

Pottawatomie County

Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

6/28/2017

Using the most recent IMPLAN data available (2015) adjusted for 2017, 21 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Pottawatomie County economy.¹

These 21 sectors have a total direct output of approximately **\$252.2 million** and support **1,219.5 jobs** in Pottawatomie County. Running the model for all 21 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Pottawatomie County Economy						
Impact Type ²	Employment	% Employment	Total Value Added ³	Total Value Added % of Gross Regional Product ⁴	Output ⁵	Output % of Gross Regional Product
Direct Effect	1,219.5	7.09%	\$63,867,419	5.86%	\$252,206,522	23.14%
Indirect Effect	374.1	2.18%	\$24,144,522	2.21%	\$46,988,409	4.31%
Induced Effect	227.5	1.32%	\$11,057,929	1.01%	\$22,883,045	2.10%
Total Effect	1,821.1	10.59%	\$99,069,870	9.09%	\$322,077,976	29.54%

As shown in the above table, agriculture, food, and food processing sectors support **1,821.1 jobs**, or **10.59%** of the entire workforce in the county. These sectors provide a total economic contribution of approximately **\$322.1 million, roughly 29.54% of the economy.**

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 21 agriculture, food, and food processing sectors is approximately **\$99.1 million, or 9.09% of the GRP.** This indicates that personal income, business income, and taxes generated by these sectors account for **9.09% of the total economy.**

The following tables document the overall summary numbers of the model, top industries affected by employment and output, and a listing of all industries that were analyzed.

¹ Article on building a contribution analysis in IMPLAN that avoids double counting:

http://www.implan.com/index.php?option=com_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70

² Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

³ Value added = labor income + indirect business taxes + other property type income.

⁴ GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

⁵ Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **575.1 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Pottawatomie County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	575.1	\$63,107,982
All other crop farming	131.7	\$9,149,843
Landscape and horticultural services	130.8	\$5,285,368
Support activities for agriculture and forestry	95.5	\$8,006,438
Breakfast cereal manufacturing	93.2	\$76,816,181
Grain farming	77.4	\$26,095,837
Real estate	63.5	\$5,734,502
Wholesale trade	55.7	\$11,830,030
Veterinary services	50.3	\$4,137,180
Animal production, except cattle and poultry and eggs	36.8	\$4,420,934

The breakfast cereal manufacturing sector directly contributes approximately **\$76.8 million** to the Pottawatomie County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Breakfast cereal manufacturing	93.2	\$76,816,181
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	575.1	\$63,107,982
Grain farming	77.4	\$26,095,837
Oilseed farming	21.1	\$21,622,036
Poultry and egg production	18.8	\$14,313,167
Wholesale trade	55.7	\$11,830,030
Meat processed from carcasses	20.4	\$10,745,224
All other crop farming	131.7	\$9,149,843
Wineries	31.9	\$8,608,964
Support activities for agriculture and forestry	95.5	\$8,006,438

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Pottawatomie County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	Total Employment	Total Output
Oilseed farming	21.1	\$21,622,035.98
Grain farming	77.4	\$26,095,836.64
Vegetable and melon farming	0.2	\$49,314.16
Fruit farming	1.2	\$106,081.98
Tree nut farming	0.02	\$3,590.97
Greenhouse, nursery, and floriculture production	8.6	\$1,172,605.63
All other crop farming	131.7	\$9,149,843.22
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	575.1	\$63,107,978.82
Dairy cattle and milk production	1.5	\$531,858.74
Poultry and egg production	18.8	\$14,313,166.62
Animal production, except cattle and poultry and eggs	36.8	\$4,420,933.72
Other animal food manufacturing	1.1	\$1,508,546.11
Breakfast cereal manufacturing	93.2	\$76,816,185.00
Meat processed from carcasses	20.4	\$10,745,224.00
Bread and bakery product, except frozen, manufacturing	15.2	\$1,702,474.12
Frozen cakes and other pastries manufacturing	1.0	\$138,299.97
Coffee and tea manufacturing	1.6	\$2,339,099.17
Wineries	31.9	\$8,608,964.92
Sawmills	1.5	\$351,934.55
Veterinary services	50.3	\$4,137,179.85
Landscape and horticultural services	130.8	\$5,285,367.49

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Pottawatomie County, the retail sector was omitted.