

The Economic Importance of Food and Fiber

A Spotlight on Randolph County, Georgia

Prepared for:
Randolph County Cooperative Extension
September, 2006

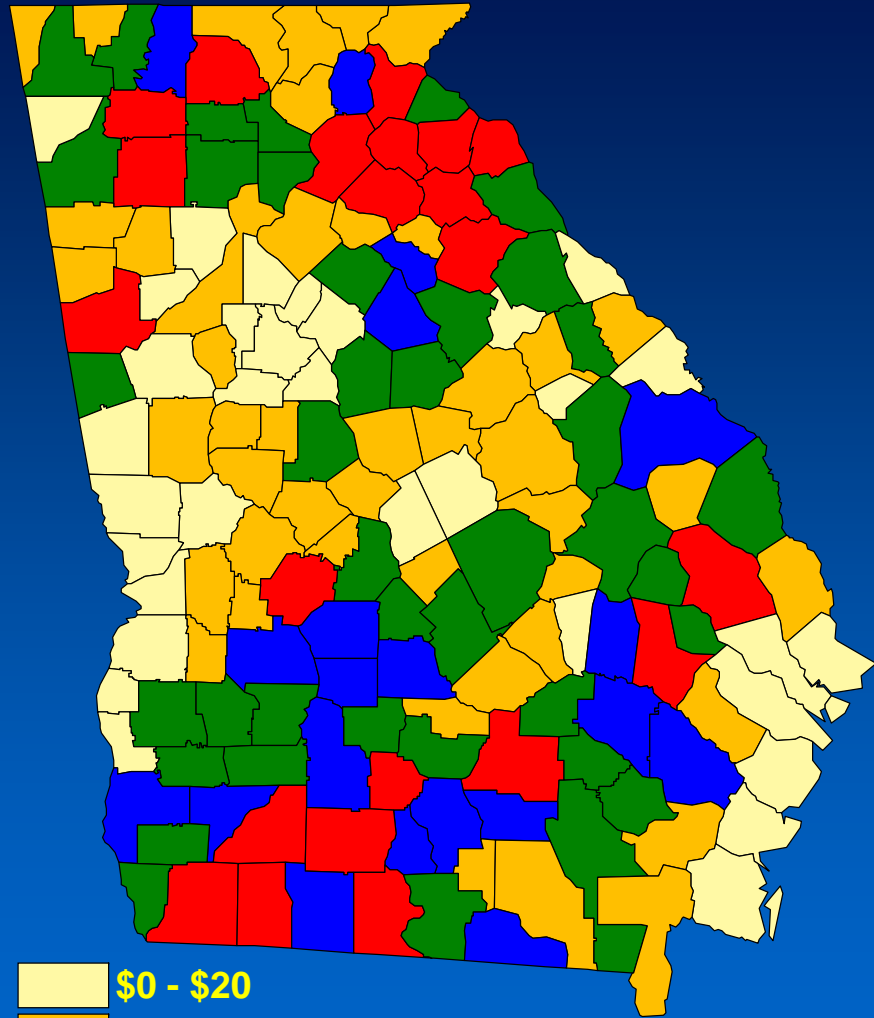
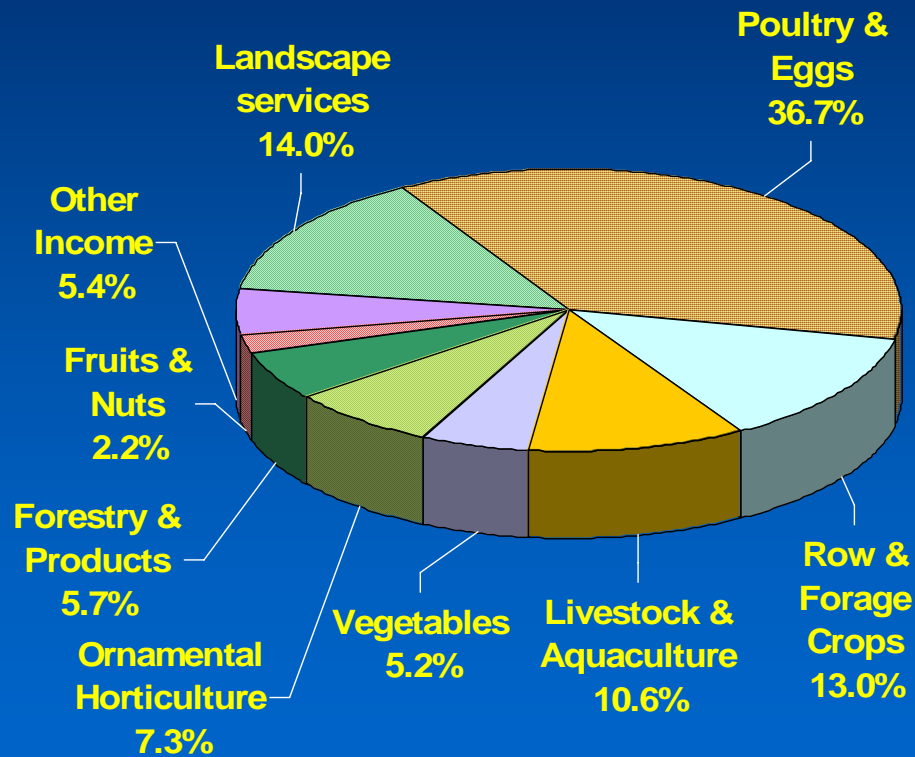
by:
The Center for Agribusiness and Economic Development
College of Agricultural and Environmental Sciences
The University of Georgia

Agriculture in Georgia

- Georgia's 2005 Farm Gate Value was \$10.6 billion. Adding the value of landscape services increased the total agricultural production value to \$12.3 billion.
- Total food and fiber production and directly related businesses account for a \$52.7 billion *output impact* on Georgia's \$614 billion economy.

Production Agriculture: 2005

Georgia Total
Agricultural
Production Value
\$12.3 Billion



2005 Farm Gate
Value by County
in Millions of Dollars

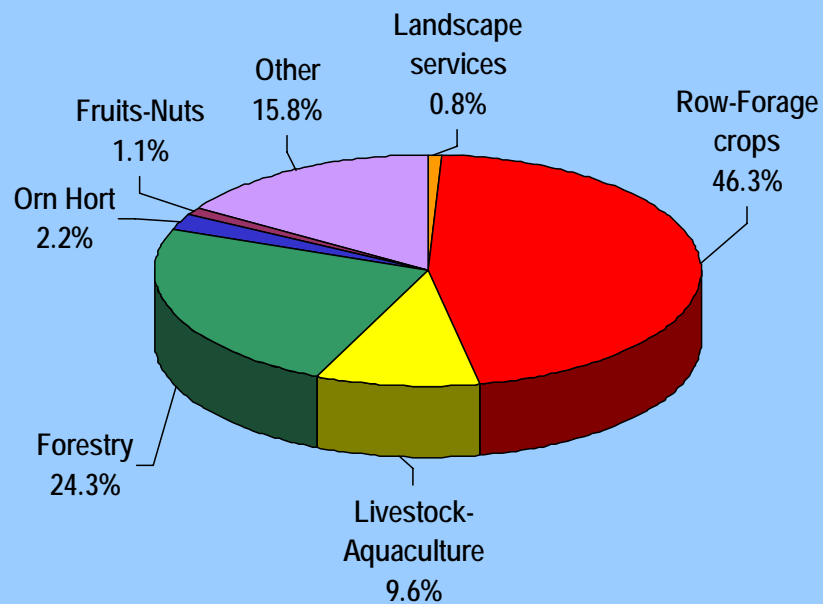
What We Know about Randolph County

- 2005 Farm Gate Value in Randolph Co. was \$50.9 million. Adding \$392 thousand of landscape services increased the total agricultural production value to \$51.3 million.
- The highest value commodity group was row/forage crops, representing 46.3% of the total agricultural production value.

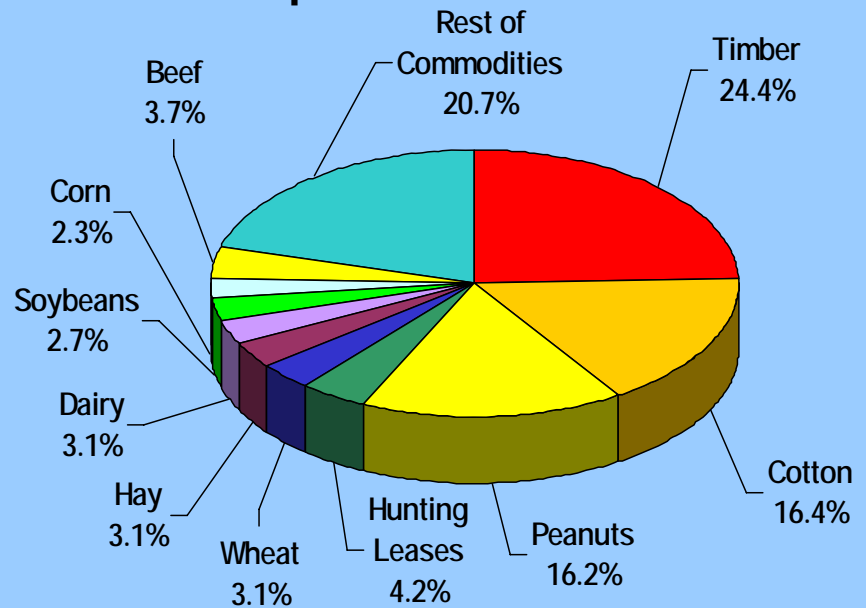
Randolph County

2005 Agricultural Production Value

2005 Agricultural Production



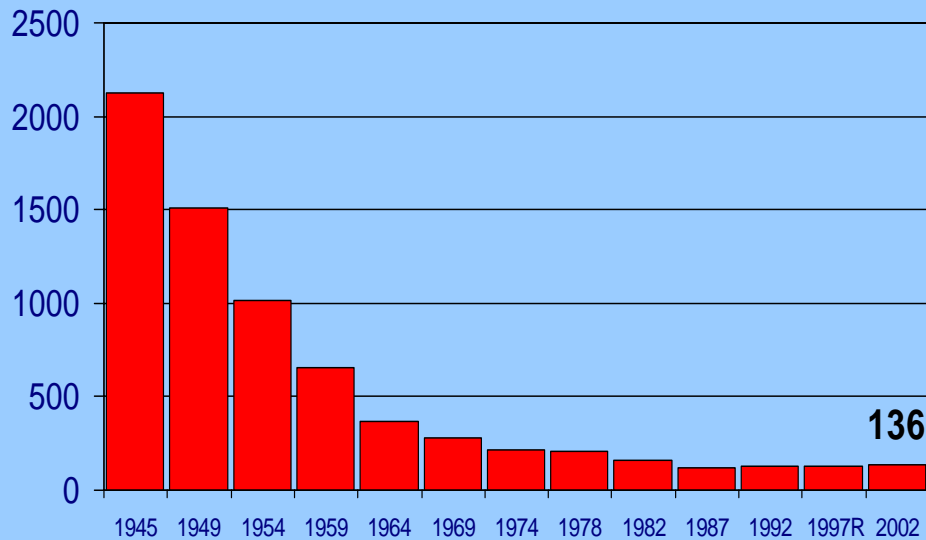
2005 Top Farm Gate Commodities



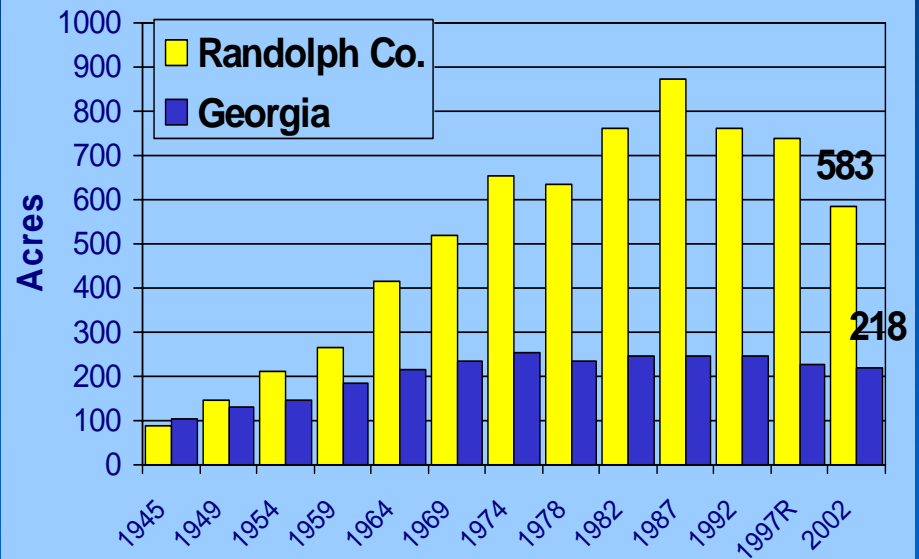
Total AG Value = \$51.3 million

Trends in Randolph County: Number of Farms & Average Farm Size

Number of Farms, Randolph County



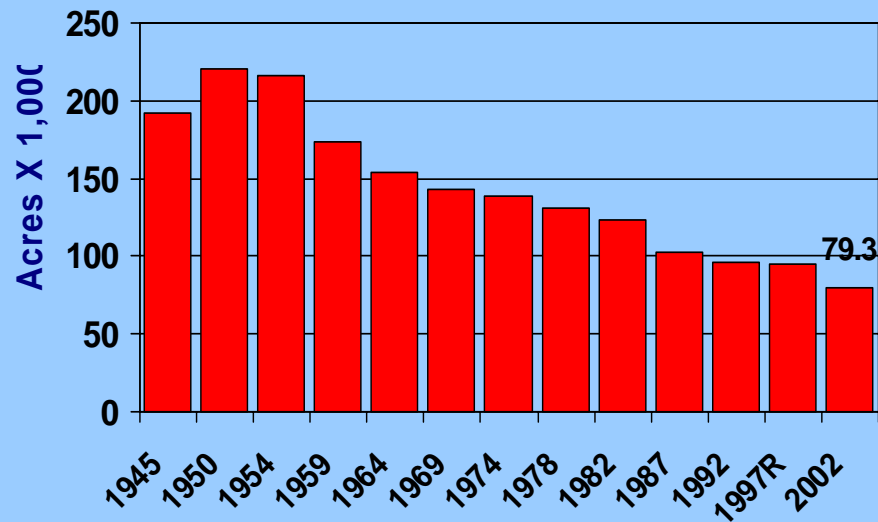
Average Farm Size



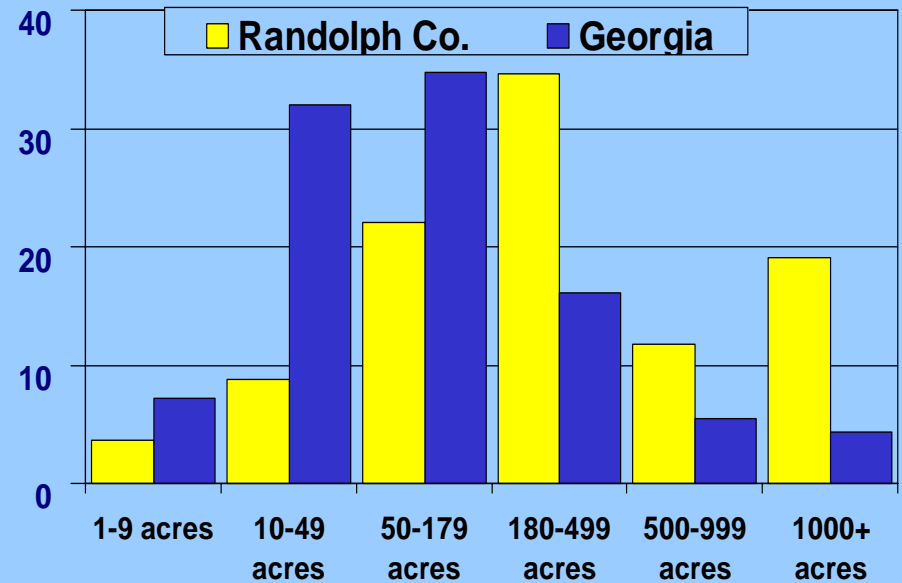
Source: 1945 2002 (quinquennial) Censuses of Agriculture

Trends in Randolph County: Land in Farms & Farms by Size

Land in Farms
Randolph County



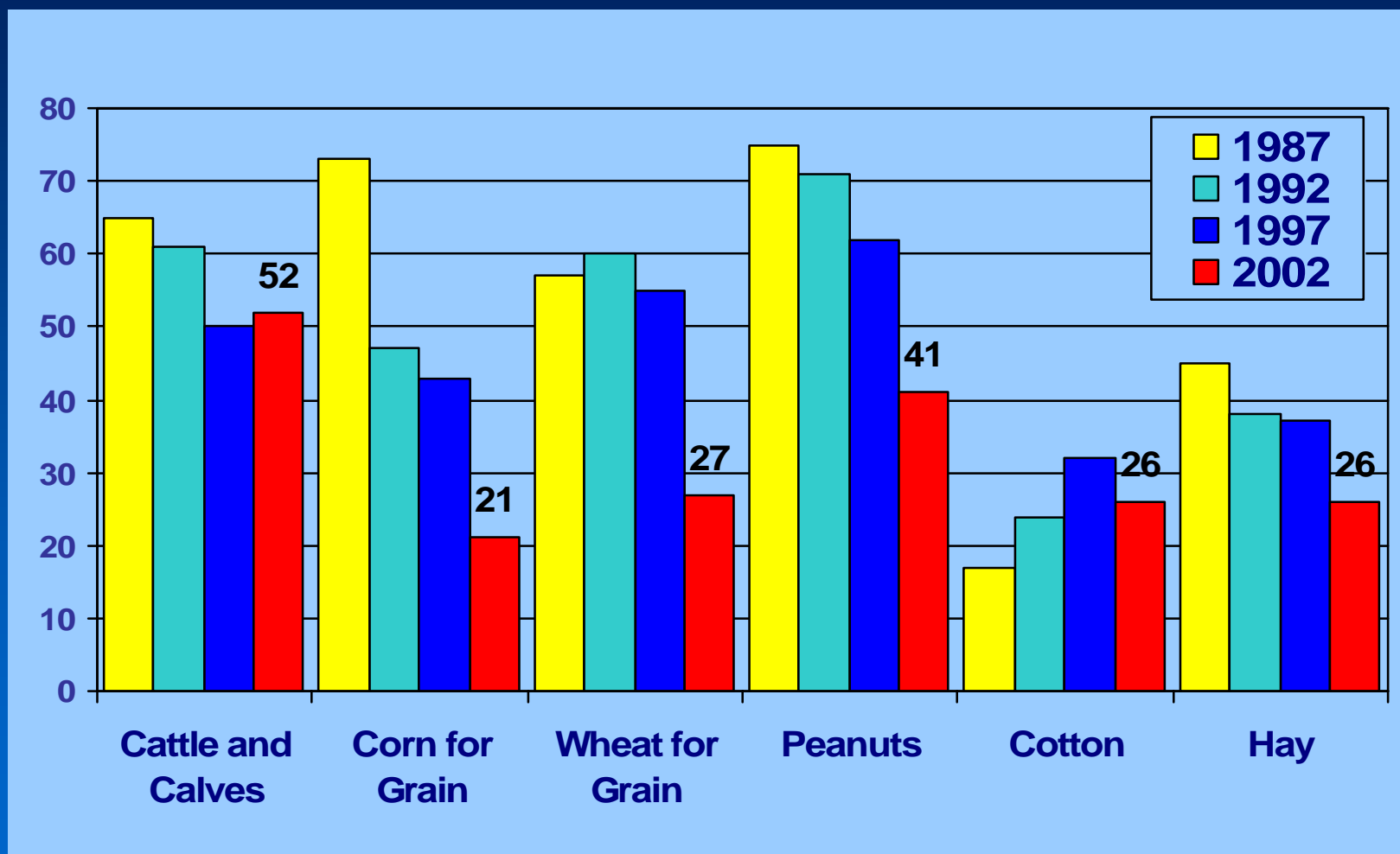
Percent of Farms by Size, 2002



Source: 1945 2002 (quinquennial) Censuses of Agriculture

Trends in Randolph County

Number of Farms by Commodity

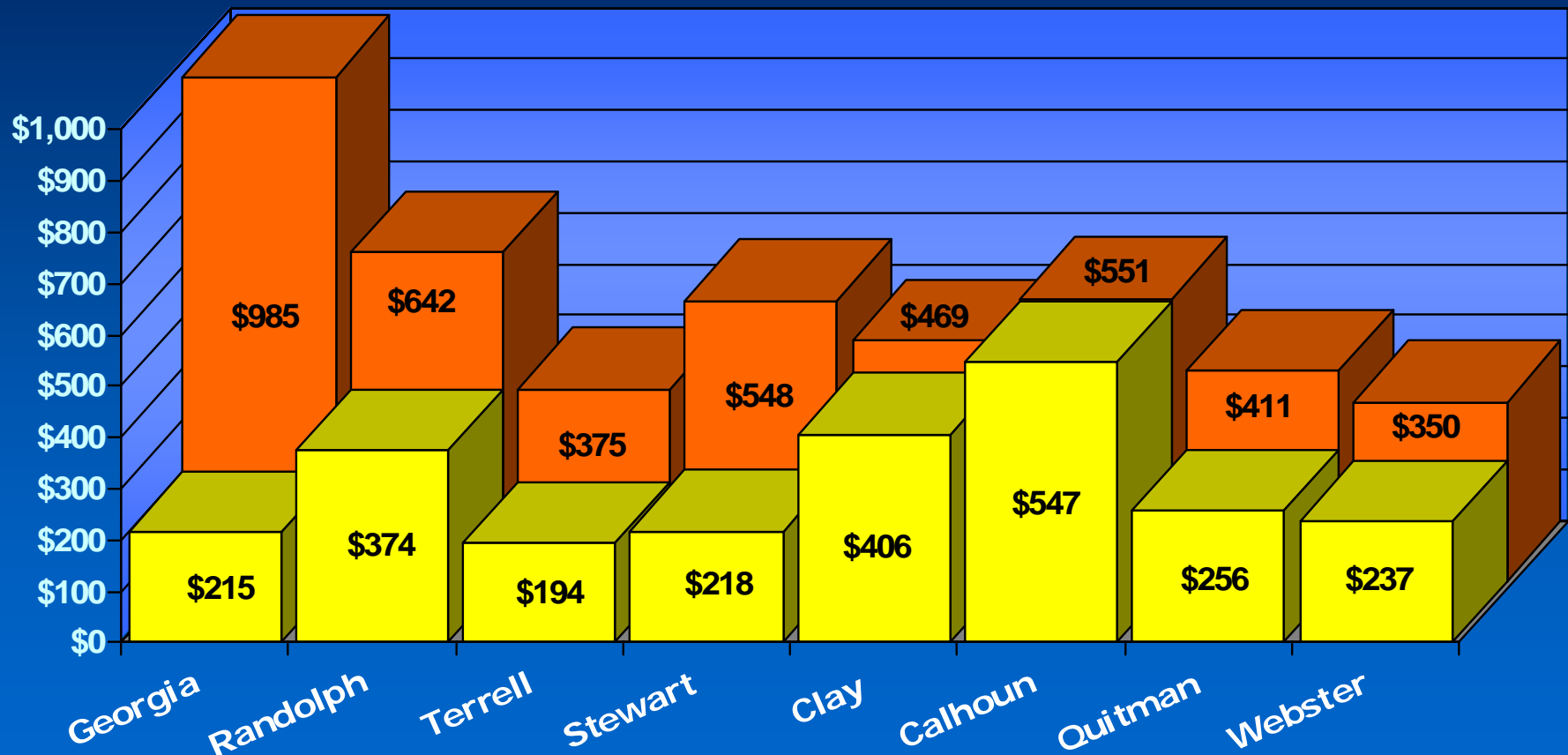


Source: 1987 2002 (quinquennial) Censuses of Agriculture

How Do We Compare ?

Georgia, Randolph and Surrounding Counties Farm Gate Value

■ \$ Per Farm (thousands) ■ \$ Per Acre



Sources: [2002 Census of Agriculture](#) and [2005 Farm Gate Value Report](#)

What We Did

- The Center for Agribusiness and Economic Development performed an analysis of the county's economy, focusing on the role of food and fiber.



What We Asked

County Economy Modeled

- 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 \$ Millions	Percent
Agriculture	51.314	17.2
Construction	8.757	2.9
Manufacturing	95.773	32.1
Trans-Utilities-Info	21.487	7.2
Trade	19.296	6.5
Finance-Ins-RE	8.002	2.7
Services	38.635	13.0
Government	54.853	18.4

Total County Economic Output = \$298.1 million

Randolph County Economy

Agriculture + Directly Related Businesses *OUTPUT*

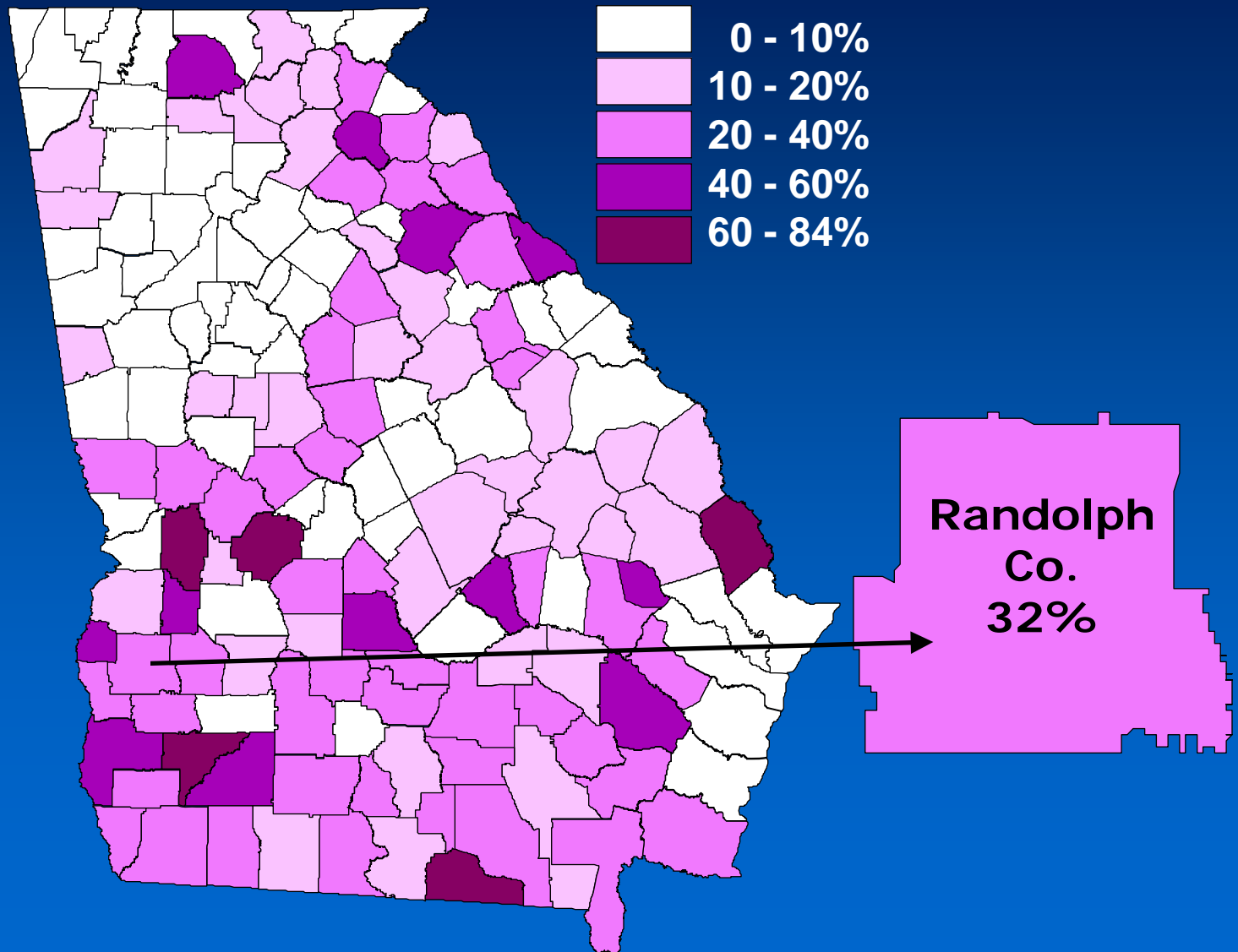
	Output in \$ Millions	Percent
<i>Agriculture + Direct</i>	95.386	32.0
Construction	8.757	2.9
Manufacturing	51.701	17.3
Trans-Utilities-Info	21.487	7.2
Trade	19.296	6.5
Finance-Ins-RE	8.002	2.7
Services	38.635	13.0
Government	54.853	18.4

Total County Economic Output = \$298.1 million

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 \$51.3 million consisting of Farm Gate Value and landscape services comprises 17.2% of the county's economy.
- AG plus directly related businesses (ex. logging, sawmills, farm machinery manufacturing, etc.) comprise 32% of the county's economy.

Food and Fiber Production, Processing and Direct Manufacturing as % of Total Output

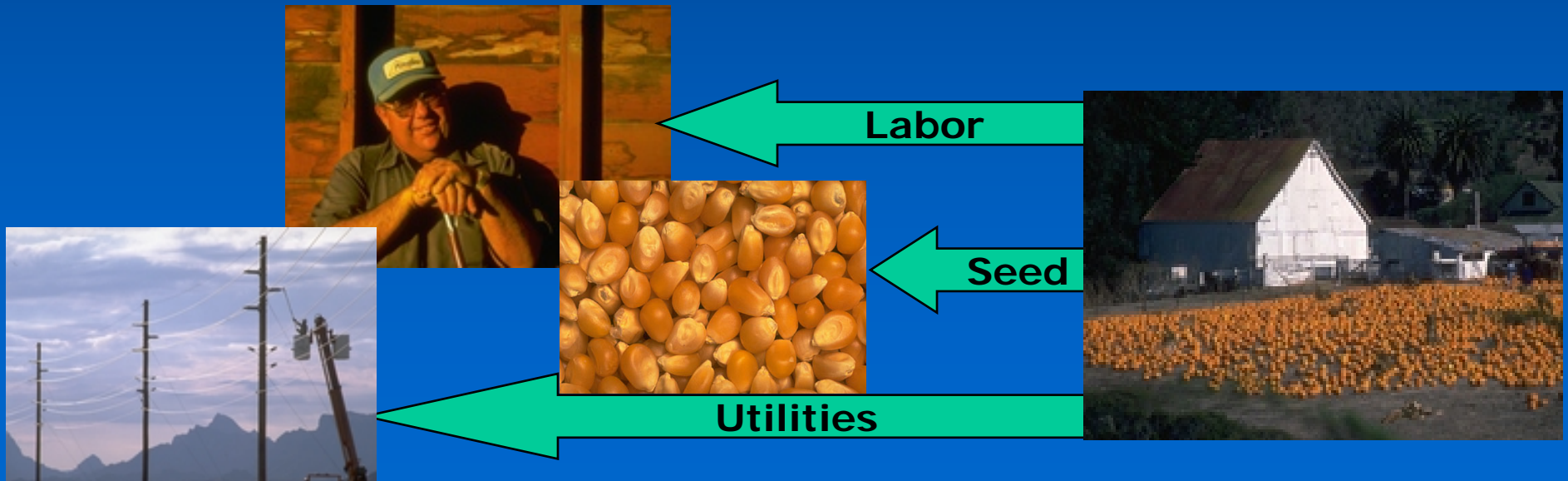


What is the Impact?

- 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.



Randolph County

Agriculture *IMPACT*

	Direct \$ Millions	Indirect \$ Millions
Agriculture	51.314	0
Construction	0	0.092
Manufacturing	0	0.306
Trans-Utilities-Info	0	1.759
Trade	0	2.084
Finance-Ins-RE	0	0.995
Services	0	2.077
Government	0	2.349
Total	51.314	9.662

Total Impact of Production AG = \$61 million – 20.5% of total economy

Randolph County

Production Agriculture + Directly Related Businesses *IMPACT*

	Direct \$ Millions	Indirect \$ Millions
Agriculture + Direct	95.386	0
Construction	0	0.129
Manufacturing	0	1.055
Trans-Utilities-Info	0	3.205
Trade	0	4.085
Finance-Ins-RE	0	1.677
Services	0	3.622
Government	0	3.477
Total	95.386	17.250

Total Impact of AG + Directly Related = \$112.6 million–37.8% of Total Economy

Randolph County

Production Agriculture + Directly Related Industries Employment *IMPACT*

	Direct	Indirect
Agriculture + Direct	692	0
Construction	0	2
Manufacturing	0	6
Trans-Utilities-Info	0	25
Trade	0	59
Finance-Ins-RE	0	17
Services	0	87
Government	0	6

Total Impact of AG + Directly Related Employment = 892 Jobs

What These Numbers Mean: A Brief Explanation

- *Direct* impact is \$95.4 million. This includes food and fiber production, processing and directly related manufacturing.
- *Indirect* impact from the Trade sector is \$4.1 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:

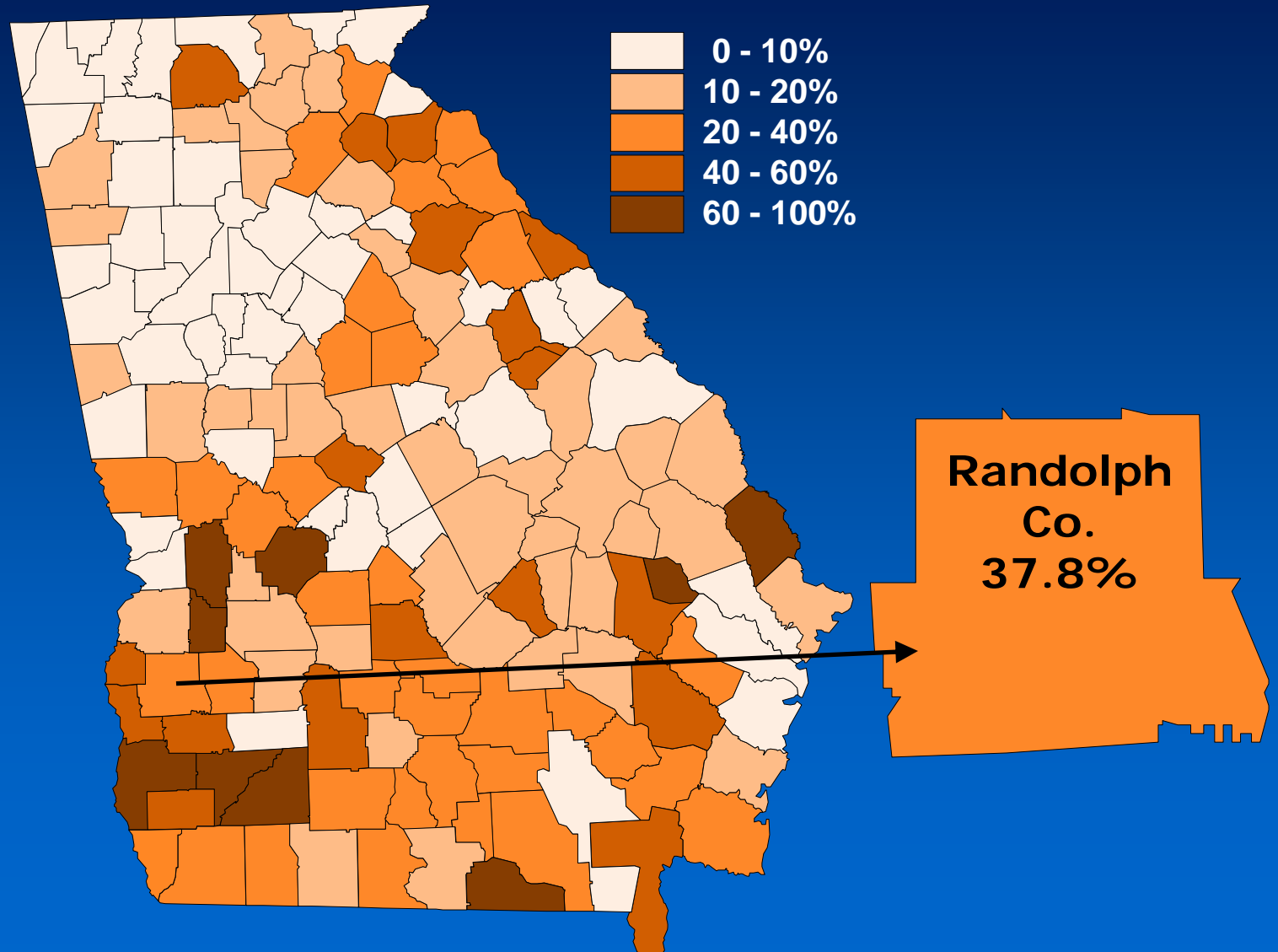
A Brief Explanation (continued)

- **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 \$112.6 million.
- The total *output* is \$298.1 million.
- Thus, food and fiber (directly and indirectly) account for 37.8% of the total output.

Food and Fiber Production, Processing and Direct Manufacturing Impact as % of Total Output



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 “Georgia Statistics System”*

**Special County Area Report
#06_21A
September, 2006**

