



North Carolina Agribusiness: The State's #1 Industry

Annette Dunlap, MBA
Extension Associate
Agricultural Business Management
North Carolina State University
Raleigh, North Carolina
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Program Outline

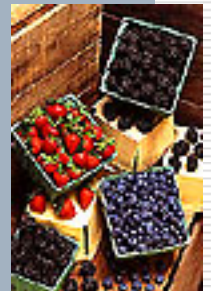
- ❑ Agribusiness overview
- ❑ Trends in NC Agribusiness
- ❑ The Economic Value of Agriculture
- ❑ Opportunities for agro-entrepreneurship
- ❑ Enabling the opportunities



The Headlines...

- ❑ **NC Google Deal Raises Questions About Negotiations Google Deals** WXII12.com

- ❑ **Report: N.C. overestimates impact of new firms**
Charlotte Business Journal - March 21, 2007

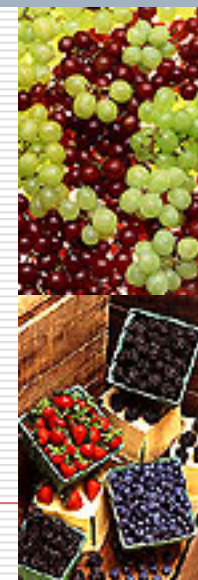




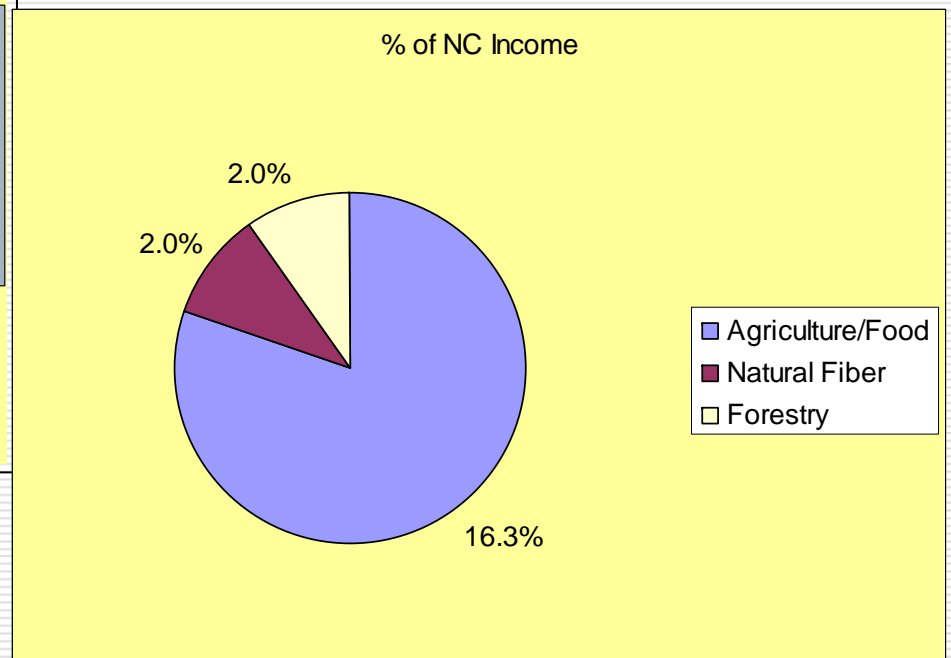
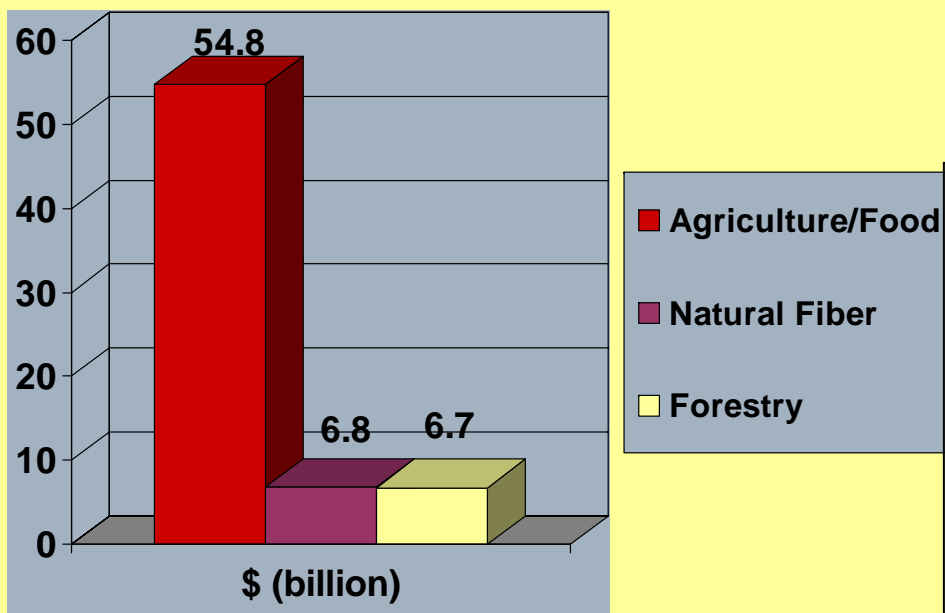
The Untold Story



**NC Agriculture is
a \$68.3 Billion
Business**

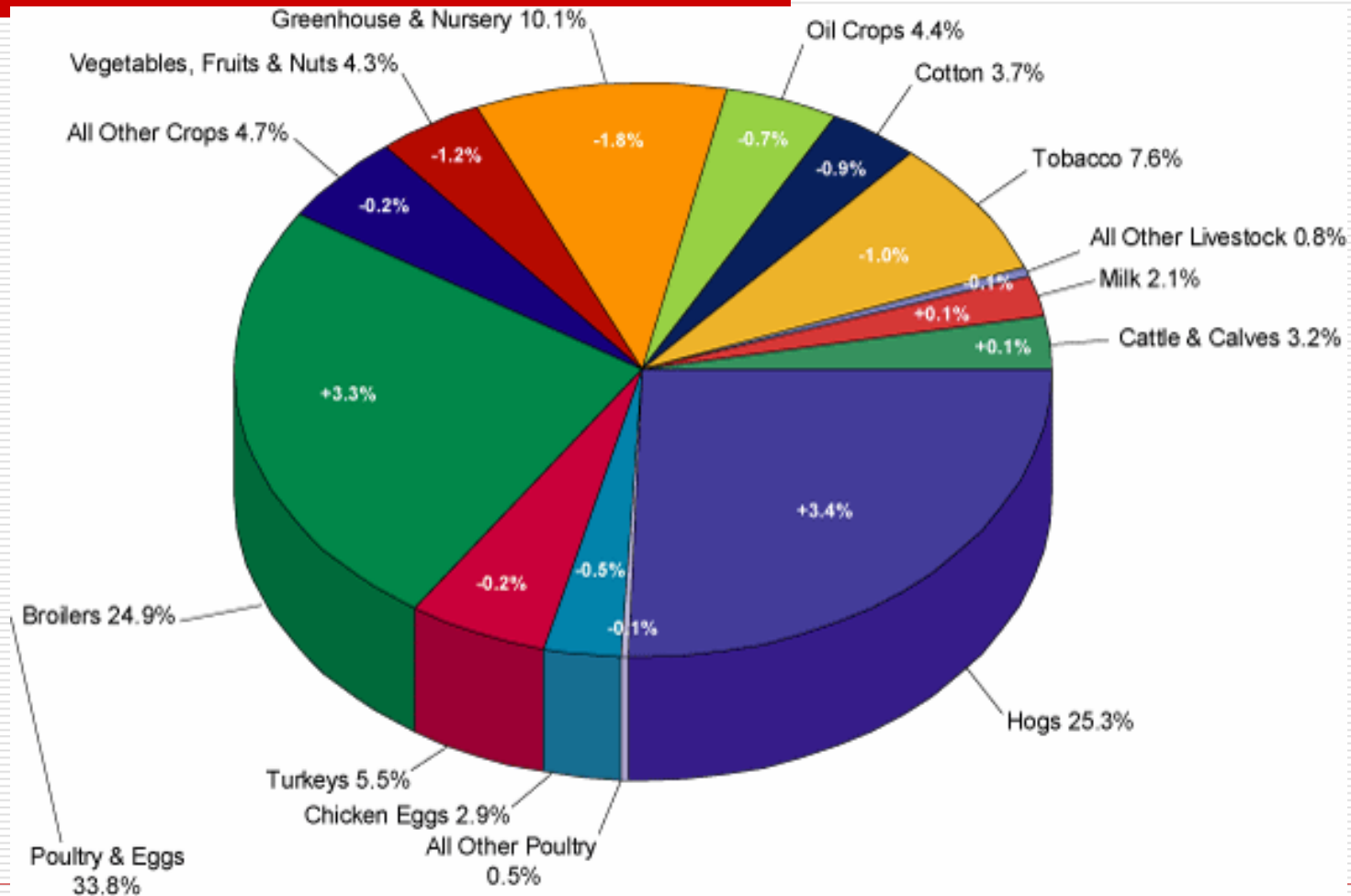


Value-Added Agricultural Income (2004 Gross State Product)



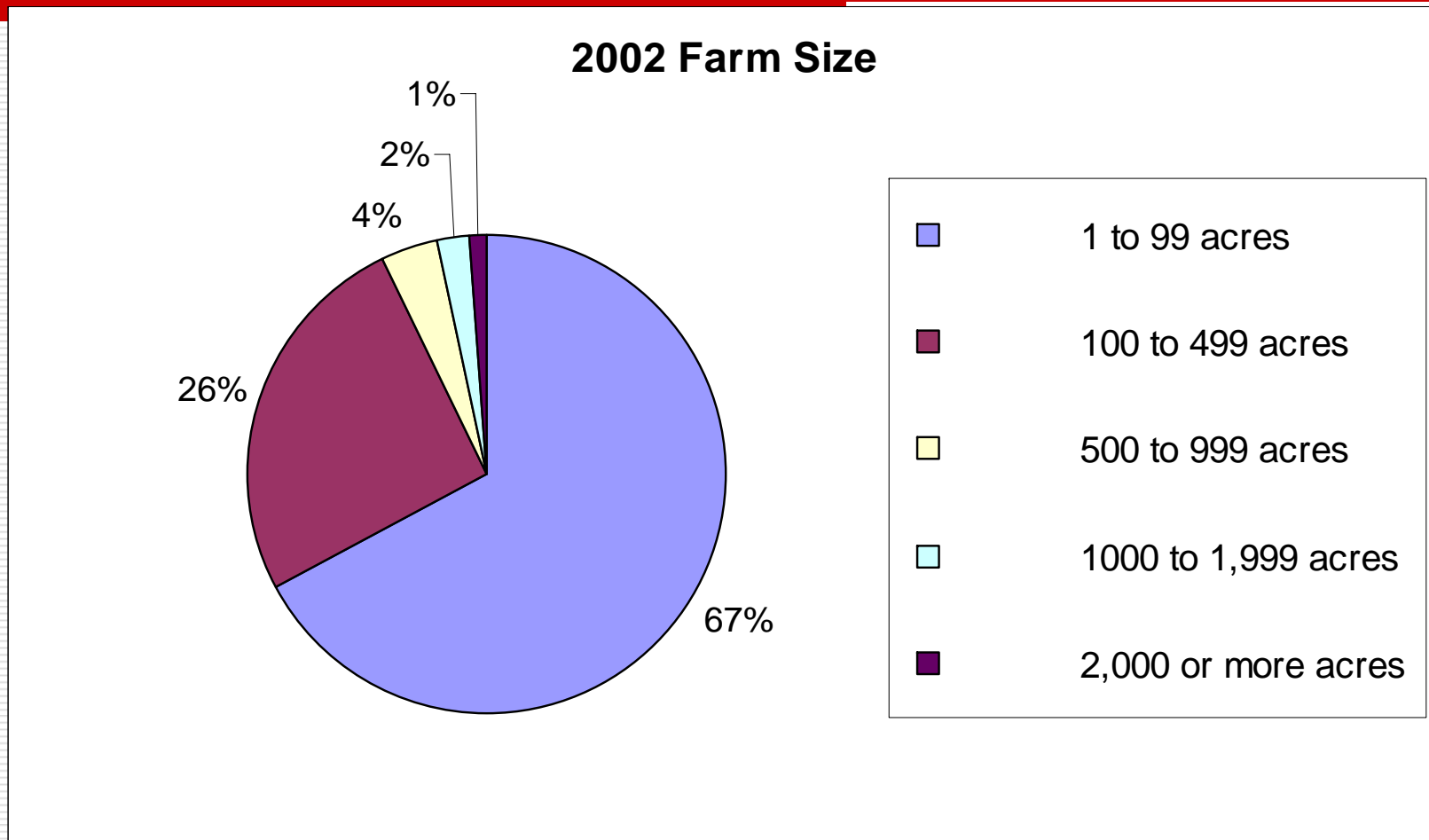
Source: Michael Walden, Ph.D., Economist, NCSU

NC Farm Income Cash Receipts



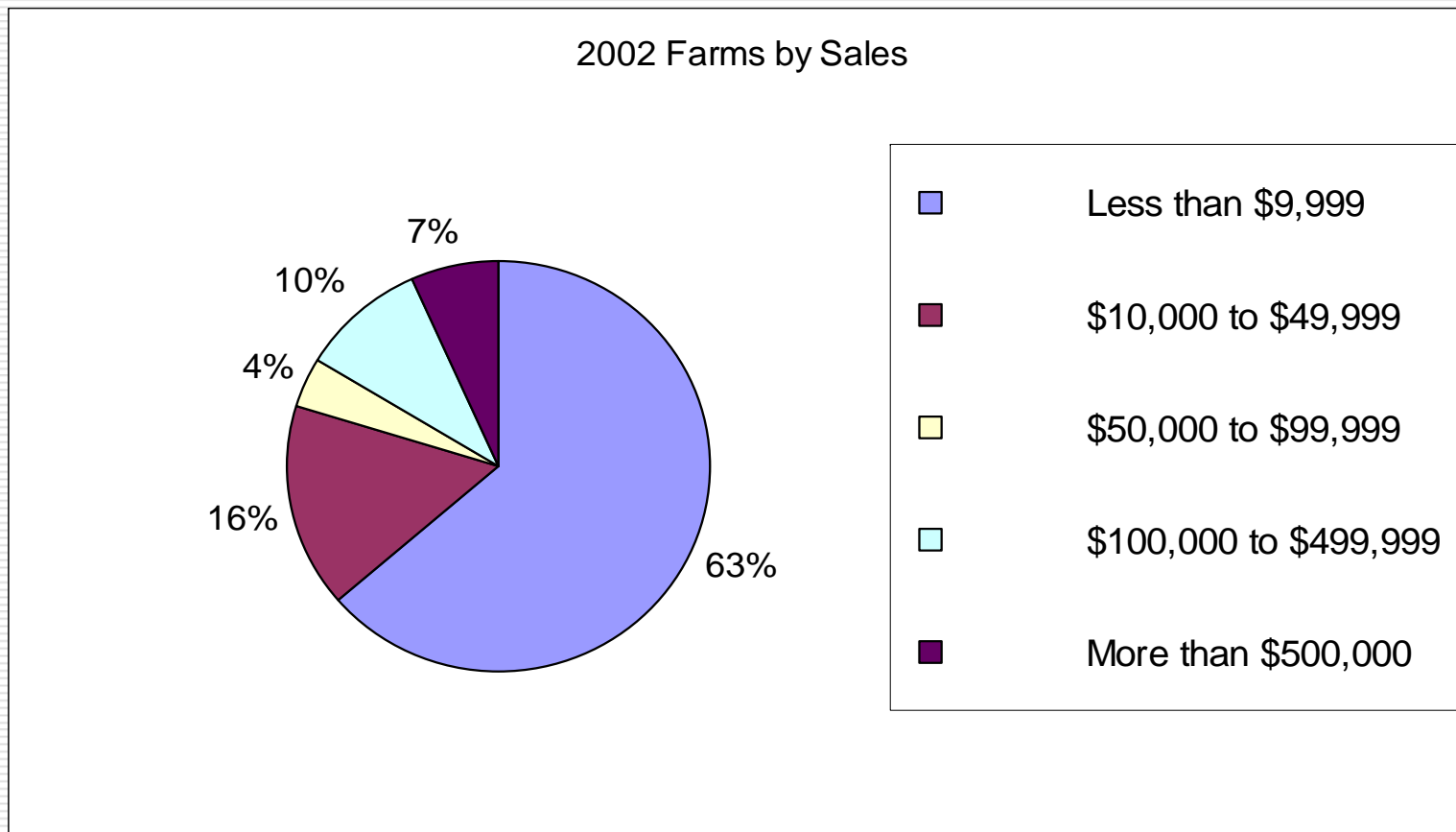
Source: NCDA&CS

NC Farm Sizes



Source: USDA Economic Research Service

NC Farms by Sales

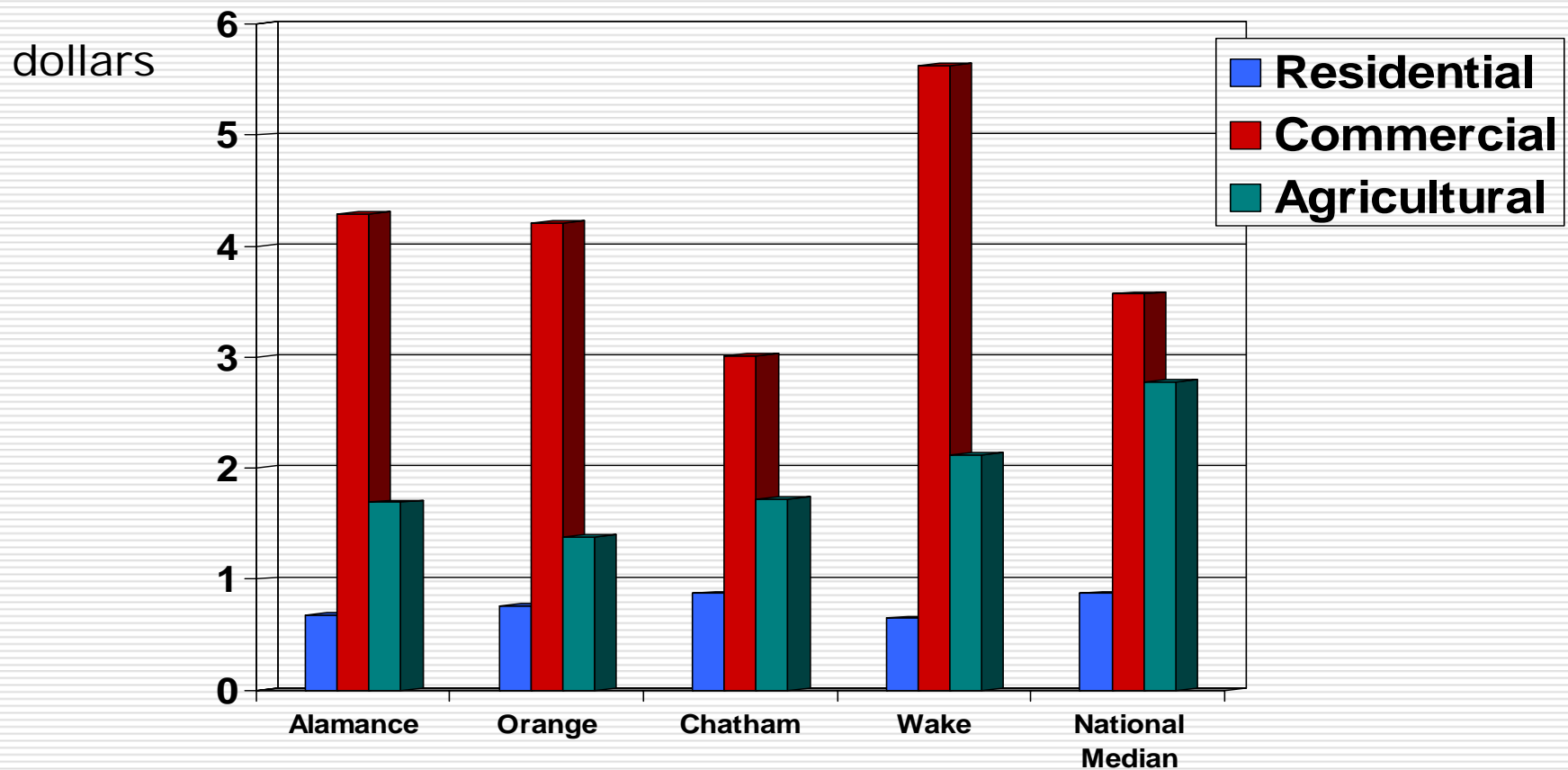


Source: USDA Economic Research Service

The Economic Questions

- (1) Do the property taxes and other revenues generated by residential land uses exceed the amount of publicly-provided services supplied to them?
- (2) Do farm and forest lands receive an unfair tax advantage when they are assessed at their actual use value instead of their potential value in residential or commercial uses?

Revenue/Expenditure Ratios



Source: Mitch Renkow, Ph.D., NCSU, updated 2007

Anticipated Trends

- ❑ Population pressures will increase demand for land and resources
- ❑ Higher income consumers will demand more quality foods
- ❑ Desire for locally-produced foods will increase
- ❑ With increasing energy costs, consumers will look for recreational opportunities closer to home



Current Value-Added & Alternative Agriculture Activities

- ❑ Development of wineries and related rural tourism activities
- ❑ Increase in pick-your-own berries operations
- ❑ Development of aquaculture
- ❑ Growth of floriculture
- ❑ Growing interest in grass-fed beef, pasture pork, free-range poultry
- ❑ Rural tourism as an added farm business profit center



Opportunities for Agro- entrepreneurship

- ❑ The “family farm” is still a reality
- ❑ Farm owners are interested in exploring entrepreneurial activities
- ❑ New forms of agriculture are gaining acceptance by both farmers and consumers



Enabling the Opportunities

- ❑ Facilitate market development with creation and support of local farmers' markets
- ❑ Support the formation of Voluntary Ag Districts to preserve agricultural activities
- ❑ Recognize and allow appropriate value-added ag tourism activities on farmland
- ❑ Support the entrepreneurial needs of small farm businesses through partnerships with Cooperative Extension, community college Small Business Centers and the Small Business & Technology Development Center



Local Initiative Considerations

- ❑ Need for low-cost capital for investment and/or expansion
- ❑ Review of relevant regulations to ensure they are protective without being prohibitive
- ❑ Create access to markets through encouraging formation of farmers' markets, co-ops and other support structures



Summary

- ❑ Agribusiness is a vital *business* in NC's counties
- ❑ Enterprises are entrepreneurial in nature
- ❑ Population pressures require support and capital for success in this type of agro-enterprise
- ❑ County support should facilitate appropriate market and economic opportunities

