Golden Age of Agriculture
What is Agriculture to Louisiana?

A multibillion dollar industry – creating jobs and generating income across the state

- $26 billion in food and fiber products
- $8.5 value-added
- 238,000 workers earning in excess of $5 billion
Full-time and Part-time Jobs by Food and Fiber Product Sectors, Louisiana 2009

Crop and Animal Production: 33,397
Forestry, Fishing and Related Activities: 7,271
Food Product Manufacturing: 18,125
Textile and Textile Product Mills: 19,266
Apparel Manufacturing: 6,539
Wood Product Manufacturing: 753
Paper Product Manufacturing: 1,014
Value Added Created by Food and Fiber Product Sectors, 2009 (Millions of Dollars)

- Crop and Animal Production: 937
- Forestry, Fishing and Related Activities: 1,481
- Food Product Manufacturing: 1,370
- Textile and Textile Product Mills: 484
- Apparel Manufacturing: 277
- Wood Product Manufacturing: 22
- Paper Product Manufacturing: 55
Louisiana Food and Fiber System Contribution to Parish GDP

- Blue: 20.01% - 46.51%
- Magenta: 15.01% - 20.00%
- Red: 10.01% - 15.00%
- Yellow: 5.01% - 10.00%
- Light yellow: 0.53% - 5.00%

Innovate, educate, improve lives...
Golden Age of Agriculture

LSU AgCenter

- Only Louisiana educational institution dedicated solely to research and outreach
  - Food and Fiber production
  - Nutrition
  - Health and Food Safety
  - Water Conservation
  - Economic Development
  - Youth Character Education

- Provides valuable information to improve economic conditions and quality of life
LSU AgCenter Research

To enhance the quality of life for Louisiana citizens through basic and applied research programs housed in 11 departments and 16 research stations.
LSU AgCenter Extension

Educational outreach in 64 parishes. Information supporting agricultural industries, improving the environment and providing services through 4-H, nutrition and community programs.
LSU AgCenter Highlights

- Sweet Potatoes help grow the economy
- Super Plants expand nursery, landscape industry
- Youth learn to save wetlands
- Scientists help farmers grapple with weed resistance
- MarketMaker Website helps boost small ag business
- Intellectual Property is the most successful in the LSU system
Golden Age of Agriculture

Economic Effect

- Research and extension programs support $8.5 billion dollars worth of value in food and fiber output to Louisiana economy.

- 17 parishes have 15% or more of their local economics dependent on the food and fiber product sectors.

- Every dollar invested in agricultural research generates 2.5 times that amount in direct added income to the agricultural sector in Louisiana.
Golden Age of Agriculture

Crops

- Total value of field crop agriculture was **$3.26 billion** in 2010

- LSU AgCenter Research and extension activities help sustain the economic viability of several major crops including: rice, sugarcane, cotton, soybeans, corn, wheat and sweet potatoes

- Impact Example: Rice varieties released since 1981 have increased the market value of rice by $1.3 billion with a total impact of Louisiana economy of $2.6 - $3.9 billion over that 28 year period
LSU AgCenter Rice Research has generated over $1 billion in increased market returns.

Louisiana Agricultural Experiment Station assumes responsibility of the state’s rice variety development program in 1981.

Total value of Louisiana rice yield increase from 1981-2008 equals $1.313 billion.

Source: National Agricultural Statistics Service, USDA

Innovate. Educate. Improve lives.

For the latest research-based information on just about anything, visit our website: www.lsuagcenter.com
Golden Age of Agriculture

Forestry

➢ Value of the forestry sector in 2010 was $3.1 billion

➢ Over the past 10 years, income from timber harvests has contributed millions of dollars to the economies of many parishes across Louisiana
Golden Age of Agriculture

Livestock and Poultry

- Value of livestock and poultry in 2010 was $2.6 billion

Aquaculture

- Aquaculture is a $416 million business in Louisiana
Golden Age of Agriculture

Extension Impact

- Strategically located in 64 parishes and 16 research stations to deliver research based information to Louisiana citizens.

- Over 250,000 Louisiana youth from all 64 parishes participate in 4-H programs and activities offered by the LSU AgCenter.

- Teaches life skills that help young people with career orientation, establishing good character, excellent work ethic and valuable communication skills.
Golden Age of Agriculture

Intellectual Property

➢ Since 2000, 14 new companies have been started based on licensed technology from the AgCenter.

➢ Royalties from these companies and other licensing agreements have generated more than $40 million since 1999.

➢ Royalty income at the LSU AgCenter per $ of research expenditure exceeded that of Tulane, Harvard, MIT, Georgia Tech and Johns Hopkins University in 2009.
## Top LOUISIANA agriculture exports

<table>
<thead>
<tr>
<th>Top five Louisiana Agriculture Exports, 2010*</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice</td>
<td>$333 million</td>
</tr>
<tr>
<td>Soybeans</td>
<td>$277.4 million</td>
</tr>
<tr>
<td>Cotton</td>
<td>$115.5 million</td>
</tr>
<tr>
<td>Feed grains</td>
<td>$75.9 million</td>
</tr>
<tr>
<td>Feeds and fodder</td>
<td>$34.5 million</td>
</tr>
<tr>
<td><strong>Total, top five</strong></td>
<td><strong>$836.3 million</strong></td>
</tr>
<tr>
<td><strong>All other</strong></td>
<td><strong>$76.4 million</strong></td>
</tr>
<tr>
<td><strong>Grand total</strong></td>
<td><strong>$912.7 million</strong></td>
</tr>
</tbody>
</table>

*USDA/Foreign Agricultural Service estimates

Jerry Hingle (Southern U.S. Trade Association)
More agricultural products exported from Louisiana than any other state in the nation

- Intermediate (e.g., soybean oil): 20%
- Consumer-Oriented (e.g., meat, produce): 2%
- Bulk (e.g., wheat, cotton) 78%

Source: USDA/Foreign Agricultural Service
Jerry Hingle (Southern U.S. Trade Association)
Total U.S. Exports of Food and Agriculture

2011 exports expected to reach $137 billion, highest on record

Jerry Hingle (Southern U.S. Trade Association)
U.S. Agricultural Exports by Type

Intermediate (e.g., soybean oil): 21%
Consumer-Oriented (e.g., meat, produce): 40%
Bulk (e.g., wheat, cotton): 40%

Jerry Hingle (Southern U.S. Trade Association)
Total U.S. Seafood Exports

• $4.4 billion in 2010

Jerry Hingle (Southern U.S. Trade Association)
Top markets for U.S. agriculture exports

Jerry Hingle (Southern U.S. Trade Association)
Top Seafood Exporting States

Jerry Hingle (Southern U.S. Trade Association)

Louisiana’s share
Of total U.S.
Seafood
Exports= 0.25%
Global market trends and forecasts

• **2012: U.S. exports remain at record $137 billion**
  • Weak dollar and low interest rates bolstering competitiveness of U.S. ag exports

• **Long term: World population is projected to increase 32% to 9.1 billion by 2050**
  • While rising incomes in China, India = Increased consumption of protein and vegetable oil, multiplying demand for grains and oilseeds
  • No improvements in global yields or arable land
U.S. Dollar Projected Fall Another 14% by 2020

(Weighted against the currencies of major U.S. agricultural export markets)

Indexed Value of U.S. Dollar (2005=100)

-Source: USDA, Economic Research Service; Foreign Agricultural Service

Jerry Hingle (Southern U.S. Trade Association)
“Middle Class” Outside the U.S. Expected to Double By 2020 – To 1 Billion Households

Worldwide food consumption will be impacted

Foreign households w/real PPP incomes greater than $20,000 a year

• Middle class in developing countries projected to increase 104% by 2020 vs. just 9% in developed countries in 2009

Source: Global Insight’s Global Consumer Markets data as analyzed by OGA
Jerry Hingle (Southern U.S. Trade Association)
• ... so why think internationally?

■ **U.S. agriculture industry entering a “golden age”** with all indicators showing strong demand and profits over coming decade

■ **As global demand for agricultural products soars**, the U.S. is well-equipped to meet the demand and aided by a weak U.S. dollar

■ **Because 95% of the world’s consumers are outside of the U.S.,** yet only one in 100 companies export

Jerry Hingle (Southern U.S. Trade Association)
Visit Our Website: LSUAgCenter.com