stewart
Rockdale	Stephens	Treutlen	Sumter
Spalding	Taliaferro	Twiggs	Taylor
Talbot	Towns	Ware	Terrell
Troup	Union	Washington	Thomas
Upson	Walton	Wayne	Tift
Walker	Warren	Wheeler	Turner
Whitfield	White	Wilkinson	Webster
	Wilkes		Wilcox
			Worth

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To provide agricultural, natural resource, and demographic data for private and public decision makers.

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**J. Scott Angle, Dean and Director**