

Agriculture and Food Production

There is a growing trend towards buying locally produced food and organic products, which is benefiting the Clackamas County agriculture and food production cluster. This cluster is highly concentrated in Clackamas County and derives nearly half of its sales from customers located outside the region (domestic and foreign trade). Agriculture and food production companies in Clackamas County include: Montecucco Farms, Dave's Killer Bread, Bob's Red Mill, Puddin River Chocolates, Rose Agri-Seed, Sandy Farms, and Willamette Egg Farms. As the trend towards "buying local" increases, this cluster should continue to grow.



Economic Benefits to Clackamas County and the Region

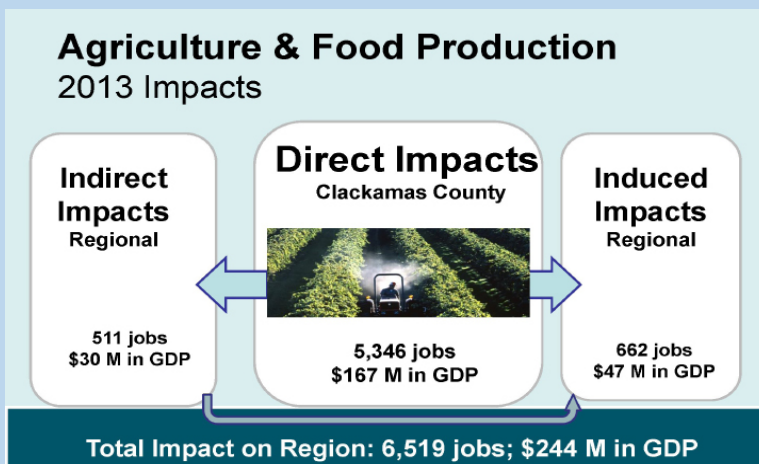
Agriculture and food production is on the rise in Clackamas County, with increasing demand for locally and organically grown food for domestic and international consumption. There are 156 agriculture and food production companies that employ nearly 5,346 workers in Clackamas County.

The agriculture and food production cluster has a strong tendency to favor Clackamas County over other regional and west coast locations, and favors Clackamas County's urban and rural industrial locations with convenient highway access. This cluster provides a large mix of entry level and management career opportunities, and is expected to grow faster than average over the coming decade. The direct economic benefit from production costs, employee compensation, and tax payments accounts for over \$167 million in value added GDP in Clackamas County, and leverages an additional \$77 million in secondary regional GDP from supply chain purchases and employee spending multipliers.

Agriculture and Food Production Cluster Current Stats for Clackamas County

- Gross Domestic Product (GDP): \$167 M
- Cluster Share of County GDP: 0.9%
- Export/Sales from Outside Region: 64%
- Direct Employment: 5,346
- County Businesses: 156
- Number of Businesses in the Top 100: 2
- 10-year Job Growth Forecast: 23%
- Cluster Location Quotient (LQ): 1.3

Source: compiled by FCS GROUP based on IMPLAN (2013), adjusted to 2015 dollars. 10-year forecast provided by the Oregon Employment Department. GDP = gross domestic product. Location Quotient (LQ) depicts relative share of this industry's contribution in Clackamas County compared to this industry's contribution in the 9-county Metropolitan Statistical Area.



Agriculture and Food Production: Annual Economic Benefits

	2010	2013
Industry Location Quotient	1.39	1.3
Contribution to County GDP	0.6%	0.9%
Business Establishments in County	135	156
Average Labor Income (per job)	\$17,258	\$17,131
Labor Income in County	\$59,780,000	\$91,580,000
Employment		
Direct Jobs in Clackamas County	3,464	5,346
Secondary Employment	856	1,173
Total Direct & Secondary Employment	4,320	6,519
Direct GDP and Output in Clackamas County		
Total GDP (Value Added)	\$104,220,000	\$167,470,000
% Traded Outside Region	n/a	64%
Output	\$272,020,000	\$302,640,000

GDP = Gross Domestic Product.

Source: Analysis by FCS GROUP. All data in this table with the exception of business establishments, are based on 2010, 2013 IMPLAN estimates. Employment reflects total jobs (full and part time workers as well as the self-employed). Estimated business establishments are derived from the Oregon Employment Department. Location quotients are based on Clackamas County's relative propensity to attract employers within this cluster in comparison to the nine-county Portland-Vancouver Metropolitan Statistical Area (MSA). Note: Dollar figures are adjusted to 2015 dollars.

Agriculture and Food Production Strategic Market Opportunities

According to the U.S. Bureau of Labor Statistics people spend approximately 10% of their gross earnings on food, and this level of spending amounts to nearly \$1.9 billion in Clackamas County and \$7.5 billion in the nine-county Portland-Vancouver region annually. There is also a significant level of food purchased by businesses, such as food processors, breweries, and restaurants within the region.

A supplemental analysis by FCS GROUP indicates that increasing the amount of local food purchases by residents within the nine-county region by 20% could generate about 105 direct jobs and increase regional GDP by \$44 million (with Clackamas County capturing 15-20% of this increase).

While this cluster represents \$167 million of the annual GDP produced by Clackamas County, the actual value of this cluster to the local and regional economy is much greater than that amount. In the book, *You Can't Eat GDP: Economics as if Ecology Matters*, author Eric Davidson points out that existing GDP is not a good indicator for measuring the value of agriculture and food production. Special environmental considerations about where and how food is obtained are probably more important to air, water, and land resources than GDP measures. While the GDP of this cluster is low, it is significant as an input to Clackamas County's food and beverage manufacturing cluster, a linkage which is also reflected in this cluster's indirect and induced impacts.



Agriculture and Food Production Cluster North American Industrial Classification System (NAICS) Categories

111: Farming and Food Production
(Excluding 1114 Nurseries and Greenhouses)

112: Animal Production, Egg Production, Ranching

114: Fishing, Hunting and Trapping

115: Support Activities for Agriculture and Forestry

3253: Fertilizer and Pesticide Manufacturing

Sample of Agriculture and Food Production Companies in Clackamas County

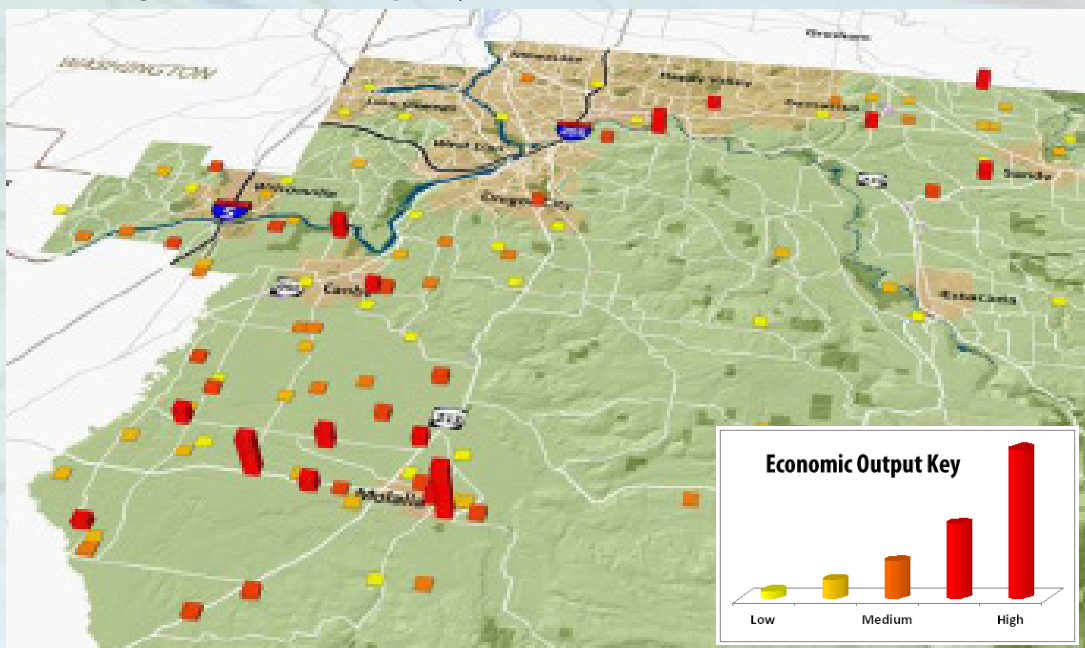
Bob's Red Mill
Cal Farms LLC
Dave's Killer Bread
Ezequiel Labor Contractor *
G F Management Company
M & A Farms
Montecucco Farms LLC
Puddin River Chocolates
Rose Agri-Seed Inc
Sandy Farms LLC
Santos Labor And Forestation
Siri & Son
Willamette Egg Farms LLC *

Source: Oregon Employment Department; FCS GROUP

* Indicates top 100 County Business Listing



Existing Agriculture and Food Production Companies in Clackamas County: Annual Regional Economic Output by Location*



* Reflects total economic output attributed to business activities measured in 2013 using the IMPLAN model for Clackamas County.

Career Opportunities

Employment in agriculture and food production is forecast to increase by the Oregon Employment Department. The leading occupations in this cluster include:

- Farm workers and Laborers
- Agricultural Equipment Operators
- Supervisors and Managers
- Tree Trimmers
- Graders and Sorters
- Truck Drivers
- Book Keeping
- Pesticide Handlers
- Packers and Packagers



Resources

Clackamas County Business & Economic Development
www.clackamas.us/business

Business Oregon
www.oregon4biz.com

Clackamas Workforce Partnership
www.clackamasworkforce.org

Oregon Farm Bureau
www.oregonfb.org

Oregon Cattlemen's Association
www.orcattle.com

State of Oregon Dept. of Agriculture
www.oregon.gov/ODA

OSU North Willamette Research and Extension Center
www.oregonstate.edu/dept/NWREC

Clackamas County Soil and Water Conservation District
www.conservationdistrict.org

Contact Information

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