

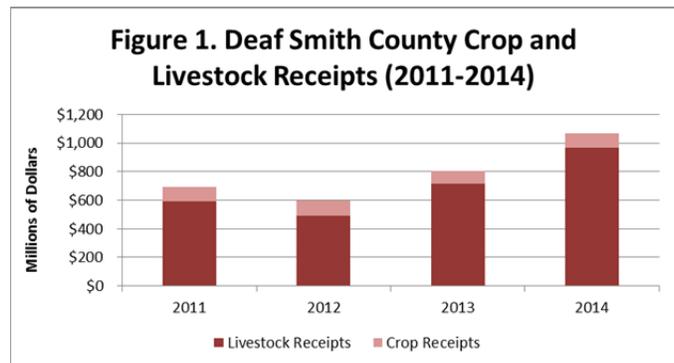
AT A GLANCE

- *Deaf Smith County's agricultural receipts exceeded \$1 billion in 2014 for the first time (Figure 1).*
- *Deaf Smith County ranks 1st in fed-beef sales and 3rd in dairy sales among all counties the U.S.*
- *Deaf Smith ranks 3rd in ensilage and 9th in wheat sales among Texas counties.*
- *Total agricultural receipts in Deaf Smith County from 2011-2014 averaged \$790 million, generating county- and state-level impacts of \$1.1 billion and \$1.6 billion, respectively (Table 1). These receipts result in Deaf Smith ranking 2nd among the 254 counties in Texas (Table 1) and 17th in the U.S.*
- *The 3,504 agricultural-related employees account for 52.3% of all private-sector employment (Table 2).*
- *This analysis does not include the impact of agriculturally related public sector employees or the 621 farm and ranch operators.*

The Impact of Agribusiness DEAF SMITH COUNTY 2015

Most of Deaf Smith County's 1,497 square miles are used for agricultural purposes with 316,799 acres in permanent pasture and another 606,733 acres in cropland. Agricultural receipts increased dramatically (\$259.9 million) in 2014 as cattle prices skyrocketed, milk prices increased and drought conditions subsided (Figure 1).

Approximately 120,000 irrigated acres provide flexibility with respect to the type of crops that can be grown in the county. Traditional crops of ensilage, corn, wheat and hay have dominated with average annual sales of \$23.9 million, \$23.5 million, \$14.5 million and \$12.7 million, respectively. Deaf Smith County ranks 3rd in ensilage and 9th in wheat sales. Food corn is another important crop with \$7.7 million in annual sales. The county ranks 2nd in total agriculture receipts among Texas's 254 counties (Table 1) and 17th among all U.S. counties in the value of agricultural products sold (2012 Census of Agriculture).

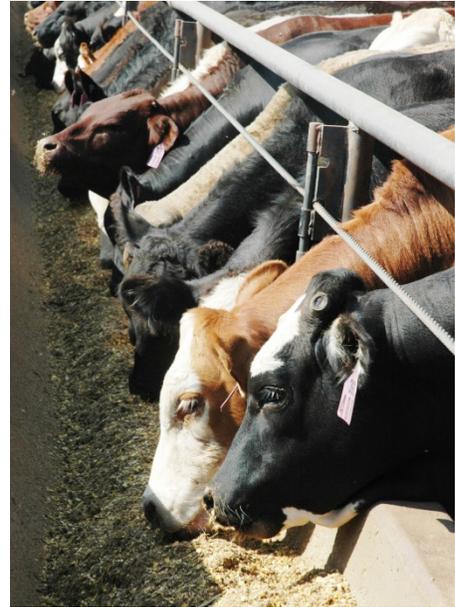


	Value (\$1,000,000)	State Rank	County Economic Impact* (\$1,000,000)	State Economic Impact* (\$1,000,000)
Crops:				
Corn	\$23.5	14	\$31.2	\$54.2
Wheat	\$14.5	9	\$19.3	\$33.5
Cotton	\$6.7	74	\$8.9	\$12.2
Sorghum	\$4.7	49	\$6.2	\$10.7
Ensilage	\$23.9	3	\$30.1	\$44.7
Hay	\$12.7	26	\$16.0	\$23.8
Other Crops	\$12.1	90	\$15.2	\$22.6
Total Crop Receipts	\$98.0	26	\$127.0	\$201.8
Livestock and Livestock Products:				
Fed Beef - Value Added	\$503.3	1	\$712.8	\$998.6
Cow-calf and Stockers	\$17.5	108	\$24.8	\$34.7
Hogs	\$0.2	24	\$0.2	\$0.2
Dairy	\$170.4	3	\$214.7	\$314.2
Other	\$0.5	111	\$0.6	\$0.7
Total L & LP	\$691.8	1	\$953.0	\$1,348.4
Other Ag-Related	\$0.2	225	\$0.2	\$0.3
Total Agricultural Receipts**	\$790.0	2	\$1,080.2	\$1,550.5

*Does not include impacts of forward-linkages through the processing sectors.

** Rounding of numbers may affect totals and prevent some commodities with low receipts from appearing in the table.

Livestock production is a critical part of the local economy, contributing \$691.8 million in value-added sales annually. Fed beef is the primary component of livestock production in the county, providing value-added sales of \$503.3 million annually in the 2011-2014 time period (Table 1). Deaf Smith County is the leading county in fed-beef production in Texas and, in fact, leads entire nation in cattle sales (2012 Census of Agriculture). The county’s dairy industry has blossomed in the last decade. Deaf Smith County now ranks 3rd among all Texas counties in dairy production, contributing \$170.4 million in sales. Cow-calf and stocker operations also contributed significantly to the economy, adding \$17.5 million in value-added production.



Of course, the direct value of agricultural production is not the only benefit to the local economy. Many production expenses are paid to local suppliers. Farmers and ranchers also spend part of their wages and profits in the county - eating at local restaurants and buying groceries, clothing, etc. In turn, the employees of these businesses purchase supplies and spend wages at local businesses. As money circulates through the economy, it multiplies the original

\$790 million in cash receipts from farm and ranch production to a total county-level economic output contribution of \$1.1 billion. A good deal of the money that is spent outside Deaf Smith County is still spent in Texas, so the farm-level production leads to a larger state-level output of almost \$1.6 billion.

Table 2. Deaf Smith County Ag-Related Employment

	Number of Employees	Annual Payroll \$1,000,000
Private Sector	2,271	\$87.30
Farm and Ranch	1,233	\$28.16
Total	3,504	\$115.46

Agribusinesses take many forms including: manufacturing, retail trade and food

*Employment estimates do not include ag-related public sector/government employees service, wholesale trade, agricultural services and transportation. A total of 2,271 people were employed in Deaf Smith County agribusinesses during 2013, with an associated payroll of \$87.3 million according to the 2013 Texas County Business Patterns publication. In addition, 1,233 people were either employed full- or part-time on local farms, ranches and confined livestock operations, earning \$28.2 million annually (2012 Census of Agriculture). It should be noted that the impact of agriculture on the Deaf Smith economy is underestimated since the economic contributions of public sector employees working in agriculture and the 621 farm and ranch operators are not considered in this analysis.



(AgEco-FS-8: Dr. Steve Amosson, Kay Ledbetter and Michelle Jones, Amarillo; Dr. Rebekka Dudensing, Ruoxi Lu and Jonathan Ellison, College Station; Dr. Bridget Guerrero, Canyon; and Rick Auckerman, Deaf Smith County. Revised August 2015)