

Target Cluster Profiles

Food Systems

Food Systems

Food Systems is an agglomeration of sectors concentrated in the cultivation, production, processing, and distribution of agricultural, food, and beverage products. In Clackamas County, crop production and food manufacturing are not necessarily related in that crops raised in Clackamas County are a large part of the manufacturing production function. However, they share a robust distribution and labor network.



NAICS 111: Crop Production

The crop production sector in Clackamas County is dominated mostly by nursery, tree, and floriculture production accounting for two-thirds of sector employment.



NAICS 311: Food Manufacturing

Food manufacturing in Clackamas County is concentrated around the production of baked goods, and frozen and prepared foods. Anchor businesses like Bob's Red Mill and Dave's Killer Bread have anchored a commercial baking sector that has led to many smaller spin-offs.



NAICS 312: Beverage Manufacturing

Clackamas County is very much a part of Oregon's commercial brewing sector, with a handful of production breweries and wineries located in the County. Non-production breweries, tap-houses, and tasting rooms are not included in this sector.

Economic Impacts (dollars in millions)

Firms in the anchor sectors of **Food Systems** employ over 5,900 employees in Clackamas County. The annual direct contribution to the local economy is **\$585 million dollars in value-added output**. Secondary effects contribute an additional 3,900 jobs and \$408 million in value-added output.

Impacts	Jobs	Labor Income	Value Added	Output
Direct	5,900	\$356.9	\$584.9	\$2,169.8
Indirect	2,700	\$183.2	\$275.1	\$514.0
Induced	1,200	\$72.6	\$133.1	\$220.1
Total	9,800	\$612.7	\$993.1	\$2,903.9

Major Employers

- Bob's Red Mill
- Dave's Killer Bread/Nature Bake
- Safeway (non-retail)
- Fred Meyer (non-retail)
- Interstate Meat Distributors
- AG Specialty Foods
- Ever Fresh Fruit
- Pacific Seafood

Food Systems

The **Food Systems** cluster relies on **68 different goods and service categories** in a production function that allows it to support over \$2.16 billion dollars in annual economic output and **\$585 million in value-added output.**

Raw food commodities and manufactured food products are the most important production inputs. Of the \$1.5 billion in commodity inputs that support this output, **47.7 percent** is cross spending within these other parts of the anchor sectors.

What commodities are important to food systems?

Gross Inputs are the goods and services that make up the production function that produces another good or service, *regardless of where these inputs are sourced.* In the **Food Systems** Cluster in Clackamas County, the top 20 inputs represent **93.5% of all production inputs.** Inputs are largely agricultural commodities like flour, meat, eggs, and poultry; temporary labor services; transportation and distribution of products, and wholesaling of grocery products and food processing equipment.

TOP SECTORS	GROSS INPUT (millions)
Crop Production	\$446.7
Food Manufacturing	\$269.1
Animal Production and Aquaculture	\$178.0
Merchant Wholesalers, Nondurable Goods	\$107.3
Truck Transportation	\$104.5
Rail Transportation	\$41.5
Paper Manufacturing	\$34.3
Professional, Scientific, and Technical Services	\$29.0
Management of Companies and Enterprises	\$28.5
Utilities	\$26.4
Support Activities for Agriculture and Forestry	\$23.9
Fishing, Hunting and Trapping	\$23.0
Plastics and Rubber Products Manufacturing	\$19.8
Real Estate	\$15.2
Fabricated Metal Product Manufacturing	\$14.8
Merchant Wholesalers, Durable Goods	\$14.6
Petroleum and Coal Products Manufacturing	\$10.5
Chemical Manufacturing	\$10.1
Insurance Carriers and Related Activities	\$9.6
Credit Intermediation and Related Activities	\$9.5

SOURCE: IMPLAN and ECONorthwest

Food Systems

Firms in the **Food Systems** sector support a broad range of other sectors within the Clackamas County economy. Across all inputs that support Food Systems, **27 percent** of production inputs are purchased within the County.



Local Absorption Rate

Inputs that are large parts of the overall production function and have high rates of local purchase are core elements of what makes up a cluster. In **Food Systems** these include:

Example Local Inputs with High Regional Purchase Coefficients (RPC)

- 87.6%** Truck Transportation Services
- 99.9%** Grocery Wholesalers
- 99.7%** Support Services for Ag. and Forestry
- 93.2%** Machinery Leasing
- 22.9%** Greenhouse and Nursery Products
- 57.7%** Flour

What commodities are sourced locally?

Regional inputs are the goods and services that make up production function but *are purchased locally within the local economy*. In the **Food Systems** Cluster in Clackamas County, the largest regional inputs include a mix of wholesale and logistics activities, real estate, utilities, and local professional and financial services.

TOP SECTORS	REGIONAL INPUT (millions)	GROSS INPUT (millions)
Merchant Wholesalers, Nondurable Goods	\$104.4	\$107.3
Truck Transportation	\$91.5	\$104.5
Support Activities for Agriculture and Forestry	\$23.8	\$23.9
Food Manufacturing	\$23.4	\$269.1
Professional, Scientific, and Technical Services	\$18.9	\$29.0
Management of Companies and Enterprises	\$15.4	\$28.5
Real Estate	\$15.1	\$15.2
Utilities	\$14.6	\$26.4
Merchant Wholesalers, Durable Goods	\$12.1	\$14.6
Crop Production	\$11.5	\$446.7
Wholesale Trade Agents and Brokers	\$8.0	\$8.3
Administrative and Support Services	\$7.8	\$9.3
Animal Production and Aquaculture	\$7.5	\$178.0
Insurance Carriers and Related Activities	\$6.7	\$9.6
Credit Intermediation and Related Activities	\$5.4	\$9.5
Rental and Leasing Services	\$5.3	\$6.0
Repair and Maintenance	\$4.6	\$4.8
Monetary Authorities-Central Bank	\$4.2	\$8.2
Waste Management and Remediation Services	\$4.2	\$4.2

SOURCE: IMPLAN and ECONorthwest